STUDY ON THE OVERSEAS FILIPINO WORKER: A GENERAL PROFILE

By

Shirley Marie B. Cosalan

THESIS

Submitted to
KDI School of Public Policy and Management
in partial fulfillment of the requirements
for the degree of

MASTER OF PUBLIC POLICY

2010
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Professor Younguck KANG
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Committee in charge:

Professor Younguck KANG, Supervisor
Professor Yoon C. CHO
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ABSTRACT

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The Philippines has been an interesting topic of studies on migration. Philippine migration is largely economically motivated and temporary, thereby, the term “Overseas Filipino Worker (OFW)” is used to describe those who are employed in foreign countries through a contract with their employers. However, only a few researches involve the survey of workers in the destination countries, in this case, Korea. The researcher thought that it would be best for the study if she had primary data, thereby, conducted the survey while in Korea. This study sought to generate sufficient data on migrant workers in South Korea through interviews and questionnaires and these data were used in the descriptive analysis. The analysis on the causes of, consequences and concerns about international labor migration used data from various government agencies as well as findings from related studies. What is particularly relevant and unique about the study is that the survey has included illegal workers, most of who were personally interviewed by the researcher. Illegal or undocumented workers are those who do not have the proper or valid working visa as against the legal or documented workers. Among the several findings from this study, the researcher opted to highlight that all the respondents to the survey have entered South Korea legally but more than half of them are illegal workers. Further, most of the respondents have jobs in the Philippines before migrating to Korea. A more detailed narration and analysis of the research findings as well as policy recommendations have been discussed in this paper.
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CHAPTER 1

PHILIPPINE LABOR MIGRATION

This study discusses a profile of Filipino migrant workers and a descriptive analysis of the causes of, consequences and concerns about international labor migration using data from various government agencies as well as findings from related studies. The study of the Overseas Filipino Worker (OFW) is of relevance due to their growing number which is about 10% of the country’s total population and the social and economic effects this has brought to the Philippines. Further, a survey among OFWs in South Korea is particularly interesting in the sense that the current Employment Permit System (EPS) being implemented between both governments of South Korea and the Philippines is considered one of the more favorable arrangements struck by the Philippines with its partnering labor host countries.

1.1 Historical Background of Philippine Labor Migration

Researchers divide the history of Filipino migration into waves, each possessing a distinct character from the others. The First Wave of labor migration was in 1900’s, when thousands fled due to poverty brought about by the Philippine-American war to work in Hawaiian plantations. By 1934, there were about 120,000 Filipino workers employed in Hawaiian plantations. The First Wave was characterized by migration to the US with the option to stay there for good or to return to the country. The Second Wave is characterized by an outflow of professionals, mostly doctors, dentists, and mechanical technicians to the US. Migration was primarily induced by the desire to “look for greener pastures”. By 1975, more than 250,000 Filipinos have migrated to the US. The economic boom brought about by the dramatic increase in oil prices enabled oil-rich countries in the Middle East to pursue development projects for their countries. Scarce of manpower, the Middle East turned to the Philippines as a source of labor in the 70’s. The Philippines, in turn, was more than willing
to grab this employment opportunity, ushering the Third Wave of labor migration. Labor migration during the Third Wave is characterized by short-term contractual relationships between the worker and the foreign employer. Different from the other waves, the Third Wave saw the geometrical growth in the number of labor migrants. Seeing the high potential to increase the country’s dollar revenues, the Marcos Administration pursued a policy of encouraging deployment. During his term, the late President Marcos set-up several offices under the Department of Labor and Employment (DOLE) to regulate overseas employment. Eventually, the Philippine Overseas Employment Administration (POEA) was established as a processing and regulatory body for the deployment.

During the term of President Aquino, a more vigorous marketing strategy for Filipino Overseas employment was pursued. Working abroad was made more accessible. Marketing missions were sent abroad to look for more employers of Filipino labor. The target then was to deploy half a million Filipino workers every year.

Reports of abuses and the consequent public outrage on the exploitation of Filipino workers abroad made the Ramos Administration to rethink its policies on overseas employment. The concern for protection became more apparent. Bans were imposed and laws were passed with the objective to providing more protection for the worker. President Ramos issued a statement on May 1, 1995 saying “It is not the policy of my administration to export workers to foreign lands.” However, deployment in large numbers still continued. With this, the Medium-Term Development Plan for 1993-1998 provided as a policy and strategy for poverty alleviation and employment generation, to “Continue the overseas employment program as an alternative source of employment opportunities, provided that this does not result in an undue drain in scientific/technical expertise and locally needed and middle-level skills. The program should be strengthened through adequate strategies to ensure the dignity
and welfare of workers and their families.” President Ramos also reiterated that working overseas should be an option and not out of need.

President Estrada simply upheld the policies of his predecessor. However, a more aggressive move for overseas jobs has been adopted under president Arroyo’s administration targeting one million overseas jobs every year. In 2006, a total of 1,062,567 Filipinos have been deployed abroad, hitting that target of the current administration of deploying 1 million Filipino workers for jobs abroad. This figure is expected to continue increasing despite the economic recession being experienced globally.

1.2 Overseas Filipino Workers (OFWs): A Profile

Overseas Filipino workers or OFWs are Filipinos who are employed in foreign countries. They travel abroad to seek better opportunities in order to provide for the needs of their families in the Philippines. They are also known as “Overseas Contract Workers” (OCWs), since they work abroad through a contract with their employers. The term OFWs was officially adopted under the President Fidel Ramos administration to give recognition to millions of Filipinos who sacrifice by working in other countries. The change, replacing ‘Contract’ with ‘Filipino’ – honors these Filipino workers by pledging the Philippine government’s commitment to their welfare wherever they may be, and removing the pre-condition of possession of contract in order for Philippine consulates to come to their aid, under the Migrant Workers and Overseas Filipinos Act of 1995 (Republic Act 8042).

There are two kinds of overseas Filipino workers, those who leave the country for temporary or contractual work and those who settle permanently in the country of destination. The term Overseas Filipino Workers refer to temporary migrant workers who are classified as either land-based or sea-based workers whereas permanent migrants are called emigrants.

Although a large number of Filipinos abroad are permanent emigrants (most of them settling in the Americas), majority of them are OFWs or temporary workers (Table 1).
Table 1: Filipino Emigrants and Temporary Workers (2006-2007)

<table>
<thead>
<tr>
<th>Year</th>
<th>Registered Emigrants</th>
<th>Temporary (OFWs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>82,967</td>
<td>1,062,567</td>
</tr>
<tr>
<td>2007</td>
<td>80,599</td>
<td>1,077,623</td>
</tr>
</tbody>
</table>

Note: Data are based on the report of POEA's Labor Assistance Center (LAC) on the actual departures of overseas workers at international airports.
Source: Philippine Overseas Employment Administration (2008)

Further, jobs of the OFWs have also been categorized as either land-based or sea-based. The occupations of land-based workers cover almost all skill areas from service workers like cooks, domestic helpers or factory workers to administrative and executive workers. Sea-based work involves ship operations although a variety of occupations can be found in large passenger vessels. Table 2 shows the Philippines Overseas Employment Administration (POEA) reports that of the 1,062,567 workers deployed in 2007, 75.26% were land-based workers numbering to 811,070.

