

Labor Migration, Remittances and Household Income: A Comparison between Filipino and Filipina Overseas Workers¹

Moshe Semyonov
Anastasia Gorodzeisky
Tel Aviv University

The major purpose of the research is to examine gender differences in patterns of labor market activity, economic behavior and economic outcomes among labor migrants. While focusing on Filipina and Filipino overseas workers, the article addresses the following questions: whether and to what extent earnings and remittances of overseas workers differ by gender; and whether and to what extent the gender of overseas workers differentially affects household income in the Philippines. Data for the analysis were obtained from the Survey of Households and Children of Overseas Workers (a representative sample of households drawn in 1999–2000 from four major “labor sending” areas in the Philippines). The analysis focuses on 1,128 households with overseas workers. The findings reveal that men and women are likely to take different jobs and to migrate to different destinations. The analysis also reveals that many more women were unemployed prior to migration and that the earnings of women are, on average, lower than those of men, even after controlling for variations in occupational distributions, country of destination, and sociodemographic attributes. Contrary to popular belief, men send more money back home than do women, even when taking into consideration earnings differentials between the genders. Further analysis demonstrates that income of households with men working overseas is significantly higher than income of households with women working overseas and that this difference can be fully attributed to the earnings disparities and to differences in amount of remittances sent home by overseas workers. The results suggest that gender inequal-

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ity in the global economy has significant consequences for economic inequality among households in the local economy. The findings and their meaning are evaluated and discussed in light of the household theory of labor migration.

In recent decades, an ever-increasing number of labor migrants has begun leaving their homes in search of better employment opportunities and higher wages. The growing literature on the subject has clearly demonstrated that flows of labor migration are asymmetric and mostly in one direction – from the poor developing countries to the economically developed rich countries. That is, individuals migrate from countries of capital scarcity and labor abundance to destinations of capital abundance and labor scarcity (Gross and Linnquist, 1995; Stalker, 1994; Krane, 1979). According to this literature, labor migrants leave poor and economically depressed labor markets in search of better-paying jobs in order to support household members left behind. Although labor migrants are usually relegated to the least desirable occupations and to the lowest paying jobs in host societies, their earnings are considerably higher than what they could possibly earn in their countries of origin (Semyonov and Gorodzeisky, 2004; Go, 1998; King, 1997; Jasso and Rosenzweig, 1990; Semyonov, 1986). Indeed, labor migrants view their overseas employment as a temporary solution to economic problems in their country of origin, as a means to combat poverty and economic hardships in the homeland, and as a way to help support household members left at home.

The recent increase in scope and intensity of migration flows has also been associated with a significant change in the gender composition of the migrant population. Specifically, in recent decades, more women have begun migrating in search of employment opportunities in the global market (Tyner 2002; Go, 1998; Eelens and Speckmann, 1990; Zlotnik, 1990; Lauby and Stark, 1988; Sobieszczyk, 2000). For example, just two decades ago, the overwhelming majority of Filipino overseas contract workers were men. However, within one decade, toward the turn of the century, the overwhelming majority of first-time hires among Filipino overseas workers have become women (Tyner, 1994, 2002; Go, 1998).

While the literature on immigrant women has become substantial (*e.g.*, Rajjman *et al.*, 2003; Hondagneu-Sotelo, 1992, 1994, 2001; Zlotnik, 1990; Eelens and Speckmann, 1990; Morokvasic, 1984; Phizackela, 1983), little systematic research, if any, has been done on gender disparities in earnings among labor migrants and remittances sent home. This neglect is surprising

and unfortunate, in light of the dramatic change in the gender composition of the migrant workforce and in light of the growing importance of remittances for the economic well being of family members in the sending country (Semyonov and Gorodzeisky, 2004; Tacoli, 1999; Durand *et al.*, 1996; Itzigsohn, 1995; Massey and Parrado, 1994).

