

EMERGING TRENDS IN OVERSEAS FILIPINO WORKER MIGRATION

Overview

The Philippines is considered as one of the leading sources of migrant workers all over the world. The country started to send overseas workers in the 19th century. During the period 1900s to 1930s, migration patterns were predominantly composed of unskilled workers going to developed economies like the United States, Canada and Australia. In the 1970's, the movement of skilled laborers on contractual basis particularly to Middle East countries became a phenomenon. As of end of December 2001, stock estimates on Overseas Filipino Workers (OFWs) showed that there were 7.4 million Filipino workers abroad composing of 2.7 million permanent workers, 3.1 million temporary workers and 1.6 million irregular workers.¹

This paper highlights the emerging trends in Overseas Filipino Worker (OFW) migration and their remittances from 1985 to 2002. Likewise, the status of various cases concerning OFWs like illegal recruitment, welfare and adjudication cases from 1998 to 2002 is also featured in this report. Further, data on deployment and OFW cases were based on reports from the Philippine Overseas Employment Administration (POEA) while data on remittances were gathered from the Bangko Sentral ng Pilipinas (BSP).

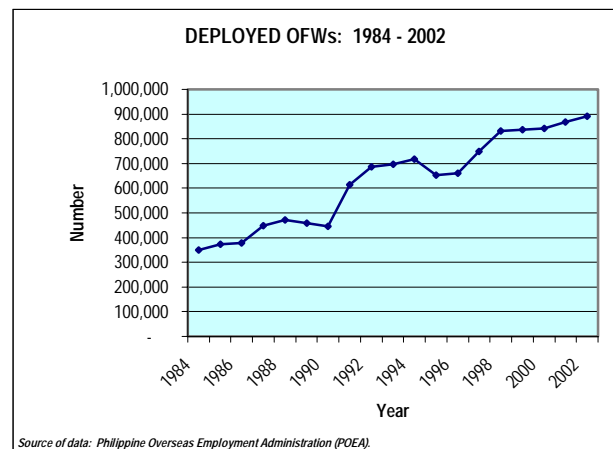
As used in this paper, OFWs are defined as those who work abroad by virtue of an employment contract whose papers were processed by the POEA. OFWs include seafarers but exclude those undocumented ones or those illegally deployed and those whose contracts have expired but have stayed abroad. It should be noted that the deployment data used in this report do not reflect existing OFWs abroad as there may be contract renewals during the period.

DEPLOYMENT OF OFWs

Magnitude of Deployed OFWs More Than Doubled From 1985 – 2002

The magnitude of Filipinos who sought employment in foreign lands tremendously increased over the years. From 372,784 in 1985, the number of OFWs more than doubled after almost two decades to reach 891,908 in 2002 (See Table 1). These OFWs are believed to be deployed to almost 200 various destinations worldwide.

Growth patterns, however, vacillated over time. At five-year interval, it grew by 19.7 percent in 1990, and peaked at 46.5 percent in 1995. It however dropped to only 28.8 percent in 2000.

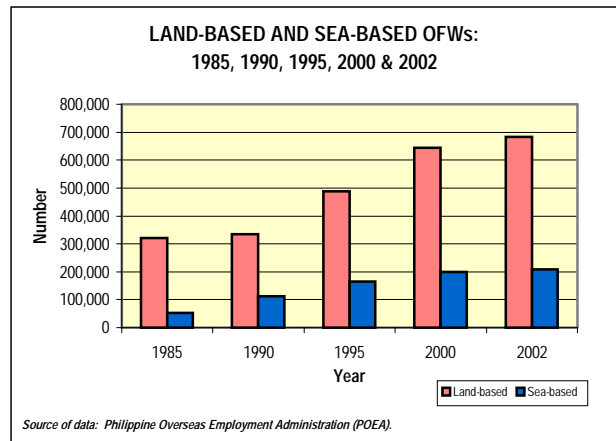


¹ Commission on Filipinos Overseas (CFO), Department of Foreign Affairs (DFA).

Land-Based Workers Accounted for More Than Three-Fourths of Total OFWs

Deployed OFWs have been composed mainly of land-based workers. On the average, eight (8) out of ten OFWs are land-based workers while the rest are sea-based workers.

The ratio however has narrowed a bit over the years. From 12 land-based out of 14 deployed OFWs in 1985, the ratio had gone down to three out of four in the 1990's, till 2000.