Table 2: Number of Workers Deployed (2006-2007)

<table>
<thead>
<tr>
<th>Type</th>
<th>2006</th>
<th>% share to total</th>
<th>2007</th>
<th>% share to total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land-based</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Hires</td>
<td>788,070</td>
<td>74.17</td>
<td>811,070</td>
<td>75.26</td>
</tr>
<tr>
<td>Rehires</td>
<td>317,680</td>
<td>29.90</td>
<td>313,260</td>
<td>29.07</td>
</tr>
<tr>
<td><strong>Sea-based</strong></td>
<td>470,390</td>
<td>44.27</td>
<td>497,810</td>
<td>46.20</td>
</tr>
<tr>
<td>Total</td>
<td>1,077,623</td>
<td>100.00</td>
<td>1,062,567</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Note: Data are based on the report of POEA's Labor Assistance Center (LAC) on the actual departures of overseas workers at international airports.

Figure 1 shows an overview of the fast growth of land-based and sea-based OFWs from 1974 when the government under President Marcos initiated its labor-export policy to be able to cope with the financial crisis, to 2006. Almost half of them have college degrees. Through the years, there was a notably shift from labor export of professionals such as nurses and engineers to caregivers, domestic helpers, factory workers and construction workers. A shift in the international demand for Philippine labor took place in the 1980s, indicated by a decline in the number of workers in production processes and an increase in the demand for
service workers. In the Philippines, this led to more women going abroad, mainly to work as domestic helpers or factory workers.

**Figure 1: OFWs by Occupational Type Abroad**

![Graph showing OFWs by Occupational Type Abroad]

Note:
Type 1 includes professional, technical, and related workers (as well as entertainers).
Type 2 includes managerial, executive, and administrative workers; sales workers; and agricultural, husbandry, and forestry workers, and fishermen.
Type 3 includes clerical workers.
Type 4 includes service workers.
Type 5 includes production process workers, transport equipment operators, and laborers.

It is also observed that deployment has steadily increased through the years except in 1995 whereby there was a significant decrease in number of OFWs (*Table 3*).
### Table 3: Deployment of temporary contract workers (1989-2007)

<table>
<thead>
<tr>
<th>Year</th>
<th>Land-based Workers</th>
<th>Sea-based Workers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>355,346</td>
<td>103,280</td>
<td>458,626</td>
</tr>
<tr>
<td>1990</td>
<td>334,883</td>
<td>111,212</td>
<td>446,095</td>
</tr>
<tr>
<td>1991</td>
<td>489,260</td>
<td>125,759</td>
<td>615,019</td>
</tr>
<tr>
<td>1992</td>
<td>549,655</td>
<td>136,806</td>
<td>686,461</td>
</tr>
<tr>
<td>1993</td>
<td>550,872</td>
<td>145,758</td>
<td>696,630</td>
</tr>
<tr>
<td>1994</td>
<td>564,031</td>
<td>154,376</td>
<td>718,407</td>
</tr>
<tr>
<td>1995</td>
<td>488,173</td>
<td>165,401</td>
<td>653,574</td>
</tr>
<tr>
<td>1996</td>
<td>484,653</td>
<td>175,469</td>
<td>660,122</td>
</tr>
<tr>
<td>1997</td>
<td>559,227</td>
<td>188,469</td>
<td>747,696</td>
</tr>
<tr>
<td>1998</td>
<td>638,343</td>
<td>193,300</td>
<td>831,643</td>
</tr>
<tr>
<td>1999</td>
<td>640,331</td>
<td>196,689</td>
<td>837,020</td>
</tr>
<tr>
<td>2000</td>
<td>643,304</td>
<td>198,324</td>
<td>841,628</td>
</tr>
<tr>
<td>2001</td>
<td>662,648</td>
<td>204,951</td>
<td>867,599</td>
</tr>
<tr>
<td>2002</td>
<td>682,315</td>
<td>209,593</td>
<td>891,908</td>
</tr>
<tr>
<td>2003</td>
<td>651,938</td>
<td>216,031</td>
<td>867,969</td>
</tr>
<tr>
<td>2004</td>
<td>704,586</td>
<td>229,002</td>
<td>933,588</td>
</tr>
<tr>
<td>2005</td>
<td>740,632</td>
<td>247,983</td>
<td>988,615</td>
</tr>
<tr>
<td>2006</td>
<td>788,070</td>
<td>274,497</td>
<td>1,062,567</td>
</tr>
<tr>
<td>2007</td>
<td>811,070</td>
<td>266,553</td>
<td>1,077,623</td>
</tr>
</tbody>
</table>

Source: Philippine Overseas Employment Administration (2008)

This sudden drop was caused by the policies of the Ramos administration where stricter regulations have been formulated and implemented in ensuring the welfare of the workers. Such an action came about due to grievances that have been aired by a significant number of OFWs regarding problems of maltreatment, terrible working and living conditions, lower pay being received by them in contrast to what has been stated in their work contracts, passports being illegally held by employers and even increasing cases of unexplained deaths while at the work place (Table 4).
Table 4: Number of Welfare Cases, January to September (1994)

<table>
<thead>
<tr>
<th>Nature</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Female/Male ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall (number)</td>
<td>9,368</td>
<td>3,021</td>
<td>6,347</td>
<td>2.1</td>
</tr>
<tr>
<td>Overall (percent)</td>
<td>100%</td>
<td>32%</td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>Maltreatment</td>
<td>1,419</td>
<td>546</td>
<td>873</td>
<td>1.6</td>
</tr>
<tr>
<td>Delayed or non-payment of salaries</td>
<td>1,272</td>
<td>565</td>
<td>707</td>
<td>1.2</td>
</tr>
<tr>
<td>Contract violations</td>
<td>1,373</td>
<td>691</td>
<td>682</td>
<td>0.9</td>
</tr>
<tr>
<td>Physical abuse</td>
<td>187</td>
<td>6</td>
<td>181</td>
<td>30.0</td>
</tr>
<tr>
<td>Rape and sexual abuse</td>
<td>15</td>
<td>0</td>
<td>15</td>
<td>N/a</td>
</tr>
<tr>
<td>Sexual harassment</td>
<td>330</td>
<td>0</td>
<td>330</td>
<td>N/a</td>
</tr>
<tr>
<td>Health problems</td>
<td>42</td>
<td>13</td>
<td>29</td>
<td>2.2</td>
</tr>
<tr>
<td>Mental Illness</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>N/a</td>
</tr>
<tr>
<td>Other</td>
<td>3,769</td>
<td>694</td>
<td>3,075</td>
<td>4.4</td>
</tr>
</tbody>
</table>


In Asia, the favorite OFW destinations were Hongkong and Taiwan where Korea has followed close by (Table 5).

Table 5: Deployment of OFWs by Top Ten Destinations (2006-2007)

<table>
<thead>
<tr>
<th>Destinations</th>
<th>2006</th>
<th>% share to total</th>
<th>2007</th>
<th>% share to total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Saudi Arabia</td>
<td>223,459</td>
<td>28.4</td>
<td>238,419</td>
<td>29.4</td>
</tr>
<tr>
<td>2. United Arab Emirates</td>
<td>99,212</td>
<td>12.6</td>
<td>120,657</td>
<td>14.9</td>
</tr>
<tr>
<td>3. Hong Kong</td>
<td>96,929</td>
<td>12.3</td>
<td>59,169</td>
<td>7.3</td>
</tr>
<tr>
<td>4. Qatar</td>
<td>45,795</td>
<td>5.8</td>
<td>56,277</td>
<td>6.9</td>
</tr>
<tr>
<td>5. Singapore</td>
<td>28,369</td>
<td>3.6</td>
<td>49,431</td>
<td>6.1</td>
</tr>
<tr>
<td>6. Taiwan</td>
<td>39,025</td>
<td>5.0</td>
<td>37,136</td>
<td>4.6</td>
</tr>
<tr>
<td>7. Kuwait</td>
<td>47,917</td>
<td>6.1</td>
<td>37,080</td>
<td>4.6</td>
</tr>
<tr>
<td>8. Italy</td>
<td>25,413</td>
<td>3.2</td>
<td>17,855</td>
<td>2.2</td>
</tr>
<tr>
<td>9. Brunei</td>
<td>9,461</td>
<td>1.2</td>
<td>14,667</td>
<td>1.8</td>
</tr>
<tr>
<td>10. Korea</td>
<td>13,984</td>
<td>1.8</td>
<td>14,265</td>
<td>1.8</td>
</tr>
<tr>
<td>11. Others</td>
<td>172,490</td>
<td>21.9</td>
<td>180,379</td>
<td>22.2</td>
</tr>
<tr>
<td>Land-based Total</td>
<td>788,070</td>
<td></td>
<td>811,070</td>
<td></td>
</tr>
</tbody>
</table>

Source: Philippine Overseas Employment Administration, 2008
Italy is also a favored country destination by the OFWs in the European region. In the past, Japan was a top favorite destination in Asia. Noticeably though, it has not been listed in the recent years. This must be due to the strict entry policies and a more rigid crackdown on illegal workers.