In the present research, we intend to use data gathered in the Philippines to examine gender differences in labor market activity and in economic behavior among overseas workers and the differential impact of remittances on the economic welfare of households in the Philippines. The study of Filipino labor migration is of special interest for two main reasons. First, the Philippines society has become one of the major sources of labor migrants – a prototype of a labor exporting country (Carlos, 2002; Tyner, 2002; Go, 1998). Second, at the present time, the Filipino overseas workforce is composed of roughly equal numbers of men and women. These men and women are distributed across both a large number of occupational destinations and a wide range of spatial destinations (Semyonov and Gorodzeisky, 2004; Tyner, 2002; Go, 1998). Data on Filipino overseas workers provide us with an opportunity to better understand gender differences in economic behavior among labor migrants and the impact of such migration on the economic well being of households in countries of origin.

The plan of the article is as follows: we first outline theoretical considerations and research expectations addressed within the context of the Filipino society; next, we show the data source and variables as well as the analysis and findings. The analysis pertains, first, to comparison between occupational distributions of men and women across countries of destination; second, to the gender gaps in earnings among overseas workers; third, to gender differences in money transfers to households in the Philippines; and fourth, to the differential impact of remittances sent by men and women on the income of Philippine households. In the last section we summarize the findings and discuss their meaning.

THEORETICAL CONSIDERATIONS

The household theory of labor migration contends that decisions to migrate are rarely reached by individual actors without consideration of household needs. According to this theoretical perspective, labor migration is an economic strategy exercised by the household to allocate human resources rationally in order to increase the flows of income and to decrease the scope of economic risks (*e.g.*, Massey, 1990, 1994; Massey *et al.*, 1993, 1998;

Stark, 1984; Kanaiaupuni, 2000). The strategies adopted by households differ from one social setting to another and may differ over time. In some societies, households send the most productive member of the family to work abroad (Pessar, 1982) whereas in other societies they send the least productive ones (Taylor, 1987). Some societies rely mostly on male migration, while others send more females than males to overseas markets (Kanaiaupuni, 2000; Findley, 1994; Eelens and Speckmann, 1990; Zlotnik, 1990; Lauby and Stark, 1988; Trager, 1981, 1984).

Despite variations in household strategies and in migration patterns, all researchers agree that members of the household unit act collectively in order to maximize household earnings and to decrease economic risks. In other words, the household unit acts collectively to increase the pool of economic resources for the benefit of all members of the household (Semyonov and Gorodzeisky, 2004; Massey, 1990, 1994; Massey *et al.*, 1993; Stark, 1984). From this perspective, labor migrants leave their homes in search of temporary jobs in host countries in order to help support family members in the countries of origin with no intention to stay permanently in the host country.

In the past, almost all studies of labor migrants focused on men, or operated "on the assumption that men are the decision makers in the migration process and women are tied movers, or, if women migrate alone, they follow the same routes, are motivated by similar considerations, and experience the same consequences as do male migrants" (Lauby and Stark, 1988: 473). The same line of logic was echoed recently by Tacoli (1999:660-661): "Although sex has long been recognized as an important variable in migrant selectivity, female migration only recently has been included within the rubric of general migration theories, and often only as one of the various forms rather than an analytical category in its own right. As a consequence, migrants are often assumed to be gender-neutral, and the reasons behind their movement are generally presented as gender-blind."

Notwithstanding the criticisms regarding "gender-blindness" in migration theories, the literature on immigrant women in general, and on gender differences in migration processes in particular, has grown rapidly (*e.g.*, Zlotnik, 1990; Eelens and Speckmann, 1990; Tyner, 1994, 2002; Chin, 1997; Go, 1998; Kanaiaupuni, 2000; Trager, 1980, 1984; Sassen-Koob, 1984; Morokvasic, 1984; Agesa and Agesa, 1999; Sobieszcyk, 2000). Many studies on the issue began stressing the unique role played by gender in the migration process. In these studies, immigrant women are often viewed as independent social actors. That is, when women cross international borders

