

Calculating the Global Person Generated Index to identify the Impacts of Remittances on the wellbeing of families left behind by migrants.

Jayasinghe A .D.^{1*}, De Silva .N², De Silva .K³

^{1,2} Department of Agricultural Economics and Extension, Faculty of Agriculture, University of Ruhuna, Mapalana, Kamburupitiya, Sri Lanka.

³Head, Department of Remittances, Sampath bank of Sri Lanka

Email: dulangij@gmail.com

ABSTRACT

Remittances play the role of second largest source of foreign export earnings to Sri Lanka where the 60% of this is from Middle East countries where the majority of domestic Sri Lankan workers are employed. With the main objective of calculating the Global Person Generated Index (GPGI) to identifying the impacts of remittances on the wellbeing of left behind families by migrants a field survey was carried out with 60 Sampath Bank remittance beneficiaries. They were selected from simple random sampling, whose migrants were under the unskilled and housemaid category at *Wattala* area, covering three *GN divisions, Hekitta, Hadala, Hunupitiya*. The data collection was done through a semi structured questionnaire as well as using secondary sources. It was found that the flow of remittances will increase in five years ahead but the remittance inflow from Middle East countries will be declined in an decreasing rate (-1.54). Results of the regression analysis shows that perception towards the act of migration depends on, gender (0.743), duration of migration (- 0.0551) and salary of the migrant (0.0227). Global Person Generated Index (GPGI) was used for the assessment of wellbeing of families left behind by the migrants. Results depicts that love, affection and family are the main concerning areas of the lives of migrant left behind families (accounting 23% and 13% respectively) followed by several other factors. Further it also shows that they have still not reached the necessity levels with respect to the areas (obtaining minus values for GPGI) of family, children, debt settlement, employment and accommodation. As per the overall view whatever the peoples' perception towards the migrants and whatever notifications and respects we citizens are paying towards these migrants and not only that how far the government is happy/satisfied due to these enormous retrieval of remittances by recovering the BOPs, the actual owners of those remittances or their beloved family members are still struggling to find out the love, affection and money from remittances (as denoted by the minus value for the difference in ranking for the GPGI) as well as to be well or to reach the required necessity levels in certain other crucial areas of their lives.

Keywords : Remittances, Wellbeing, Migrants, families.

1 INTRODUCTION

Migration is recognized as beneficial to both sending and receiving countries. It relieves unemployment pressures in countries of origin, and provides productive labor and an economic lifeline for millions of women and men. At the same time, remittances have a very positive impact on home economies representing a significant source of external funding for many developing countries [1].

Migrant workers' remittances have expanded in the last few decades with the increase of the departures for foreign employment, and have made direct and indirect contributions to the national and household income. Official data on the outflows of migrant

workers in Sri Lanka are questionable due to the practical difficulties of collecting accurate and reliable data on foreign employment.

Plantation crops, garments, and migrant labour are the three main sources of foreign exchange earnings in Sri Lanka, and these foreign exchange earning opportunities are highly gendered with the greater involvement of women's labor. However, the growth of remittances has been faster than the earnings from the garment industry and plantation crops.

1.2 JUSTIFICATION OF THE STUDY

Although the enormous contribution from international migrant workers to Sri Lanka's economic development is well documented and socially accepted, little is known on the status of wellbeing of the left behind families.

It is the "remittances" that we are looking forward from the migrants. In the migration history of Sri Lanka, so far less attention has been given to recognize the contribution of remittances on the wellbeing of those migrant left behind families. As labor migration flow increases rapidly, the impacts of remittances on those families left behind leave many unanswered questions. Many researches have been carried out on the impacts of migration towards the left behind families yet less priority has been for the impacts of remittances on the left behind families.

Thus it really is worth to study the impacts of remittances on the well-being of migrant left behind families.

1.3 Key Objective of the Study

1. To study the flow of remittances during the past decade and make forecasts on future trends of remittances
2. To study the perception of left behind families towards the act of migration of their beloved ones.
3. To identify the impacts of remittances on the wellbeing of families left-behind by migrants.