Although the Middle East remains to be the top country of destination, the USA, was consistently the main source of remittances (Table 6). In 2007, US$ 8,244,349,000 were received in remittances from the USA.

Table 6: Overseas Filipinos’ Remittances by Source (in’000 US$)

<table>
<thead>
<tr>
<th>Source</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>894,310</td>
<td>918,329</td>
<td>1,172,373</td>
<td>1,496,120</td>
<td>1,543,180</td>
</tr>
<tr>
<td>Americas</td>
<td>4,370,705</td>
<td>5,023,803</td>
<td>6,605,231</td>
<td>7,198,212</td>
<td>8,244,349</td>
</tr>
<tr>
<td>Oceania</td>
<td>44,470</td>
<td>42,600</td>
<td>54,573</td>
<td>85,610</td>
<td>121,418</td>
</tr>
<tr>
<td>Europe</td>
<td>1,040,562</td>
<td>1,286,130</td>
<td>1,433,904</td>
<td>2,061,067</td>
<td>2,351,691</td>
</tr>
<tr>
<td>Middle East</td>
<td>1,166,376</td>
<td>1,232,069</td>
<td>1,417,491</td>
<td>1,909,208</td>
<td>2,172,417</td>
</tr>
<tr>
<td>Africa</td>
<td>11,371</td>
<td>3,439</td>
<td>4,546</td>
<td>10,272</td>
<td>16,027</td>
</tr>
<tr>
<td>Others</td>
<td>50,664</td>
<td>44,001</td>
<td>887</td>
<td>819</td>
<td>846</td>
</tr>
</tbody>
</table>

Source: DES-Banco Sentral ng Pilipinas (2008)

Remittances were sent through formal channels such as banks and non-formal channels such as the door-to-door system (Table 7). The data shows that OFWs prefer to send their remittances through the formal channels.

Table 8 shows that male workers remit more than female workers. For male workers, the overall average remittance in 2007 was 96,000 pesos while that for females was 51,000 pesos.

Table 7: Overseas Filipinos’ cash remittances coursed through formal and informal channels

<table>
<thead>
<tr>
<th>Year</th>
<th>Through banks (formal channels) 1/</th>
<th>Through non-banks or informal channels</th>
<th>Global total (banks plus non-banks) 2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>6,031</td>
<td>1,690</td>
<td>7,721</td>
</tr>
<tr>
<td>2002</td>
<td>6,886</td>
<td>1,721</td>
<td>8,607</td>
</tr>
<tr>
<td>2003</td>
<td>7,579</td>
<td>1,514</td>
<td>9,093</td>
</tr>
<tr>
<td>2004</td>
<td>8,551</td>
<td>1,710</td>
<td>10,261</td>
</tr>
<tr>
<td>2005</td>
<td>10,689</td>
<td>1,603</td>
<td>12,292</td>
</tr>
<tr>
<td>2006</td>
<td>12,761</td>
<td>1,276</td>
<td>14,037</td>
</tr>
<tr>
<td>2007</td>
<td>14,450</td>
<td>506</td>
<td>14,956</td>
</tr>
</tbody>
</table>
Refers to cash remittances coursed through the formal financial channels, including commercial banks, thrift banks, foreign exchange corporations, and offshore banking units. Refers to cash remittances coursed through formal and informal channels. Source: Bangko Sentral ng Pilipinas (2008)

Table 8: Total remittances and average remittances per year 2003 to 2007 Survey on Overseas Filipinos

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of OFWs</td>
<td>(in 1,000)</td>
<td>890</td>
<td>751</td>
<td>667</td>
<td>450</td>
</tr>
<tr>
<td>Total Remittances</td>
<td>(in million pesos)</td>
<td>74,158</td>
<td>66,063</td>
<td>54,731</td>
<td>42,159</td>
</tr>
<tr>
<td>Average remittance</td>
<td>(in thousand pesos)</td>
<td>96</td>
<td>99</td>
<td>96</td>
<td>93</td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. of OFWs</td>
<td>(in 1,000)</td>
<td>857</td>
<td>764</td>
<td>660</td>
<td>439</td>
</tr>
<tr>
<td>Total remittances</td>
<td>(in million pesos)</td>
<td>35,648</td>
<td>35,901</td>
<td>30,684</td>
<td>22,553</td>
</tr>
<tr>
<td>Average remittance</td>
<td>(in thousand pesos)</td>
<td>51</td>
<td>57</td>
<td>58</td>
<td>51</td>
</tr>
</tbody>
</table>

Details may not add up due to rounding off. Source: National Statistics Office–Survey on Overseas Filipinos (various years)

With regard to the geographic distribution of OFWs, the latest data showed that overseas workers came disproportionately from the National Capital Region and the Southern Tagalog Region which are adjacent to Metro Manila, the center of recruitment activities (Table 9). The Ilocos Region, which is a “traditional” migrant sending region due to the Ilocanos recognized as first official overseas workers, has remained to be on the top five regions of origin for OFWs.

Table 9: Top Five OFWs Regions of Origin

<table>
<thead>
<tr>
<th>Philippine Region</th>
<th>Temporary Migrants (2007 only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. National Capital Region (NCR)</td>
<td>76,916</td>
</tr>
<tr>
<td>2. Southern Tagalog (CALABARZON and MIMAROPA)</td>
<td>72,011</td>
</tr>
<tr>
<td>3. Central Luzon</td>
<td>46,321</td>
</tr>
<tr>
<td>4. Western Visayas</td>
<td>43,332</td>
</tr>
<tr>
<td>5. Ilocos Region</td>
<td>28,740</td>
</tr>
</tbody>
</table>

Source: Philippine Overseas Employment Administration and Overseas Workers Welfare Administration (2008)
1.3 Causes of International Migration

The factors underlying economically motivated international migration are: demand-pull factors like demand for expatriate labor arising from the oil boom in the Gulf region; supply-push factors such as demographic transition; and network of friends and relatives already settled in destination countries who serve as sources of information and anchor communities for newcomers. Migration is also influenced by the dynamic interplay of socio-economic, political and historical factors and globalization. These emphasize global trade, economic expansion and the forging of economic links between nations, as well as the close relationships between flows of people, and capital, commodities and technology (Martin, UNCRD, 1994; Sassen, 1994; Castles, 1994).

In Asia, a factor causing the expansion of labor mobility is the widening disparity among groups of Asian countries. Labor sending countries are characterized by high rates of population and labor force growth (e.g. Pakistan, Bangladesh, and Philippines), whereas labor receiving countries have undergone demographic transition and are experiencing serious labor shortages exacerbated by aging (Wickramasekara:OECD 1996).