to take a job in the global market, they are making decisions, taking actions, and redefining their family and labor roles (*e.g.*, Raijman *et al.*, 2003; Hondagneu-Sotelo, 1992, 1994, 2001; Salazar Parrenas, 2000, 2001; Pessar, 1999; Wong, 1996; Pedrasa, 1991; Morokvasic, 1984; Phizacklea, 1983). These studies suggest that the feminization of transnational migration has been prompted by rising global demand for labor in specific female-type domestic jobs and occupations.² Subsequently, it was argued that the kinds of jobs available for immigrant women is responsible, to a large extent, for the "double-disadvantage" experienced by immigrant women in the labor market (Raijman and Semyonov, 1997; Boyd, 1984; Agesa and Agesa, 1999). Indeed, the literature cited in this article leads us to expect meaningful gender disparities in economic outcomes of labor migrants, which decreases, in turn, the ability of women to remit. This expectation will be examined and evaluated within the context of Filipino society.

THE SETTING – LABOR MIGRATION OF FILIPINOS AND FILIPINAS

The export of labor migrants from the Philippines was enacted in 1974 as an official policy of the government to combat domestic unemployment and to serve as a source of foreign currency. This policy is supported by several government agencies such as the Overseas Employment Administration, the Overseas Workers Welfare Authority, and numerous NGOs. Throughout the years, the number of overseas contract workers from the Philippines has been growing steadily and rapidly. According to Go (1998), between 1979 and 1985 the number of Filipino overseas workers was estimated to be 380,000 persons; by 1995, the number reached 3.8 million persons. Go (1998) further suggested that between the years 1975 and 1995, about 8 million Filipinos have found employment in more than 100 countries. Indeed, the Philippines has become a prototype for labor-exporting countries and a major source of labor migrants for many countries across the globe.

In the past, the overwhelming majority of labor migrants from the Philippines were men. However, through the years, more and more women have become labor migrants, and currently more than one half of overseas workers from the Philippines are women (Go, 1998; Tyner, 2002). More specifically, in 1975, men composed about 90 percent of all overseas con-

²Some referred to the feminization of labor migration in terms such as "globalization of domestic labor" or "globalization of child-care" (*e.g.*, Hochschild, 2000; Raijman *et al.*, 2003; Hondagneu-Sotelo, 2001).

tract workers, most of whom found employment in the oil-producing countries of the Middle East. However, two decades later, toward the end of the century, the overwhelming majority of newly hired overseas contract workers are Filipinas (Go, 1998; Tyner, 2002).

The change in the gender composition of the Filipino overseas workforce can be attributed mainly to scarce economic opportunities in the Philippines and to changes in the demand for labor in the global economy. The Filipino labor market is characterized by low wages and high rates of unemployment, especially among women (Semyonov and Gorodzeisky, 2004). In the global market, demand for female workers (mostly in personal service jobs) has been steadily increasing, while demand for male workers (mostly in industrial jobs) has been declining (Tyner, 2002; Eelens and Speckmann, 1990).

The rapid increase in the number of women among labor migrants from the Philippines, especially since 1980, is well documented (*e.g.*, Tyner, 2002; Go, 1998). Likewise, the number of studies on the status of Filipina labor migrants has increased considerably (*e.g.*, Tacoli, 1999; Chin, 1997; Zlotnik, 1990). This growing body of literature has repeatedly suggested that the "feminization of transnational migration" from the Philippines is also associated with marked gender differences in employment patterns and in occupational distributions (Semyonov and Gorodzeisky, 2004; Tyner, 1994, 2002; Go, 1998). Specifically, whereas most Filipinas are recruited as domestic helpers and in some cases as entertainers (or "performing artists")³ and as nurses, most Filipinos are likely to find jobs in such manual-type occupations as production workers, transport equipment operators, and laborers⁴ (Tyner, 2002; Go, 1998; Semyonov and Gorodzeisky, 2004; Tacoli, 1999).