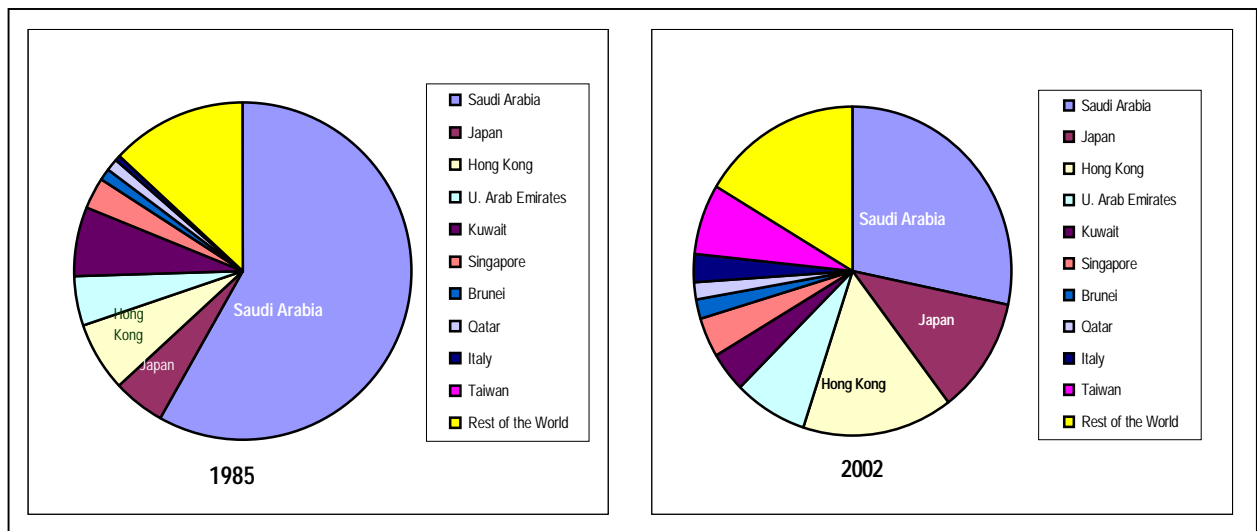


Saudi Arabia Remained To Be the Major Employer of Land-based OFWs But Share Dwindled Over the Last 2 Decades

Saudi Arabia consistently topped the list of all countries where land-based OFWs were deployed from 1985 to 2002. In 2002 alone, Saudi Arabia employed 193,157 of the total 682,315 land-based OFWs. Its share to total land-based OFWs, however was seen to be declining over the years,

due to its Saudization policy. From a sizable 58.0 percent and 50.7 percent shares in 1985 and 1990, respectively, this dropped to 34.5 percent and 28.7 percent in 1995 and 2000, respectively and eventually to 28.3 percent in 2002.

TOP 10 COUNTRIES IN TERMS OF DEPLOYMENT OF OFWs: 1985 AND 2002



Source of data: Philippine Overseas Employment Administration (POEA).

Asia Becoming the New Haven for Land-based OFWs

Deployment to Asian countries, particularly Japan and Hong Kong, increased by four-folds from 1985 to 2002. From 22,020 in 1985, migration of OFWs to Hong Kong substantially grew to 105,036 in 2002. Similarly, the flow of OFWs to Japan expanded from 16,029 in 1985 to 77,870 in 2002.

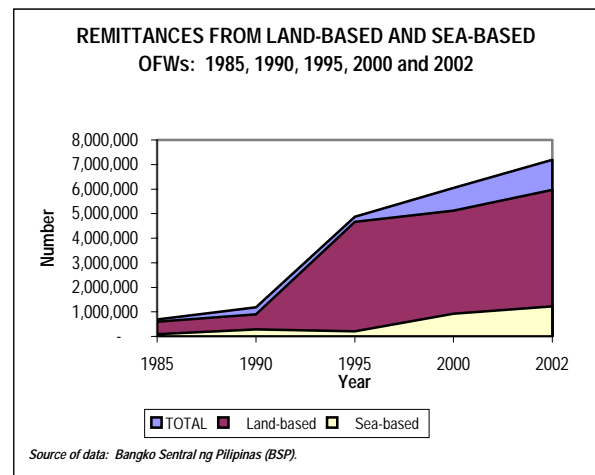
Other receiving countries which also exhibited fast growths during the period include Qatar and United Arab Emirates where deployment tripled from 3,751 and 15,093 in 1985 to 11,516 and 50,796 in 2002, respectively. Meanwhile, Taiwan with only 9 deployed OFWs in 1985 surprisingly jumped as the fifth (5th) top destination of OFWs as early as 1993. Taiwan even ranked 2nd in 1996 and 3rd in 1995, 1997, 1998 and 1999.