The Philippines is one of the largest suppliers of a variety of workers for overseas employment. The economy deploys professionals and technical worker including doctors, engineers, nurses, teachers, and IT specialists all over the world. On the other hand, semi-skilled workers are also deployed including technicians, production workers, caregivers, entertainers, domestic workers, and many others. Inadequate domestic employment opportunities as well as the higher compensation package abroad exert a pull on many of educated workers to seek overseas employment (Macaraeg, 2005).

Most Filipinos go abroad with the hope of getting ahead economically and socially. Several studies have identified the factors contributing to the overseas exodus of Filipino workers. Among these factors are: rapid population growth, geographic distribution in urban
areas, unemployment and underemployment, uneven development among regions in the country, labor oversupply, sparse and depressed industrialization, social class reasons, inflation, income disparity and international wage disparities (Go, 1996; Madigan and Pagtolun-an, 1990; Gonzalez, 1998; Carino, 1992; Vasquez, 1992).

In this section, the primary causes of Filipino migration that will be discussed will be limited to unemployment and underemployment, high population growth rate, and low domestic wages and international wage differentials.

1.3.1 Unemployment and Underemployment

“The number of unemployed people in the globe has now reached a record-high of more than 200 million, compared to 150 million 12 years ago. Underemployment, now reaches more than 1.5 billion even as the global crisis threatens to slash more livelihood from both labor-exporting and labor-importing countries.” (Labog, 2008).

There is a strong push from developing countries to further liberalize the labour market for many beneficial economic reasons. Vietnam Prime Minister Pham Van Khai said that “Sending laborers to work abroad is one of Vietnam's major efforts to settle issues of employment, especially for young people,” It is young, largely unskilled laborers that the government is targeting for export. Joblessness is becoming an increasing concern for this country of 77 million people. MOLISA says that unemployment rose to 7.4 percent last year, from 6.8 percent in 1998 (Asian Times, 2000).
<table>
<thead>
<tr>
<th>Year</th>
<th>Labor Force Participation Rate (%)</th>
<th>Total Labor Force (in ‘000)</th>
<th>Employed (%)</th>
<th>Unemployed (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>-</td>
<td>08,539</td>
<td>93.7</td>
<td>6.3</td>
</tr>
<tr>
<td>1965</td>
<td>-</td>
<td>10,322</td>
<td>92.8</td>
<td>7.2</td>
</tr>
<tr>
<td>1970</td>
<td>-</td>
<td>11,358</td>
<td>92.4</td>
<td>7.6</td>
</tr>
<tr>
<td>1975</td>
<td>-</td>
<td>14,142</td>
<td>96.1</td>
<td>3.9</td>
</tr>
<tr>
<td>1980</td>
<td>-</td>
<td>15,900</td>
<td>92.1</td>
<td>7.9</td>
</tr>
<tr>
<td>1985</td>
<td>63.4</td>
<td>21,329</td>
<td>88.9</td>
<td>11.1</td>
</tr>
<tr>
<td>1990</td>
<td>64.5</td>
<td>24,525</td>
<td>91.9</td>
<td>8.1</td>
</tr>
<tr>
<td>1995</td>
<td>65.6</td>
<td>28,040</td>
<td>91.6</td>
<td>8.4</td>
</tr>
<tr>
<td>2000</td>
<td>64.3</td>
<td>30,908</td>
<td>89.9</td>
<td>10.1</td>
</tr>
<tr>
<td>2001</td>
<td>67.5</td>
<td>33,361</td>
<td>90.2</td>
<td>9.8</td>
</tr>
<tr>
<td>2002</td>
<td>66.2</td>
<td>33,674</td>
<td>89.8</td>
<td>10.2</td>
</tr>
<tr>
<td>2003</td>
<td>67.1</td>
<td>35,120</td>
<td>89.8</td>
<td>10.2</td>
</tr>
<tr>
<td>2004</td>
<td>66.5</td>
<td>35,629</td>
<td>89.1</td>
<td>10.9</td>
</tr>
<tr>
<td>2005</td>
<td>64.8</td>
<td>35,494</td>
<td>92.6</td>
<td>7.4</td>
</tr>
<tr>
<td>2006</td>
<td>64.0</td>
<td>33,185</td>
<td>92.7</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Source: National Statistics Office

In Table 10, unemployment rate of the Philippines was at its lowest in 1975 with 3.9%. This was the year after the implementation of the 1974 Labor Code under President Marcos’ administration. However, the unemployment rate reached its peak at 11.1% after ten years in 1985. As of 2006, this remained to be the highest unemployment rate so far since 1960. The double-digit unemployment rate again came about only in 2000, after the Asian financial crisis in 1997. Latest data show that unemployment rate in 2006 is at 7.3%.

The country’s labor force is also highly underutilized. Employed persons who express the desire to have additional hours of work in their present job or to have additional job, or to have a new job with longer work hours are considered underemployed. Although the underemployment rate as of July 2009 is lower at 19.8% compared to that of July 2008 at 21%, the rate remains high; that is, one out of five employed workers is underemployed (Table 11).
Table 11: Results from July 2009 Labor Force Survey (LFS)

<table>
<thead>
<tr>
<th></th>
<th>July 2009</th>
<th>July 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population 15 years and over (in '000)</td>
<td>59,512</td>
<td>58,119</td>
</tr>
<tr>
<td>Labor Force Participation Rate</td>
<td>64.6</td>
<td>64.3</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>92.4</td>
<td>92.6</td>
</tr>
<tr>
<td>Unemployment Rate (%)</td>
<td>7.6</td>
<td>7.4</td>
</tr>
<tr>
<td>Underemployment Rate (%)</td>
<td>19.8</td>
<td>21.0</td>
</tr>
</tbody>
</table>

Notes: 1/ Estimates for July 2009 are preliminary and may change.
2/ Population 15 years and over is from the 2000 Census-based population projections.
Source: National Statistics office

Since the domestic economy cannot absorb the increasing number of new entrants to the labor force, this created a large amount of surplus labor. Some of these unemployed and underemployed workers join the large number of Filipinos who search for jobs abroad. This also explains why even professionals and college degree holders such as nurses and teachers end up working as entertainers, domestic helpers or factory workers abroad.

1.3.2 Low Domestic Wages and Wage Differentials

Most international migrants in Asia are motivated by the prospect of earning higher wages overseas (Smart et al. 1986). As long as potential foreign earnings exceed local wages (after subtracting costs of movement and job placement), workers are likely to respond to higher foreign wage rates by engaging in labour migration to one of the region’s core migrant-receiving countries (Abella, 1988). Low earning capacity and unemployment contribute to the widening income gap between the rich and the poor. The Philippines has one of the worst income disparity records in Asia where the rich are very rich and the poor are very poor. According to a World Bank report in 1998, there was a significant increase in income inequality in the mid-1990’s with the Gini coefficient increasing from 0.45 to 0.5 in inequality in three years. The factors underlying these increases are: first, the incomes of the richest ten percent of the population grew faster than the incomes of the rest of the population; second, “core” poverty in rural areas appear to have been largely untouched (six
rural regions accounted for about 60% or rural poverty in 1991); and third, urban-rural differences in standard of living have widened. In the Philippines, it is estimated that the richest families control 30% of GNP (Gonzalez, 1998). The old landed elite (Spanish and mestizo families) has both political and economic power while the Filipino-Chinese control about 30% of the top 50 corporations in the country although they make up only about 1% of the population. Most of the Filipinos therefore, are motivated to go abroad with the hope of financial gains and social upgrade (Pinches, 1996; Tiglao, 1993).