Studies that focused on gender differences among Filipino labor migrants suggest that Filipinas are more reliable than Filipinos because migrant women tend to exhibit more responsible behavior and send more money to the family (Tacoli, 1999; Lauby and Stark, 1988; Trager, 1981, 1984). For example, according to Lauby and Stark (1988:485), "families in the Philip-

³Tigno (1993, 1998), for example, suggests that Filipina migrant entertainers "are usually presumed to be illegal and sex-related. . . . The term is actually a euphemism for sex workers although it cannot be denied that not all entertainment workers are sex workers." Likewise, Tyner (1994) argues, "In the entertainment sector, job requirements have placed women in subservient positions, catering to sexual pleasures."

⁴These jobs are often referred to in the literature as "3-D jobs," *i.e.*, dirty, dangerous and demanding (*e.g.*, Tigno 1993, 1998).

pinas may be willing to rely on daughters to supplement their incomes, because traditionally daughters maintain close ties with their families of origin even after marriage." Likewise, Trager (1984:1275-1276) suggested that "families encourage the migration of women with the expectation, based on strong cultural values, that the results of such migration will be continued maintenance of the family unit through support received from the migrant." These arguments received some empirical support by Tacoli (1999), who studied economic behavior of Filipino overseas workers in Rome. Tacoli found that women, both single and married, tend to send proportionally more money than do men to their households in the Philippines.

Following these studies, and the contention that Filipina migrants are more reliable and more committed to their families than Filipino migrants, we should expect women labor migrants from the Philippines to remit more than Filipino men. More specifically, we expect that Filipina overseas workers would send more money and greater portions of their earnings to the families back home than would Filipino overseas workers. Curiously, however, this expectation runs contrary to the arguments advanced in the international migration literature, according to which immigrant women are economically more disadvantaged than immigrant men and, thus, have less resources to remit than men.

DATA SOURCE AND VARIABLES

Data for the analysis were obtained from the survey of households and children of overseas workers conducted during 1999-2000 by the Population Institute of the University of the Philippines, Diliman. The sample for the survey was drawn from the following four primary sending areas of overseas contract workers (according to the 1995 Census of Population): Manila City in the National Capital Region, Davao City on Mindanao Island, Iloilo City on Visayas Island, and Pangasinan on Luzon Island. For the purpose of the present research, we focus on the 1,128 households in which either the father or the mother is an overseas contract worker. Of these households, 548 had a man as an overseas worker and 508 had a woman as an overseas worker. In addition, 72 households sent both men and women overseas.⁵

⁵This subset of 72 households was included in the analysis that pertains to gender differences in occupational distributions, earnings and remittances among overseas workers (at the individual level), but excluded from the analysis of household income and household remittances.

For each household with an overseas worker, data were collected on socioeconomic, demographic and employment attributes of all adult members of the household (including on the characteristics of the overseas worker) as well as detailed information on the earnings of all household members (both abroad and in the Philippines) and on remittances sent to the household from overseas. The data (including information on the overseas worker) were collected through face-to-face interviews (conducted at the home of the respondents) with one of the adults living in the household. The variables selected for the analysis are: gender of overseas worker; age (in years); education (in years of formal schooling); time overseas worker has spent abroad (in years); whether the overseas worker was employed prior to migration (unemployed = 1); monthly earnings overseas (in Pesos); monthly remittances sent to the Philippines (in Pesos); household monthly gross income (in Pesos); current occupation (10 major occupational categories); region of country of destination (7 major regional categories); and size of households (number of persons living in the household). The means, standard deviations, and percentages for these variables (by gender of the overseas worker) and their definitions are presented in Table 1.

FINDINGS

Descriptive Overview

The data presented in Table 1 provide a descriptive overview of the variables included in the analysis for men and women, respectively. The data reveal that roughly equal numbers of women and men were "sent" by the households as overseas contract workers. A comparison between the sociodemographic characteristics by gender underscores some meaningful differences between the two groups. Specifically, the data show that men have higher levels of formal education than do women, that they are older, and that they have stayed, on the average, a longer period of time overseas. The gender differences in age and especially in time abroad reflect, perhaps, the recent increase of women migrants. Only three decades ago most overseas workers were men, but in recent decades more women have begun taking overseas jobs, thus changing the gender composition of the Filipino migrant workforce (Go, 1998).