OFW REMITTANCES

Total Remittances From OFWs Reached an Aggregate of US\$ 7.189 Billion in 2002

The growing number of deployed OFWs resulted to a commensurate surge in their total remittances over the years (Table 2). For 2002 alone, OFWs managed to remit an aggregate amount of US\$ 7.189 billion constituting roughly 8.6 percent of the country's national output. Compared to the US\$ 687 million total remittances in 1985, this is higher by roughly US\$ 6.494 billion. From a significant growth of 71.9 percent in 1985 to 1990, remittances grew four-folds in 1995 (313%) but slumped in 2000 (24.0%).

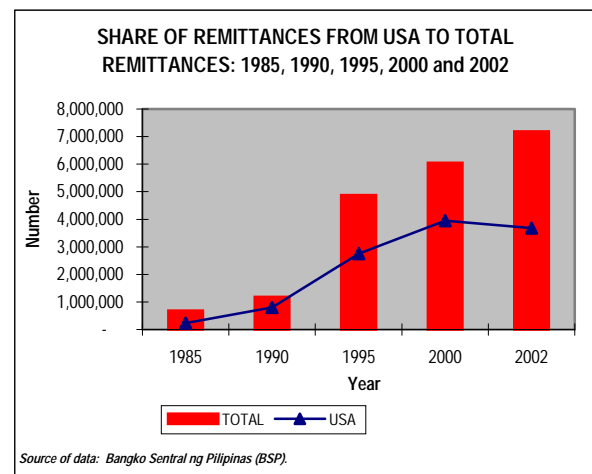
Land-based workers accounted for the bulk of total remittances during the period. Around 83 percent or US\$ 5.963 billion of the US\$ 7.189 billion total remittances in 2002 originated from this group. The share of remittances sourced from land-based workers ranged from a high of 95.7 percent in 1995 to a low of 75.6 percent in 1990.



USA Still the Major Source of Remittances Despite Its Dwindling Share To Total Remittances

The United States of America (USA) remained to be the main source of remittances from 1985 to 2002. During the period, remittances from this country grew by US\$ 3.452 billion from US\$ 229.594 million in 1985 to US\$ 3.682 billion in 2002. This amount however includes remittances of OFWs who remitted through international banks with mother units in the USA in which case remittances are reported as originating from the USA.

In terms of growth rates, its share to total remittances fluctuated over the last two decades. From a moderate share of 33.4 percent in 1985, this share soared to 67.6 percent and 56.3



percent in 1990 and 1995, respectively. From 2000 to 2002, however, its share persistently dropped to 65.2 percent and 51.2 percent, respectively.

Countries whose shares to total remittances substantially grew from 1985 to 2002 include Japan (from 2.0% to 6.5%), Hong Kong (from 1.4% to 3.9%) and United Kingdom (1.7% to 3.6%).

CASES INVOLVING OFWs



The POEA received a total of 2,859 cases involving violations of recruitment activities from 1998 to 2002 (Table 3). More than one-fourth (26.3% or 751 cases) were received last year.

Despite a larger number of cases disposed at 603 in 2002, cases pending at year-end still totaled 353 due to a high pending cases at the beginning of the year (205) that put total cases handled at 956.

Some 96 persons were arrested for the period 1998 to 2001 while 33 establishments were closed for their involvement in illegal recruitment.

Meanwhile, cases received by POEA which involved the interest, well being and welfare of OFWs regarding their employment and other complaints while at work abroad numbered 15,224 from 1998 to 2002 (Table 4). Incorporating the 1,854 pending cases at the start of 1998, cases handled by the agency totaled 17,078 during the period. With a total of 14,475 cases acted upon, pending cases at the end of 2002 reached 2,603.

Welfare cases handled grew by 25.5 percent from 4,733 in 1998 to 5,939 in 2002. Cases acted upon similarly rose from 2,130 to 3,336 in 2002.

Adjudication cases or labor disputes between employee-employer relationships involving overseas contract workers likewise increased from 1998 to 2002 (Table 5). Due to the simultaneous rise in both the number of pending cases and cases received in 2002, the number of adjudication cases handled went up from 3,995 in 1998 to 8,187 in 2002. In spite of a higher number of disposed cases from 2,899 in 1998 to 4,673 in 2002, disposition rate declined from 72.6 percent to 57.1 percent during the period.

It must be noted that other OFW cases are being handled by the National Labor Relations Commission (NLRC), another attached agency of the Department of Labor and Employment (DOLE).

