

OVERSEAS FILIPINO WORKERS

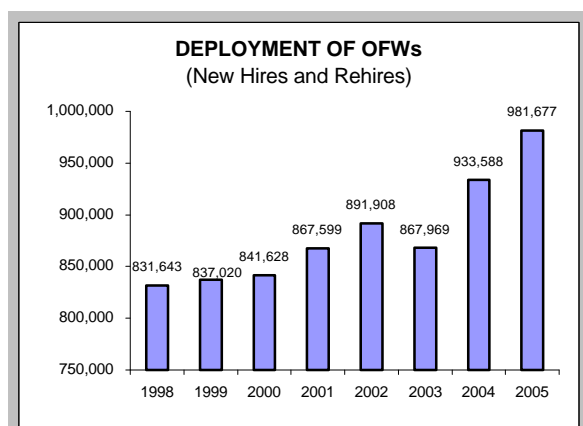
The Philippines is considered to be one of the largest migrant-sending countries with almost 8.1 million Filipino workers overseas. Temporary overseas Filipinos – those persons whose stay overseas is employment related, and are expected to return at the end of their work contracts – constitute the bulk of the entire Filipinos overseas.

STOCK ESTIMATE OF OVERSEAS FILIPINOS As of December 2004

REGION	PERMA-NENT	TEMPO-RARY	IRREGU-LAR	TOTAL
WORLD TOTAL	3,187,586	3,599,257	1,296,972	8,083,815
(%)	39.4	44.5	16.0	100.00
Africa	318	58,369	17,141	75,828
Asia, East & North	91,091	1,005,609	443,343	1,540,853
Asia, West	2,312	1,449,031	112,750	1,564,093
Europe	174,387	506,997	143,035	824,419
Americas/ Trust Territories	2,689,722	292,892	549,725	3,532,339
Oceania	228,946	57,357	30,978	317,281
Sea-based Workers		229,002		229,002

Source: Commission on Filipinos Overseas

Deployment. Deployment of OFWs (new hires and rehires) averaged 881,367 workers annually since 1998. In 2005, OFWs deployment inched up by 5.2% to 981,677 from 933,588 Filipinos in 2004.



Source: Philippine Overseas Employment Administration (POEA)

The top five (5) countries of destination of contract-based workers in 2005 were Saudi Arabia, Hong Kong, United Arab Emirates, Taiwan and Japan. The number of OFWs in Japan sharply declined by 42.8% from 74,480 to 42,586 mainly due to stricter regulation by the Japanese government to crackdown human trafficking, especially of overseas performing artists and entertainers.

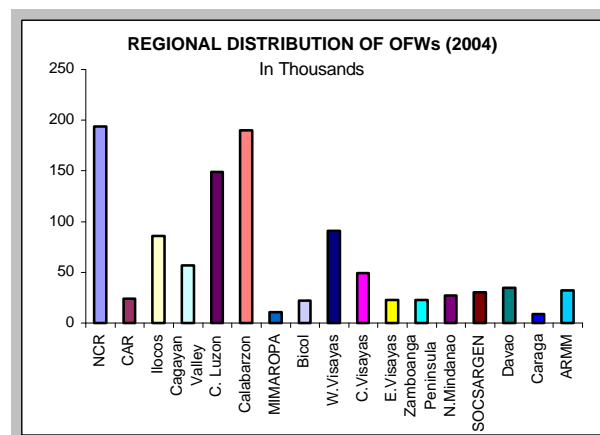
TOP TEN (10) DESTINATIONS OF OFWs

COUNTRIES	2005 ^P	2004
1. Saudi Arabia	193,991	188,107
2. Hong Kong	94,553	87,254
3. UAE	81,707	68,386
4. Taiwan	46,714	45,059
5. Japan	42,586	74,480
6. Kuwait	40,248	36,591
7. Qatar	31,418	21,360
8. Singapore	27,599	22,198
9. Italy	21,261	23,329
10. United Kingdom	16,799	18,347