The gender differences among overseas workers from the Philippines are pronounced with regard to both labor market behavior and economic outcomes. Whereas almost three quarters of all women were not employed prior to migration, only one third of the men were unemployed prior to

TABLE 1
SOCIO-DEMOGRAPHIC CHARACTERISTICS (MEAN (S.D.) AND PERCENT) OF FILIPINO OVERSEAS WORKERS AND THEIR HOUSEHOLDS BY GENDER

Variable	Definition	Men (N = 620)	Women (N = 580)
		Mean (Std. Deviation)/ Percent	Mean (Std. Deviation)/ Percent
Age	In years	43.97 (6.84)	40.18 (6.27)
Education	In years	12.23 (2.19)	11.00 (2.12)
Time Abroad	In years	8.03 (3.04)	6.81 (3.04)
Unemployed in Philippines (prior to migration) (%)	Unemployed = 1	27	68.3
Earnings in host countries	In Pesos (per month)	26,076 (50,054)	17,433 (17,943)
Remittances ^a	In Pesos (per month)	12,706 (10,402)	6,996 (5,701)
Remittances as share of earnings ^a	In percent of overseas earnings	60.27	44.98
Household Income (earning in the Philippines + remittances) ^b	In Pesos (per month)	18,489 (15,586)	12,386 (11,431)
Remittances as share of household income ^b	In percent of total household income	78.96 (27.06)	66.50 (28.49)
Occupation in Host Country			
Managers (%)		4.4	1.2
Other Professionals and Associate Professionals (%)		17.3	4.9
Health Professionals and Associate Professionals (%)		1.2	5.9
Office and Customer Service Clerks (%)		3.3	3.7
Personal and Protective Workers (%)		5.9	4.2
Agricultural workers (%)		1.5	0.2
Extraction and Metal Trade Workers (%)		23.9	
Craft and Related Workers (%)		5.3	6.3
Drivers and Mobile Machinery Operators (%)		32.9	0.2
Domestic Helpers (%)		4.3	73.5
Region of Destination			
East Asia - Industrialized (%)		11.5	22.1
Middle East (%)		37.5	18.6
Southeast Asia (%)		6.7	3.8
Europe (%)		13.8	13.6
North and South America (%)		13.3	9.6
Hong Kong (%)		1.1	32.2
Around the World (%)		16.1	0.2

Notes: ^aComputed only for the sub-samples of overseas workers who reported the amount of remittances sent home (495 and 432 for men and women, respectively).

^bHouseholds with both parents abroad were excluded. Statistics were computed only for sub-samples of households that reported amount of both remittances and household income (449 and 384 for men and women, respectively).

migration. Apparently, economic hardships in the Philippines are a major reason for migration of both men and women.

On average, the earnings of men in overseas markets are 1.5 times higher than the earnings of women. It is important to note that almost all men and all women send money to their households in the Philippines. Only 2.7 percent and 2.2 percent among men and women, respectively, do not send any money to the household in the Philippines. On average, men remit over 60 percent of their earnings while women remit about 45 percent of their earnings. Under the assumption that living costs abroad are similar for men and women, the gender difference in remittances might be attributed to the earnings gap between men and women. The data also show that, on average, the income of a household with a man as an overseas worker is higher than the income of a household with a woman overseas. It is interesting to note that remittances sent by women comprise 66 percent of household income in the Philippines whereas remittances sent by men comprise more than 78 percent of household income. It appears that the differences in household incomes in the Philippines can be attributed to earnings gaps between men and women in overseas markets.

As demonstrated by previous studies on the subject (*e.g.*, Semyonov and Gorodzeisky, 2004; Tyner, 2002; Go, 1998) Filipino men and women are likely to migrate to different countries and to find employment in different occupational destinations. A comparison between the occupational distributions of men and women reveals that men are more likely than women to take managerial-professional as well as blue-collar manual-type jobs, while women are more likely than men to take health professional (mostly as nurses) and domestic-help occupations. Likewise, men are more likely to migrate to countries in the Middle East or take jobs as seamen "around the world," while women are more likely to find employment in Hong Kong or in other industrialized East-Asian countries. In general, the data clearly show that both the occupational distributions as well as the distribution of men and women across countries differ considerably.