2 PROCEDURE FOR PAPER SUBMISSION

In order to achieve the first objective, it was needed to go thoroughly through the statistics relating to the flow of remittances basically Central Bank Reports as well as Reports from the SLBFE.

In order to achieve the second and third objectives it was needed to prepare a questionnaire and thereby with the help of that questionnaire almost all the data which needs to be analyzed were gathered. The questionnaire mainly consists of two parts. The first part of the questionnaire helped to grab personal Information of the beneficiary and migrant. The second part of the questionnaire mainly helped to calculate the Global Person Generated Index (GPGI) in order to identify the impacts of remittances on the wellbeing of families left-behind by the migrants.

2.1 Study Area

Sampath Bank PLC, Sri Lanka is the place where the study was engaged and therefore the remittance beneficiaries were solely selected

in the name of Sampath Bank. First it was identified the branches of the Sampath network where the highest remittance transactions are taking place. *Wattala, Kiribathgoda* as well as *Killinochchi* are the branches which are having highest remittance transactions. Thus it was decided to choose *wattala* as the target area. Simple random sampling was done from the list of remittance beneficiaries obtained from the *wattala* branch for the data collection.

2.2 Global Person Generated Index

Satisfaction with life correlates with other measures of subjective wellbeing and correlates predictably with individual characteristics and overall health. Social indicators and subjective wellbeing measures are necessary to evaluate a society and can be used to produce national indicators of happiness. The Global Person Generated Index (GPGI), [2] was introduced, which is an open-ended measure with a simple method of administration, appropriate for use in developing countries. In the first step of GPGI it asks to indicate five crucial things for their life. Here conceptually similar areas were grouped together under single category headings to facilitate the frequency analysis and interpretation. In the second step of GPGI respondents were asked to measure the feeling they have about each of the things they mentioned using a five point scale.

For the third step of spending points, we want them to 'spend' 10 points to show which areas of their life are most important to their overall quality of life. They are not allowed to spend more than 10 points in total.

3 RESULTS AND DISCUSSION

Results will be presented in the order of the objectives together with the discussions.

Objective 1: To study the flow of remittances during the past decade and make forecasts on future trends of remittances

According to the secondary data obtained it is clearly evident that the inflow of remittance to the country is ever increasing and will continue to increase in the coming years.

Yet the problem is lying with, do we really taking the optimal advantage from the job market in abroad. The mismatch between the international demand for jobs and its supply capabilities is one of the major issues in Sri Lanka related to the international migration [3]. It further explains that current demand from overseas is mainly for skilled labour, while Sri Lankan labor migration is concentrated on housemaids and low skilled categories. It is also significant to note

that even as the majority of Sri Lankan migrant workers are made up of housemaids, 68% of employment opportunities remained unutilized in this sector.

Due to many social impacts mainly towards left behind children as well as migrant women to Middle East, government is now taking certain acts headed for the act of migration of women to Middle East as housemaids. This has two main effects. In one hand it is worth to impose such regulations as it will reduce adverse effects of migration on both parties (migrants and the left behinds). But on the other hand what will happen to the women unemployment in the country and can the government be sure that the imposed regulations will be applicable appropriately. Female migrants who seek foreign employment as housemaids in overseas are still dominating, although the share has declined sharply. It is clearly evident from the CBSL, 2012 statistics [4] the declining trend of housemaids in the coming years. When the departures for housemaids from the year 2004-2012 were plotted, the trend line predicts that the departure for the housemaid sector in five years' time ahead would be 46.248 % from the total departures of all categories.

It would be much better if the government could pay much attention towards the gap between the job orders and the departures for foreign employment, then the condition would be much healthier from the economic as well as social perspectives.

Objective 2: To study the perception of left behind families towards the act of migration of their beloved ones.

The perception was measured as a combined effort by concerning variables aspects at ones. It is really worth to identify the main variables that actually affect towards the perception. A regression analysis was done in order to interpret the most significant variables

$$Y = 0.399 + 0.743 X_1 - 0.0551 X_2 + 0.0227 X_3$$

P=0.000 and Where,

Y = Perception towards the migration

X₁= Gender

X₂= Duration of Migration

X₃= Monthly Salary

This interprets that the perception towards the act of migration depends on positively with the Gender of the migrant with a coefficient of 0.743, negatively on the duration of migration with a coefficient of 0.0551 and finally positively on the monthly salary of the migrant with a coefficient of 0.0227.