Note: ^PPreliminary
Source: POEA

Facts in figures

Congressional Planning and Budget Department
House of Representatives
May 2006 (No. 1)



Source: NSO 2004 Survey on Overseas Filipinos

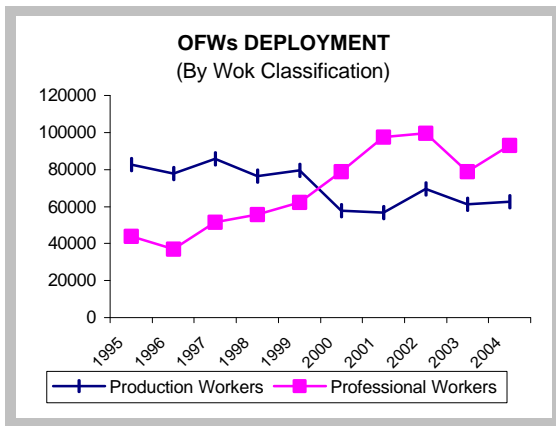
Regional Distribution. According to the survey conducted by the National Statistics Office (NSO) in October 2004, the top five (5) regions in the country that had the most number of OFWs include the following: NCR (194,000), Calabarzon (190,000), Central Luzon (149,000), Western Visayas (91,000), and Ilocos region (86,000).

TOP 10 PROVINCES WITH THE MOST OFWs

Rank	Provinces
1	Metro Manila
2	Cavite
3	Bulacan
4	Batangas
5	Laguna
6	Maguindanao
7	Pangasinan
8	Rizal
9	Pampanga
10	Cebu

Source: OWWA

Data from the Overseas Workers Welfare Administration (OWWA) revealed that outside the NCR, the top five (5) provinces that had the greatest number of OFWs in 2005 were the following: Cavite, Bulacan, Batangas, Laguna, and Maguindanao. In a study made by the University of Asia and Pacific (UA&P), cities and provinces with high concentration of OFWs and their families tend to have better market potentials and are more attractive for investments. (UAP: June 2005)



Source: POEA

By Skills. Traditionally, a large portion of OFW deployment consists of production workers – construction, manufacturing, etc. However, in 2001, more highly skilled and high-paying professional and technical workers – nurses, doctors, engineers, among others – were sent abroad, and they now account for the bigger share of deployments.

Feminization of OFWs. The number of women OFWs grew sharply by 57.6% from 132,213 in 1992 to 208,328 in 2004. Women constituted about 70% of deployment from 2000 to 2005. While most of the production workers were dominated by men, women production workers have grown steadily from 13,755 in 2001 to 22,898 in 2005.

OFW Remittance. Many families of overseas Filipino workers particularly those in the low-income bracket, rely mainly on remittances for their basic and other needs. Remittances have not only propped up domestic consumption but likewise have uplifted the living conditions of recipient families and alleviated poverty among migrant households (World Bank: 2006).

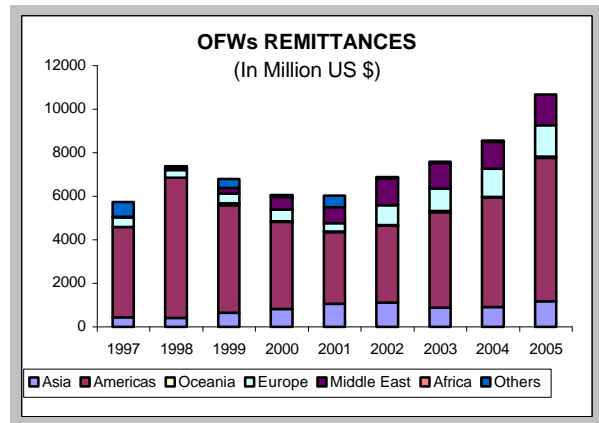
TOP 15 REMITTANCE-RECIPIENT COUNTRIES, 2004