Gender Disparities in Overseas Earnings

Before studying gender differences in the amount of remittances and the differential impact of overseas transfers on household income in the sending country, it seems important to examine, first, earnings disparities between men and women in overseas markets. Thus, in Table 2 we examine the net effect of gender on the earnings of labor migrants. We estimate three re-

gression equations predicting earnings of men and women in overseas markets, net of sociodemographic attributes, type of occupation, and country of destination. In equation 1, we let earnings be a function of gender and sociodemographic characteristics of the worker (*i.e.*, age, education, time employed abroad, and whether employed prior to migration). In equation 2, we add to the independent variables a set of two dummy variables representing major occupational categories, and in equation 3, we introduce a set of six dummy variables representing country of destination as an additional control variable.

The findings suggest that earnings of overseas workers tend to increase with age, education and duration of employment abroad, regardless of gen-

TABLE 2
REGRESSION EQUATIONS COEFFICIENTS (S.D.) PREDICTING LOG EARNING OF FILIPINO
OVERSEAS WORKERS

	(1)	(2)	(3)
Gender (men = 1)	0.101 ^c (0.041)	0.103 ^c (0.040)	0.165 ^c (0.043)
Age	0.007 ^c (0.003)	0.007 ^c (0.003)	0.006 ^c (0.003)
Education	0.079 ^c (0.008)	0.061 ^c (0.008)	0.049 ^c (0.008)
Time abroad	0.025 ^c (0.006)	0.018 ^c (0.006)	0.015 ^c (0.006)
Unemployed prior to migration (unemployed = 1)	0.063 (0.039)	0.089 ^c (0.038)	0.028 (0.037)
Overseas occupation ^a			
Professionals		0.380 ^c (0.048)	0.422 ^c (0.047)
Sales and Clerks		0.079 (0.061)	0.089 (0.060)
Country of Destination ^b			
East Asia - Industrialized			0.172 ^c (0.051)
Southeast Asia			0.323 ^c (0.079)
Europe			0.349 ^c (0.054)
North and South America			0.343 ^c (0.062)
Hong Kong			0.405 ^c (0.056)
Around the world			0.351 ^c (0.066)
Constant	8.23	8.41	8.37
R ²	0.153	0.202	0.268
N	1,029	1,028	1,028

Notes: Omitted category - manual workers.

Omitted category - Middle East.

^c p < 0.05.

der. The earnings of overseas workers, however, are also strongly and significantly affected by gender, with men earning significantly more than women. Specifically, equation 1 reveals that, net of their sociodemographic characteristics, men earn about 10 percent more than do women. The gender gap in earnings remains statistically significant in equations 2 and 3 when both occupation and country of destination, respectively, are controlled for. Indeed, net of sociodemographic and labor market attributes, the earnings of Filipino overseas workers are significantly higher than the earnings of Filipina overseas workers.

Estimating the Gender Gap in Remittances

In Table 3, we examine net differences in the amount of remittances sent to the household in the Philippines. To this end, we estimate three regression equations. In equation 1 we predict the amount of monthly financial support regularly sent by the overseas worker to the household in the Philippines as a function of gender, age, education, time abroad, employment status in the Philippines prior to migration, and size of the household. In equation 2, we include in the set of predictors income earned abroad, as an intervening variable between gender and the amount of remittances. In equation 3 we also include among the independent variables two sets of dummy variables—occupation overseas and country of destination—as two additional control variables.

Contrary to popular belief and to findings revealed by studies of Filipino labor migrants, the results revealed by equation 1 suggest that men send more money than do women to the household in the country of origin. The effect of gender on the amount of financial support sent home in equation 1 is positive and more than three times its standard error. The gender effect on remittances remains statistically significant in equation 2 (in which overseas earnings is included as a control). This finding means that, even when taking into consideration earnings disparities between men and women, the amount of remittances sent by men is significantly higher than the amount of remittances sent by women. This finding still holds in equation 3, which takes into consideration variations in the distribution of men and women across occupations and across countries.