When considering on the variable of Gender according to the re- Copyright © 2015 SciResPub.

spondents' results, if the migrant was a female the family perceive the act as disadvantageous whereas when the migrant was a male the family perceive the act as advantageous.

As the duration of migration has a negative coefficient it reflects that when the duration of migration increases it results in building up a negative or disadvantageous perception within the family left behind. It is obvious because when a family member is being apart from the family for a longer period genuinely it would result in psychiatrically negative perception among the family members.

As the monthly salary is showing a positive relationship it interprets that when the migrants' monthly salary is getting increasing it results in generating a positive perception among the family members towards the act of migration.

Objective 3: To identify the impacts of remittances on the wellbeing of families left-behind by migrants.

GPGI was administered to a representative sample of 25 women and 35 men. There I concerned only the areas of life that people regarded as most important to them and results shows that "Love and affection was clearly reported as the most important aspects of people's lives (nominated by 23.33% respondents), followed by Family, children, Debt settlement, Money, Employment, Accommodation, which were nominated by considerable number of proportion of the respondents. Sometimes this results might look quite wired because at present people always take money first for whatever the reason in life. Yet it was not true with the left behind families by the migrants.

In here difference in ranking (DR) refers to the necessity ranking less the satisfaction ranking. DR represents the disjuncture between the level of importance or the level of necessity/impotency and the level of satisfaction. As depicted in the Table 4.18 for the item of Love, affection and for money the respondents have already reached the required satisfactory level. But for the other factors satisfaction was still below the necessity level.

Table 4.18: Table showing the Difference in Ranking with respect to satisfaction and the necessity

Item	Necessity		Satisfaction		Difference
	S.D	Rank	S.D	Rank	
Love and affection	6.88	5	8.29	1	4
Family	8.03	1	4.73	6	-5
Children	7.77	2	7.09	3	-1
Money	7.28	4	7.89	2	2
Debt settlement	7.38	3	6.56	4	-1
Employment	6.02	6	2.58	7	-1
Accommodation	5.63	7	3.56	8	-1
Partner	2.49	8	3.46	8	0

[4] Central Bank of Sri Lanka (CBSL) 2012, Ceylon Bank of Sri Lanka Annual Report, Central Bank of Ceylon, Colombo, Sri Lanka.

4 Conclusion

This study has examined how the families and children who were left behind have been influenced at well-being aspects by the remittances gained by the Sri Lankan migrants. The migration of these women and men has become a major policy concern in recent years due to the growing concern about the remittance inflows and problems faced by the children left behind by migrants. Moreover, the existing literature has indicated a need for further investigation on this issue. As per the overall view whatever the peoples' perception towards the migrants and whatever notifications and respects we citizens are paying towards these migrants and not only that how far the government is happy/satisfied due to these enormous retrieval of remittances by recovering the BOPs, the actual owners of those remittances or their beloved family members are still struggling to find out the love, affection and money from these valuable source of income (as denoted with the minus value for the difference in ranking by the GPGI)."

REFERENCES

- [1] Chammartin, G. M. F. 2004a, „Women Migrant Workers” Protection in Arab League States”, in S. Esim and M. Smith (eds.), *Gender and Migration in Arab State: The Case of Domestic Workers, International Organisation for Migration, Regional Office for Arab States, Beirut, pp.8-24*. Available at, http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_204013.pdf (accessed on 24.12.2013)
- [2] Camfield. L, Ruta,.D, (2007), *‘Translation is not enough’: using the Global Person Generated Index (GPGI) to assess individual quality of life in Bangladesh, Thailand, and Ethiopia* (online) Springer Science+Business Media B.V. 2007. Available at <http://link.springer.com/article/10.1007%2Fs11482-009-9069-7#> (accessed on 11.12.2013)
- [3] Sri Lanka Bureau of Foreign Employment (SLBFE) 2012, Annual Statistical Report of Foreign Employment 2011, SLBFE, Sri Lanka.