1.3.3 Population Growth

Rapid population growth is one of the factors contributing to emigration pressures. The population of the Philippines is one of the highest in Southeast Asia and is projected to consistently remain among the bracket of having the highest population rate for a long time. (Table 12 and Table 14). At present, the Philippine population stands at 88 million and is projected to grow to 94 million in 2010 (Table 13). The current population growth rate is 2.04% which is relatively high considering the labor absorptive capacity of the economy.

From 1995 to 2000, the Philippine population grew at an annual rate of 2.36% which was reduced to 2.04% from 2000 to 2007 due mainly to serious government-sponsored birth control and responsible parenthood programs. However, the opposition of the Catholic Church, the lack of political will and cultural factors have hindered successful implementation of population control programs.
Table 12: Population Census

<table>
<thead>
<tr>
<th>Region</th>
<th>Total Population</th>
<th>Annual Population Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>68,616,536</td>
<td>76,504,007</td>
</tr>
<tr>
<td>NCR</td>
<td>9,454,040</td>
<td>9,932,560</td>
</tr>
<tr>
<td>CAR</td>
<td>1,254,838</td>
<td>1,365,412</td>
</tr>
<tr>
<td>Region 1</td>
<td>3,803,890</td>
<td>4,200,478</td>
</tr>
<tr>
<td>Region 2</td>
<td>2,536,035</td>
<td>2,813,159</td>
</tr>
<tr>
<td>Region 3</td>
<td>7,092,191</td>
<td>8,204,742</td>
</tr>
<tr>
<td>Region 4A</td>
<td>7,750,204</td>
<td>9,339,618</td>
</tr>
<tr>
<td>Region 4B</td>
<td>2,033,271</td>
<td>2,298,229</td>
</tr>
<tr>
<td>Region 5</td>
<td>4,325,307</td>
<td>4,686,669</td>
</tr>
<tr>
<td>Region 6</td>
<td>5,776,938</td>
<td>6,211,038</td>
</tr>
<tr>
<td>Region 7</td>
<td>5,014,588</td>
<td>5,706,953</td>
</tr>
<tr>
<td>Region 8</td>
<td>3,366,917</td>
<td>3,610,355</td>
</tr>
<tr>
<td>Region 9</td>
<td>2,567,651</td>
<td>2,831,342</td>
</tr>
<tr>
<td>Region 10</td>
<td>3,197,059</td>
<td>3,505,708</td>
</tr>
<tr>
<td>Region 11</td>
<td>3,288,824</td>
<td>3,676,163</td>
</tr>
<tr>
<td>Region 12</td>
<td>2,046,966</td>
<td>2,222,169</td>
</tr>
<tr>
<td>ARMM</td>
<td>2,362,300</td>
<td>2,803,045</td>
</tr>
<tr>
<td>CARAGA</td>
<td>1,942,687</td>
<td>2,095,367</td>
</tr>
</tbody>
</table>

This frame on POPCEN 2007 versus projections shows that 2007 actual population count and 2007 PGR are close to the projected estimates. 2007 Population Projection count at the national level is lower than the projected estimate (medium assumption) by a few hundreds. 11 of 17 regions reported lower count in the 2007 POPCEN than the projected estimates and the difference is a few hundreds except ARMM.

Source: Commission on Population
Since the 2007 POPCEN results show proximity to the projected population estimates, medium assumption, POPCOM has prepared population projections in single year interval for the period 2008-2015. This summary of population projections are lifted from the 2000 Census-based Population Projections prepared by NSO and approved by NSCB Resolution No. 7 on February 8, 2006 for use in planning and programming purposes.

### Table 14: Country Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Area (km²)</th>
<th>Population (2009 est.)</th>
<th>Density (/km²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brunei</td>
<td>5,765</td>
<td>400,000</td>
<td>69.4</td>
</tr>
<tr>
<td>Burma</td>
<td>676,578</td>
<td>50,020,000</td>
<td>73.9</td>
</tr>
<tr>
<td>Cambodia</td>
<td>181,035</td>
<td>14,805,000</td>
<td>81.8</td>
</tr>
<tr>
<td>East Timor</td>
<td>14,874</td>
<td>1,134,000</td>
<td>76.2</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,904,569</td>
<td>229,965,000</td>
<td>120.7</td>
</tr>
<tr>
<td>Laos</td>
<td>236,800</td>
<td>6,320,000</td>
<td>26.7</td>
</tr>
<tr>
<td>Malaysia</td>
<td>329,847</td>
<td>27,468,000</td>
<td>83.3</td>
</tr>
<tr>
<td>Philippines</td>
<td>300,000</td>
<td>91,983,000</td>
<td>306.6</td>
</tr>
<tr>
<td>Singapore</td>
<td>697</td>
<td>4,737,000</td>
<td>6,796.3</td>
</tr>
<tr>
<td>Thailand</td>
<td>513,120</td>
<td>67,764,000</td>
<td>132.1</td>
</tr>
<tr>
<td>Vietnam</td>
<td>331,210</td>
<td>88,069,000</td>
<td>265.0</td>
</tr>
</tbody>
</table>

Source: Wikipedia.org
With regard to regional distribution, about 19 million or 22% of the total population is concentrated in the National Capital Region (NCR) and the provinces near Metro Manila (Regions 3 and 4). Many Filipinos have been flocking urban areas particularly the NCR in search for job opportunities but this has worsened the employment situation and has contributed to the problems of overcrowding, traffic congestion, inadequate housing, environmental concerns, inadequate health services and the presence of squatters and slum areas. According to the World Bank, the absolute size of annual increase in the Philippine population and the labor force will remain very large for a long time and the poor capacity of the economy to absorb is likely to guarantee the continued outflow of workers.

1.4 Consequences of Migration

1.4.1 Recruitment and Employment Promotion

Contract migration is seen as a mechanism to help break the vicious cycle of underdevelopment in which poverty is both cause and effect, through employment and foreign exchange earnings. Increased employment leads to greater income, which generate higher savings for investments whereas increased foreign exchange earnings lead to better access to investment funds and assets for capital expenditures and thus more employment opportunities (Vasquez, 2002). It appears that rate of employment generation from contract migration has been substantial. However, overseas contract migration and emigration may not be enough to curb high unemployment rates. Nonetheless, without contract migration, unemployment levels will be much higher.

On the other hand, high unemployment figures indicate that labor shortages will not be a problem even if the present rate of contract migration increases, except maybe for highly specialized and professional occupations that are lacking in the country. However, the recruitment process for migrations is highly selective of workers who are younger, better
educated, more experienced and highly skilled. Some studies reveal that majority of migrant workers were employed in the Philippines prior to departure.

1.4.2 Remittances

Remittances contribute largely to the country’s foreign exchange. In 2008, the total remittances reported was US$ 16.4 Billion which was an increase of 13.7% from the previous year. These amounts are underestimated considering that many workers remit through unofficial channels.

Foreign exchange earnings from overseas contract workers have contributed greatly in the balance of payments of the country and have helped to cushion the impact of deficits in the trade balance. This is not to mention the already obvious increase in family income bringing about increased social status in the community and greater educational and health benefits it gives member of the family recipients.

1.4.3 Return and Skills Transfer

It is commonly assumed that migration facilitates skills and technology transfer as workers move from lower to higher technology levels. Further, emigration is believed to positively influence education through teachers and other educators who have studied abroad. However, in the Philippines, many workers are actually being de-skilled. Highly educated OFWs increasingly seek long term contracts and extension, returning to the Philippines only for retirement. Many Filipino professionals who migrated to the USA, Australia and Canada settle there permanently.