Remittances and Household Income in the Philippines

The findings presented thus far lead us to a two-fold conclusion. First, Filipino men employed overseas enjoy higher salaries than do Filipinas employed overseas and second, men extend greater financial support than do

TABLE 3
REGRESSION EQUATIONS COEFFICIENTS (S.D.) PREDICTING LOG OF REMITTANCES SENT TO THE
HOUSEHOLD IN THE PHILIPPINES

	(1)	(2)	(3)
Gender (men = 1)	0.453 ^c (0.125)	0.382 ^c (0.105)	0.275 ^c (0.118)
Age	0.014 (0.009)	0.009 (0.007)	0.011 (0.007)
Education	0.084 ^c (0.025)	0.024 (0.022)	0.024 (0.023)
Time abroad	0.025 (0.018)	0.022 (0.015)	0.016 (0.016)
Unemployed prior to migration (unemployed = 1)	-0.021 (0.118)	-0.106 (0.099)	-0.097 (0.101)
Size of Household	0.013 (0.028)	-0.011 (0.023)	-0.013 (0.024)
Earning abroad (Log)		0.665 ^c (0.080)	0.708 ^c (0.086)
Overseas occupation ^a			
Professionals			0.004 (0.137)
Sales and Clerks			0.074 (0.165)
Country of Destination ^b			
East Asia - Industrialized			-0.060 (0.141)
Southeast Asia			-0.482 ^c (0.218)
Europe			-0.189 (0.149)
North and South America			-0.289 (0.178)
Hong Kong			-0.274 (0.155)
Around the world			0.118 (0.179)
Constant	6.67	1.44	1.13
R ²	0.063	0.155	0.166
N	871	864	863

Notes: ^aOmitted category - manual workers

^bOmitted category - Middle East

^cp < 0.05

women to the household members living in the Philippines. In the analysis shown in Table 4, we examine the extent to which household income in the Philippines is differentially influenced by the gender of the overseas worker and whether earnings disparities between men and women in overseas markets are responsible for income variation among households in the Philippines. To this end, we estimate a series of regression equations.

The equations presented in Table 4 are conducted at the household level. They pertain to the characteristics of the households in the Philippines and contain data on both the attributes of the overseas worker and the

attributes of the spouse living in the Philippines. Thus, the independent variables that are used to predict household income include the gender of the overseas worker along with socioeconomic, demographic and labor force characteristics of both husband and wife (only one of whom is an overseas worker). In equation 1, we let household income in the Philippines be a function of age of husband, age of wife, education of husband and education of wife, size of the household, and the gender of the household member employed overseas. In equation 2, we introduce two sets of dummy variables representing occupational and employment status of husband and wife, as well dummy variables representing country of destination. In equation 3a, we add gross earnings of overseas workers to the set of predictors, and in equation 3b, we replace gross earnings with net remittances sent home. Equations 3a and 3b enable us to examine the impact of the gender of the overseas worker on household income, net of earnings produced in overseas markets.

The findings revealed by equation 1 suggest that household income is positively and significantly related to education of both husband and wife and to the age of wife. Household income is likely to increase with size of the household (apparently because size is associated with number of contributors to income). The results presented by equation 1 also suggest that the income of households with men working overseas is significantly higher than the income of households with women working overseas. These relations hardly change in equation 2 when occupation and employment status of husband and wife and country of destination are added to the set of independent variables (although the significance level of the effect of gender of overseas worker on household income decreases to $p = 0.10$). The coefficients of occupation and employment status in equation 2 show that, in general, household income of professionals, and to some extent clerical (especially among women) and manual workers (especially among men), is considerably higher. Likewise, the household income for the worker that is employed in Europe, and/or belongs in the around-the-world category (compared to the Middle East), is also significantly higher.