FOR INQUIRIES:

Regarding this report contact TECHNICAL SERVICES DIVISION at 527-35-77/527-9309
 Regarding other statistics and technical services contact **BLES DATABANK** at 527-35-77 or
 Write to BLES c/o Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002
 FAX 527-35-79 E-mail dolebles@manila-online.ph/bletsd@manila-online.ph
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**Table 1 – TOP TEN COUNTRIES IN TERMS OF DEPLOYMENT OF OFWs:
1985, 1990, 1995, 2000, AND 2002**

COUNTRY	1985	1990	1995	2000	2002
TOTAL	372,784	446,095	653,574	841,628	891,908 ^a
Land-Based	320,494	334,883	488,173	643,304	682,315 ^a
Saudi Arabia	185,837	169,886	168,604	184,645	193,157
Japan	16,029	41,558	25,032	63,041	77,870
Hong Kong	22,020	34,412	51,701	121,762	105,036
U. Arab Emirates	15,093	17,189	26,235	43,031	50,796
Kuwait	21,167	5,007	9,852	21,490	25,894
Singapore	10,047	4,698	10,736	22,873	27,648
Brunei	3,292	4,206	6,807	13,649	11,564
Qatar	3,751	7,138	9,691	8,523	11,516
Italy	1,413	3,229	5,829	26,386	20,034
Taiwan	9	54	50,538	51,145	46,371
Rest of the World	41,836	47,506	123,148	86,759	112,429
Sea-Based	52,290	111,212	165,401	198,324	209,593

a Includes 3, 596 deportees from Malaysia based on the report of POEA Zamboanga and 611 workers with Special Exit Clearance Issued by Employment Regulation Branch of POEA.

Source of data: Philippine Overseas Employment Administration (POEA).

**Table 2 – TOP TEN COUNTRIES IN TERMS OF REMITTANCES:
1985, 1990, 1995, 2000, AND 2002
(In thousand U. S. dollars)**

COUNTRY	1985	1990	1995	2000	2002
TOTAL	687,200	1,181,075	4,877,513	6,050,450	7,189,243
USA	229,594	797,840	2,747,790	3,944,639	3,681,652
Saudi Arabia	214,164	86,604	10,727	494,032	590,836
Japan	13,783	39,461	152,359	370,097	469,080
United Kingdom	11,704	43,575	73,210	91,087	260,743
Germany	6,021	22,201	76,577	64,320	102,949
Hong Kong	9,485	20,151	171,046	146,831	278,949
Singapore	9,619	11,899	106,143	105,351	166,929
Greece	6,617	2,058	8,460	53,759	38,779
Kuwait	5,791	16,212	26,853	36,107	27,690
Netherlands	1,888	6,259	14,488	16,206	34,651

Source of data: Bangko Sentral ng Pilipinas (BSP).

Table 3 – STATUS OF ILLEGAL RECRUITMENT CASES, PHILIPPINES: 1998 - 2002

INDICATOR	1998	1999	2000	2001	2002
Total Cases Handled	716	603	573	722	956
Pending Cases, Beginning	120	122	137	127	205
Cases received	596	481	436	595	751
Number of Cases Acted Upon/Disposed	594	466	446	517	603
Disposition Rate (%)	83.0	77.3	77.8	71.6	63.1
Cases Pending at the End	122	137	127	205	353
No. of Persons Arrested	37	30	21	8	NA
No. of Establishments Closed	2	4	10	17	NA

NA Not available.

Source of data: Philippine Overseas Employment Administration (POEA).

Table 4 – STATUS OF WELFARE CASES, PHILIPPINES: 1998 - 2002

INDICATOR	1998	1999	2000	2001	2002
Total Cases Handled	4,733	5,620	5,391	5,807	5,939
Pending Cases, Beginning	1,854	2,603	2,603	2,603	2,603
Cases received	2,879	3,017	2,788	3,204	3,336
Cases Acted Upon	2,130	3,017	2,788	3,204	3,336
Regular	2,130	3,017	2,788	3,204	3,336
Cases Pending at the End	2,603	2,603	2,603	2,603	2,603

Source of data: Philippine Overseas Employment Administration (POEA).

Table 5 – STATUS OF ADJUDICATION CASES, PHILIPPINES: 1998 - 2002

INDICATOR	1998	1999	2000	2001	2002
Total Cases Handled	3,995	4,770	4,064	8,440	8,187
Pending Cases, Beginning	1,636	2,622	1,836	4,991	4,465
Cases Received	2,359	2,148	2,228	3,449	3,722
Cases Disposed	2,899	3,322	2,977	5,943	4,673
Disposition Rate (%)	72.6	69.6	73.3	70.4	57.1
Cases Pending at the End	1,096	1,448	1,087	2,497	3,514

Source of data: Philippine Overseas Employment Administration (POEA).