1.5 Concerns of Migration

Abuses and exploitation, undocumented migration, high migration costs being charged by agencies and other individuals who act as brokers for foreign employers are just some of the problems that beset migrant workers. This is aside from the homesickness,
broken families, and many other social problems that come about from absence of guidance from parents.
CHAPTER 2: FILIPINO WORKERS IN SOUTH KOREA

2.1 A SURVEY ON FILIPINO WORKERS IN SOUTH KOREA

This survey was conducted with the aim of assessing the economic and social situation of Filipino workers in Korea. Although there are some research papers on Filipino migrants in Korea, very few studies and surveys of the so-called undocumented workers have been undertaken. The initial target respondents of this survey were illegal workers living at the countryside. However, the pilot area was later expanded to include workers with visas including those with spouses of Korean nationals. This survey questionnaire (*Appendix A*) was floated to respondents in late 2006 to January of 2007 while the researcher was about to finish her academic classes and has even used the same collected data in a couple of school case studies. An in-depth interview of key informants was also done to verify some of the information and data gathered. Not included in the survey were those who live far from the main residential areas and those not personally known by the contact persons.

Because of the small sample size of this survey relative to the total number of Filipino workers, general conclusions cannot be drawn from the results. However, the findings may serve as input for future studies and may be useful to government and non-government organizations responsible in implementing policies and programs for the welfare of Filipino workers in Korea.

There are two groups of respondents in this study; the legal workers and the illegal workers. The main difference between the two groups lies in the validity of their visas while working abroad. Legal workers are those who hold a proper working visa or have valid status of residence. The illegal workers are those who do not have the proper visa or status of residence, or who have overstayed their entry visa.
2.2 Areas Covered by the Survey Questionnaire

A. Demographic Characteristics

1. Age
2. Civil Status
3. Gender
4. Education
5. Household Size
6. Distribution by Region

B. The Motivation to Migrate

1. Decision to Work Overseas
2. Presence of Relatives Abroad
3. Countries Where Family Members are Located
4. Employment Status Prior to Migration
5. Occupation in the Philippines
6. Reasons for Migration

C. The Migration Process

1. Manner in which Overseas Job was Obtained
2. Status of Residence upon Entry
3. Current Status of Residence

D. Work Situation in Korea

1. Occupation in Korea
2. Length of Stay in Korea
3. Wages and Working Hours
4. Job Mobility/ Change in Employer
5. Reasons for Change in Employer
6. Work Problems

E. Economic Benefits

1. Remittances
2. Skill Acquisition

F. Others

1. Perception about Life in Korea
2. Worker’s Awareness of Government and Non-Government Programs
3. Worker’s Availment of Government and NGO Programs
4. Respondent’s Comments and Suggestions Regarding the Survey

2.3 A Profile of the Respondents

1. Age, Gender, Marital Status

Most of the migrant workers in this survey are young and of prime working age. It is relevant to note that all respondents are beyond the age of 21 years which is generally the age when a person obtains a college degree in the Philippines. Further, a college degree holder is more likely to land a white-collar job as against one who holds a blue-collar job. In a way, this situation supports other similar studies that many OFWs are professionals. With regard to marital status, more than half (61%) of the respondents were married (Table 15).

Table 15: Matrix of Respondents by Age, Gender, Status

<table>
<thead>
<tr>
<th>Total # of OFWs</th>
<th>AGE (years)</th>
<th>Gender</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25-34</td>
<td>35-44</td>
<td>45&amp;up</td>
</tr>
<tr>
<td>28</td>
<td>26</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

It has also been noted that all male workers except one (1) belonged to the age group 25-34 years of age. This means that almost all male workers are at their productive years.

2. Household Size and Position

The average family size in the Philippines is 5.1 according to estimates by the National Statistics office.
Table 16: Matrix of Respondents Household Size/Position

<table>
<thead>
<tr>
<th>Total # of OFW</th>
<th>Household Size (people)</th>
<th>Household Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-5</td>
<td>5-up</td>
</tr>
<tr>
<td>28</td>
<td>25</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Head</td>
<td>Spouse</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Child</td>
<td>9</td>
</tr>
</tbody>
</table>

In this survey, 89% of the respondents have a household size falling under the 1-5 size bracket. (Table 16) Extended families are still common in the Philippines especially in the rural areas where children continue to live with their parents even after marriage.

3. Educational Attainment

Generally, Filipino overseas workers are highly educated. Many Filipino domestic helpers in Hongkong and Singapore have college degrees and are generally better educated than their counterparts from other Asian countries. A comparison of demographic characteristics of different national-origin groups of migrants in the USA in 1980 showed that 36.5% of migrants in the Philippines had a schooling of 16 years or more, which is higher than immigrants from the United Kingdom, Korea, Canada and Mexico (Borjas, 1990).

In a country with large income differentials as the Philippines, education and migration are seen as vehicles for getting ahead economically and socially. Past studies on migration have shown that remittances have been spent primarily on basic necessities and education.

Table 17: Matrix on Education of OFW Respondents

<table>
<thead>
<tr>
<th>Total No. of Respondents</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High School</td>
</tr>
<tr>
<td>28</td>
<td>5</td>
</tr>
</tbody>
</table>

In table 17, more than half (54%) of the respondents were college graduates, 29% have finished vocational courses, while 17% were high school graduates. It has been learned that some of these workers are teachers or accountants, while others were working as drivers, cashiers, sales managers, or even office workers while in the Philippines.
However, due to economic constraints such as low salaries, these employed workers still decide on finding jobs in Korea. Also, the decision to leave the country is said to be a personal decision by the majority of the respondents although some of them say that their families are aware and have been consulted of their choices to work in Korea.

5. Distribution of Workers by Region

A survey by the Overseas Filipinos by the NSO showed that most migrants come from the National Capital Region (NCR), Regions 3 and 4. The urban provinces of Regions 3 and 4 are located near the capital, Metro Manila, which is the center of recruitment activities. Interestingly, all three regions are high-income regions in the Philippines, which also have high unemployment rates. The movement from rural to urban areas have contributed to the high unemployment rates in Metro Manila and the surrounding areas. Consequently, workers who cannot find jobs in the cities leave for work overseas.

Table 18: Matrix on Respondents by Regions of Origin

<table>
<thead>
<tr>
<th>Total Number of Respondents</th>
<th>Region of Origin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cordillera Administrative Region (CAR)</td>
</tr>
<tr>
<td>28</td>
<td>11</td>
</tr>
</tbody>
</table>

The highest proportion of respondents to this survey however, come from the Cordillera Administrative Region (CAR), a predominantly agricultural region in the northern Philippine highlands. Compared to the main source regions cited above, the CAR has a relatively low unemployment rate although many farmers are underemployed because of low productivity in agriculture. The Cordillera, however, is one of the high-income regions in the country.
6. Entry Visa and Status of Residence

The survey shows that all workers (100%) entered Korea legally either as tourists or with trainee visas under the Employment Permit System (EPS). Only one of the respondents entered Korea legally as a spouse to a Korean national.

Table 19: Matrix on Entry Visa and Status of Residence

<table>
<thead>
<tr>
<th>Number of OFW Respondents</th>
<th>Entry Visa</th>
<th></th>
<th>Residence Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tourist</td>
<td>Trainee</td>
<td>Others</td>
</tr>
<tr>
<td>28</td>
<td>9</td>
<td>18</td>
<td>1</td>
</tr>
</tbody>
</table>

However, the current status of residence of almost half of the respondents (46%) is illegal since most of the respondents overstayed their visas. Since majority of the respondents came as trainees and worked as factory workers, they were allowed a maximum of three years in accordance with the Korean government’s directive on hiring Filipino workers. Probably because of fear of not being re-hired, most of these trainees end up overstaying their visas or find other employers prior to the expiration of their visas. Some of the respondents however claim that they have been victims of abuse by their employers such as withholding their passports and other documents so when they are exploited and eventually decide to ran away from their employers, they end up without their legal documents.