Rank	Country	US\$ Billion	Rank	Country	As % of GDP
1	India	21.7	1	Tonga	31.1
2	China	21.3	2	Moldova	27.1
3	Mexico	18.1	3	Lesotho	25.8
4	France	12.7	4	Haiti	24.8
5	Philippines	8.6¹	5	Bosnia & Herzegovina	22.5
6	Spain	6.9	6	Jordan	20.4
7	Belgium	6.8	7	Jamaica	17.4
8	Germany	6.5	8	Serbia & Montenegro	17.2
9	United Kingdom	6.4	9	El Salvador	16.2
10	Morocco	4.2	10	Honduras	15.5
11	Serbia	4.1	11	Dominican Rep.	13.2
12	Pakistan	3.9	12	Lebanon	12.4
13	Brazil	3.6	13	Samoa	12.4
14	Bangladesh	3.4	14	Tajikistan	12.1
15	Egypt, Arab Rep.	3.3	15	Nicaragua	11.9

Note: ¹Based on BSP data. Using this data the ratio of remittance to GDP was re-estimated by CPBD. This resulted in a 9.9% ratio and a subsequent delisting of the Philippines from its 11th ranking as cited by Sec. Patricia Santo Tomas. Source: Cited by Secretary Patricia Sto. Tomas in her presentation on "Migration Communities and Development; World Bank

According to the World Bank, the Philippines is one of the top remittance-recipient countries in 2004 – it ranked 5th in absolute terms, and ranked 11th in terms of remittance per gross domestic product (GDP).

In 2005, remittance flows from OFWs coursed through commercial banks continued to grow robustly by 25% to US\$10.7 billion from US\$ 8.6 billion in the previous year.



Source: BSP

Last year, the bulk of remittances came from the following host countries: USA (\$6.4 billion), Saudi Arabia (\$949.4 million), Italy (\$430.1 million), Japan (\$356.7 million), Hong Kong (\$338.9 million), United Arab Emirates (\$257.4 million), Singapore (\$240.1 million), Germany (\$134.8 million), and Canada (\$117.1 million).

CAPITAL FLOWS TO THE PHILIPPINES (In \$ Billion)

	2000	2001	2002	2003	2004	2005
Exports	38.1	32.2	35.2	36.2	39.6	41.3
Growth (In %)		(15.6)	9.5	2.9	9.3	4.2
Remittance	6.1	6.0	6.9	7.6	8.6	10.7
Growth (In %)		(0.3)	14.2	10.0	12.8	25.0
FDI	1.3	2.0	1.0	0.2	0.1	--
Growth (In %)		44.9	(47.5)	(85.4)	(62.0)	
ODA	13.3	13.2	11.9	10.9	10.7	10.2
Growth (In %)		(1.0)	(10.0)	(7.9)	(2.2)	(4.5)

Sources of Basic Data: BSP, NEDA, NSCB, ADO 2006

The flow of remittances from OFWs has become one of the country's major and most stable sources of foreign exchange income compared to exports, official development aid (ODA), foreign direct investments (FDIs) and other private capital flows.

A survey made by the Asian Development Bank (ADB) on OFWs in 2003 revealed among others their social status, savings and expenditure behavior.

SOCIOECONOMIC CLASS OF RESPONDENTS

CLASS	PERCENTAGE
AB	2
C1	4
C2	39
DE	55
Total	100

More than half of the respondents (55%) belong to socioeconomic class DE. Socioeconomic classifications used in the study included the following: AB (upper), C1 (upper middle), C2 (lower middle), DE (lower class).

FINANCIAL INSTRUMENTS	PERCENTAGE
Life Insurance	34
Pension	20
Education	20
Health Maintenance	21
Others	5
Total	100

Most of the respondents, or about 34%, invest in life insurance. This is followed by health and maintenance plan accounting for 21% of the respondents.

Most of the respondents allocate their remittances for food consumed at home, utilities and other household operations, personal care and effects, communications and transportation. The highest monthly allocations for expenses from remittances are for food consumed at home (averaged P5,360), rent (P4,943), and education (P2,733) among others.