7. Turnover rate and Mobility

There is a high turnover rate among the respondents especially the illegal workers since all of them have changed employers at least more than three times during their tenure. Obviously, this may have been because of their illegal status. Only 3 or 11% of the total respondents have stayed in their jobs as stated in their contracts. Of the 15 legal workers, about 87% have also changed employers for at least three times. Work related problems such as low salary, overtime work and long working hours, racial discrimination, and bad
relationship with co-workers were common reasons among the legal workers to change their employers. Illegal workers encounter problems such as delayed or unpaid salaries, terrible working and/or living conditions, overtime work and long working hours.

8. Remittances

All the respondents said that they send remittances to their families regularly, the largest portion of which is for family support or the purchase of basic necessities. Remittances are also intended for savings, education of children or siblings, for the purchase of a house, lot, or car and for setting up a business.

Results of the survey showed that the workers send remittances from 50% to 80% of their total monthly salaries. Apparently, males send money in larger proportions compared to the females. One reason for this may be due to the Filipino custom of men being responsible for fending for their families, whether they be married or single.

Filipinos are family-centered and children who are economically well-off can be depended on by their parents to help augment the family income or finance the schooling of their siblings. In the case of the survey respondents, some of them even said during the interviews that they are married with families of their own and yet remit to their parents as well since they are the eldest child. Traditionally, the eldest child or elder children who are better educated and economically better off are responsible for helping parents in educating their younger siblings. Since most of the migrant workers come from big families with low incomes, it is understandable that they feel obliged and responsible in supporting their families in the Philippines and in helping other family members come to Korea. The value of “utang na loob” or reciprocal obligation is not limited to kinship relationships but pervades Filipino society (Schlegel, 1964). As pointed out by Kaut (1961 in Trager, 1988), “Life is an unsolicited gift and thus the basis of a debt which cannot be repaid. Parents expect that their children will support them in their old age.”
The most common method of remittance is through the bank. Although some workers send money through the post office, through friends, or through other informal channels.

9. Skill Acquisition

Several respondents feel that their educational background and work experience in the Philippines is not matched to their present occupation in Korea. However, migration to Korea has provided the opportunity for some to undergo Korean Language lessons and for others, learn skills on how to operate machines or do some embroidery craft while being on the job. Initially however, the workers had difficulties adjusting because of the language barrier and cultural differences.

When asked if they acquired new skills from their employment in Korea, 68% of the workers responded positively although the other 32% feel that they have not learned any useful or relevant skill from their jobs. Some of the skills that the workers have acquired in Korea are: carpentry, machine equipment operation, language skills, steelworks and welding, packaging, and embroidery. Although these are common in the Philippines, the respondents claim that these are new skills learned from their jobs because most of the respondents do not have experiences related to their jobs in Korea. Most of the workers have differing educational backgrounds from their jobs in Korea. This is where mismatch between jobs and educational or professional backgrounds are evident.

10. Perception about Life in Korea

Despite all the problems that the migrants encountered at work, 96% of the respondents still believe that their life in Korea is generally good because of high salary, the country’s convenient transportation system, good services, the presence of family and friends. Only one respondent answered negative since she feels homesick even if already married to a Korean national.
11. Awareness and Availment of Government/NGO Programs

About 68% of the respondents are aware of government and non-government organization (NGO) programs and projects for overseas workers but only 7% claim to have availed of these programs. Some either claim the lack of time away from work to be able to avail of government projects or programs for the OFWs or plainly because they prefer to work and be paid than take a day-off from work to avail of the programs. Understandably, for the illegal workers, they may have been hesitant to seek assistance because of their status. They fear of being caught and reprimanded or worse, deported.

12. Monthly Wage:

The amount of remittances is related to monthly wage. Workers who receive higher wages are expected to send more remittances to the Philippines. The survey results show that most workers send from 70% to 80% of their monthly wages to their families back home. Also, household positions somehow influence the degree of responsibility and the likelihood of remittance. For instance, a head of the family is more likely to remit bulk of his wages to his family for financial support as compared to an unmarried worker who may or may not remit back home.
CHAPTER III: CONCLUSION/RECOMMENDATIONS

The primary causes of migration discussed in the paper are unemployment and underemployment, high population growth rate and international wage differentials. Employment promotion is one of the economic benefits of migration. Data gathered from various sources showed that employment generation from overseas contract work has been substantial. Meanwhile, remittances have contributed substantially to the foreign exchange earnings and balance of payments of the country. Migrant workers remittances as reported are being underestimated because many workers send remittances through informal channels although this survey shows that remittances are being coursed through formal channels such as the banks by the majority of the respondents. Remittances have also improved the economic and social standing of recipient households. However, studies have not shown significant skills upgrading from overseas employment, instead, it appears that many Filipinos are being de-skilled due to their employment for menial work abroad. Also, there are many concerns and problems encountered by workers abroad. These include unpaid salaries, passports being withheld by employers, long working hours, and terrible working conditions.

Economic migration remains a major source of alternative employment and foreign exchange in the Philippines. Emigration appears to be indispensable and will continue in the future considering the country’s high unemployment rate and the dependency of families on remittances from abroad. However, economic migration is not a short cut to development. Emigration can only offer a temporary solution to the problem of employment generation. Many Filipinos who leave for work overseas do not come from the pool of the unemployed; instead, many were already employed at home but they leave to seek higher wages abroad. Others were “encouraged workers” like housewives who were initially not in the labor force
but who were motivated to join the overseas labor market. Since the labor force of major labor exporting countries such as China are expected to increase in the coming decades, the Philippines faces increasing competition for workers. Some major labor importing countries such as Japan have also started tightening their already rigid visa requirements and started deporting illegal workers. It is therefore not realistic to be dependent on emigration to solve unemployment. In the long term, it is important to find ways and means of reducing the dependence on emigration.

With regard to skills transfer from overseas employment, Filipinos are actually being de-skilled. For instance, college graduates work as domestic helpers in Hongkong, engineers and government employees are employed as construction workers while highly educated females work as domestic helpers. Further, even if workers learn new skills while abroad, work experience and skills acquired are not necessarily well matched to local needs.

Meanwhile, return migration is difficult especially if the economy cannot reabsorb workers or if wage levels cannot match overseas wages. Therefore, many migrants who return after completing their overseas contracts return to the Philippines and then re-apply for jobs in other countries.

Many serious problems and concerns have cropped up from the export for Filipino labor. The government should provide adequate support and assistance to migrant workers especially to victims of abuse and exploitation. Even if a large number of migrants are aware of government projects for migrant workers, few only avail such for the reason that they get disappointed from much delayed results or no results at all.

Also, illegal workers despite their status should also be provided the necessary support considering that they are vulnerable to abuse.

Individual migrants and their families benefit from overseas employment through remittances. Remittances increase enrolment at schools since most migrant workers allocate
some amount for the education of their children and siblings. However, remittances and the savings of returning migrants are not automatically converted into economic development. Previous studies have shown that remittances are normally used for conspicuous consumption such as housing, real estate, and the like and are not usually invested in job-creating enterprises. Hence, policies should support small-scale production activities that are within the reach of migrants’ families and programs on helping remittance recipients invest profitably should be strengthened. These recipients should be “educated” more on long-term benefits.

Further, it is suggested that government support from both the Philippines and South Korea for OFW returnees be offered. This may come in forms of technical trainings for business and employment which may be conducted during days-off. Also, since there are several Philippine-based Korean companies that are labor-intensive, it might be possible that the employers of the OFWs in Korea refer these OFW returnees to those Korean companies located in the Philippines for possible absorption in their manpower pool.

Improved economic conditions in the source country like the Philippines will increase the opportunity cost of migration and thus slow down the flow of migrants. However, it might decrease the constraints on the capacity to finance migration and will instead increase the inflow of migrants.

The government’s macroeconomic policies need to be revised to stimulate faster growth and employment generation and curb emigration pressures like promoting foreign direct investments.
Dear Respondent,

I'm a Filipino exchange student conducting a survey of overseas workers in South Korea for my research entitled: “Study on the Filipino Overseas Worker: A General Profile”. Through this survey, I hope to gather sufficient primary data on the characteristics of migrants, their working conditions, the benefits of overseas employment, as well as problems that workers encounter in South Korea.

May I then request your kind assistance by answering this questionnaire as honestly, frankly and completely as you can. Please be assured that your identity will be kept CONFIDENTIAL and all information will be used solely for the purposes of this study.

You may answer in English, Tagalog, Ilokano, or Kankanaey.

Thank you very much. Maraming salamat po.

Shirley Marie B. Cosalan
Graduate Student – MPP
Korea Development Insitute
A. GENERAL INFORMATION

Nickname or Alias: _____________  Age: _____________

Gender/ Sex (please check): ____ male  ____ female

Civil Status (please check):
____ single
____ married
____ others (please specify)_________________________________

Address in the Philippines (Province and Region only):____

Household Size (please indicate number of household members including yourself):____
How many household members are employed? ___________________
Please specify (example: husband, father, myself): __________

Educational Attainment (please check):
____ Some Elementary
____ Some High School
____ High School Graduate
____ Technical/Vocational Course
____ College/ University Graduate
____ Some College/University
____ Some Graduate School
____ Master’s Degree
____ Doctor’s Degree (PhD)
____ Others (please specify)

Total number of years of schooling: _______ years

Household Position (please check):
____ household head
____ spouse
____ child (son/daughter)

B. MIGRATION DECISION and MIGRATION PROCESS

Your coming to Korea was a ____ family decision
____ personal decision

Number of family members or close relatives working or living abroad
- Please specify (e.g. brother, uncle, mother, etc.) ______
- What countries? (e.g.Korea, Japan, USA, Saudi Arabia, etc.)

Who assisted you in coming to Korea? (please check)
____ scholarship
____ husband/wife working/studying in Korea
____ business partner
___ company
___ Korean husband/ wife
___ job agent
___ relatives
___ friends
___ others (please specify) ___________________

How much was your total placement fee and other pre-departure expenses?  
(estimate-please indicate if in won, pesos or US dollars)

Did you have a job in the Philippines before you came to Korea?  
___ yes (What was your job in the Philippines? _____________)
___ no

How much was your gross monthly salary in your last job in the Philippines? estimate in pesos) ____________

Why did you come to Korea? (please check)
___ economic reasons
   ___ no job in the Philippines
   ___ higher salary
   ___ better working conditions
   ___ others (please specify) _________________
   ___ to earn more money and upgrade my social status in the Philippines
   ___ to study
   ___ to get married with a Korean
   ___ to be with my family
   ___ others (please specify) ________________________

When did you come to Korea? month ________ year ________

How long have you been here? ____ year(s) ______ month(s)

What was your visa when you entered Korea? ________________

What is your visa now? ________________

Have you had your visa extended after it expired?  
___ yes Why? (please check) 
   ___ to continue working
   ___ to continue my studies/research
   ___ to save enough money
   ___ to be with my family
   ___ to stay longer in Korea
   ___ no job opportunities in the Philippines
   ___ others (please specify) ________________________

___ no Why not? ________________________________
How long do you intend to stay in Korea from now? _______years

C. EMPLOYMENT/OCCUPATION

Status/ Present Occupation (please check):
___ diplomat, official
___ professor, artist, church/religious missionary, journalist
___ investor/businessman, lawyer, accountant
___ medical researcher, instructor, engineer
___ specialist in humanities and international services
___ intra-company transferee
___ skilled laborer
___ company trainee
___ artist
___ temporary visitor (tourist)
___ visiting relative
___ athlete
___ dependent (Who is your sponsor? ___________________)
___ construction, transport industry, stockyard worker
___ factory worker
___ entertainer
___ student (If you checked this portion, please indicate if):
___ Philippine government scholarship
___ Korean government scholarship
___ company scholarship
___ financed with own money/funds
___ financed through parents/relatives
___ others (please specify) ____________________________
___ Others (please specify) __________________________________

Company/School or Place of Work: ___________________________

Please check if: _____ full-time worker
                  _____ part-time worker

Number of years in current job: _________

How much is your gross monthly salary in Korea? 
(estimate in won)
Starting salary ________________ Year _________
Salary in second job ________________ Year _________
Salary in third job ________________ Year _________
Salary in fourth job ________________ Year _________
Present salary ____________________________

How much is your hourly wage in your current job? (in won) __

How many hours do you work in a month? (estimate) __________

How many jobs do you have now? ______ (please specify ______)
How many times have you changed your employer? ____ times
Why? ____________________________________________

Have you encountered some problems at work?_
___ yes
___ no

Problems encountered (please check):
___ low salary
___ unpaid salary
___ overtime work or long working hours
___ withholding of salary
___ withholding of passport, alien registration card, etc.
___ imposition of fines for job violations (coming late for work, getting absent, etc.)
___ doing jobs not indicated in contract (please specify _____)
___ organized crime (gangsters)
___ arranged marriages
___ tax
___ sexual harassment, sexual abuse
___ racial discrimination
___ bad working conditions
___ bad relations with co-employees
___ problems with agent (please specify _____________________)
___ others (please specify) __________________________________

Have you ever visited the Philippines after you came here? __yes ___no

When was the last time you visited the Philippines?_________

D. BENEFITS OF OVERSEAS EMPLOYMENT

Do you remit money to the Philippines?
___ yes (How much per month? ___ won; about __ % of my salary)
___ no (Why not? _____________________________)

Why do you send money to the Philippines?
___ family support
___ buy a house, land, car
___ set up a business
___ save money for future use (please specify _____________)
___ invest in stocks/bonds
___ pay off debts (pambayad ng utang)
___ send my children/siblings to school
___ others (please specify) __________________________________

How do you send money to the Philippines?
___ post office
___ friends
Do you have a savings account in Korea? ____ yes ____ no

Have you acquired or learned some new skills from your work in Korea?
____ yes (What skills?______________________________________)  
____ no (Why not? _________________________________________)

How did you learn these new skills?
____ through my work (experience)  
____ through the guidance of my boss/supervisor/co-workers  
____ through company-sponsored training  
____ through books  
____ through lessons at school  
____ self-study  
____ others (please specify) _________________________________

Are you enjoying your life in Korea? ____ yes ____ no
If yes, why? (please check)
____ convenient transportation system  
____ good services  
____ high salary  
____ many friends  
____ many entertainment centers  
____ family is here  
____ others (please specify) _________________________________
If no, why not? (please check)
____ high cost of living  
____ homesick  
____ problems with employers  
____ personal problems  
____ others (please specify) _________________________________

Are you aware of programs being undertaken by the government and non-government organizations (NGOs) to help overseas workers? ____ yes ____ no

What are these programs?_____________________________________

Have you availed yourself of these programs while you were working in Korea? ____ yes ____ no

Do you have any suggestions for the improvement of the situation of overseas workers in Korea?______________________

THANK YOU VERY MUCH. MARAMING SALAMAT PO
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