When earnings abroad or remittances were introduced to equations 3a and 3b, respectively, the effect of gender of overseas worker on household income becomes negligible and, indeed, statistically insignificant. Apparently, income differentials between households with a man employed overseas as compared to households with a woman employed overseas can be fully attributed to the earnings gap between men and women in overseas markets. We must conclude, therefore, that patterns of economic gender

TABLE 4
REGRESSION EQUATIONS COEFFICIENTS (S.D.) PREDICTING LOG OF HOUSEHOLD INCOME
IN PHILIPPINES

	(1)	(2)	(3a)	(3b)
Who works abroad (men = 1)	0.138 ^c (0.062)	0.148 (0.091)	0.056 (0.084)	0.035 (0.074)
Age of husband	0.001 (0.006)	-0.0002 (0.006)	-0.0004 (0.006)	0.001 (0.005)
Age of wife	0.017 ^c (0.007)	0.019 ^c (0.007)	0.016 ^c (0.006)	0.012 ^c (0.005)
Education of husband	0.080 ^c (0.015)	0.049 ^c (0.015)	0.031 ^c (0.014)	0.038 ^c (0.012)
Education of wife	0.035 ^c (0.014)	0.011 (0.014)	-0.004 (0.016)	0.005 (0.011)
Size of household	0.092 ^c (0.016)	0.088 ^c (0.015)	0.074 ^c (0.014)	0.082 ^c (0.013)
Occupation of husband ^a				
Professionals		0.657 ^c (0.115)	0.573 ^c (0.105)	0.645 ^c (0.094)
Clerks and sales		0.204 ^c (0.067)	0.216 ^c (0.061)	0.231 ^c (0.054)
Manual workers		0.331 ^c (0.094)	0.415 ^c (0.086)	0.412 ^c (0.077)
Occupation of wife ^a				
Professionals		0.511 ^c (0.096)	0.521 ^c (0.088)	0.573 ^c (0.079)
Clerks and sales		0.510 ^c (0.120)	0.477 ^c (0.110)	0.478 ^c (0.098)
Manual workers		0.161 (0.087)	0.183 ^c (0.080)	0.291 ^c (0.072)
Country of Destination ^b				
East Asia - Industrialized		0.043 (0.086)	-0.033 (0.079)	-0.024 (0.070)
Southeast Asia		0.245 (0.142)	0.025 (0.130)	0.191 (0.116)
Europe		0.236 ^c (0.094)	0.007 (0.088)	0.129 (0.077)
North and South America		0.076 (0.105)	-0.161 (0.099)	0.133 (0.086)
Hong Kong		0.099 (0.093)	-0.106 (0.087)	0.046 (0.076)
Around the world		0.215 ^c (0.099)	-0.019 (0.093)	0.107 (0.081)
Earnings abroad (Log)			0.604 ^c (0.051)	—
Remittances (Log)			—	0.336 ^c (0.018)
Constant	6.69	6.73	1.60	4.19
R ²	0.186	0.273	0.398	0.515
N	719	719	712	719

Notes: ^aOmitted category - unemployed.

^bOmitted category - Middle East.

^c $p < 0.05$.

Inequality among labor migrants in the global market have significant implications for economic inequality among households in the sending society.

Decomposing Mean Differentials in Earnings, Remittances and Household Income

The findings presented thus far reveal that migrant women earn less than migrant men and that women remit less than men and therefore contribute less to household income. This thesis, however, needs further and more systematic examination. Thus, in the following analysis, we decompose mean differences between migrant men and migrant women in earnings, in remittances and in household income, respectively. The decomposition procedure enables us to accurately estimate the component of the observed gap (in either earnings, remittances or household income) that can be attributed only to gender (and can be seen, thus, as net effect of gender) and the component of the gap that is attributable to differences in the compositional characteristics of men and women.

There are several models for decomposing mean differences between groups via regression equations (e.g., Oaxaca, 1973; Jams and Thornton, 1975; Jones and Kelley, 1984). These models identify several components that account for the observed mean differences between groups. The model adopted in the present analysis for partitioning observed mean differences between men and women follows the logic and procedure presented by Jones and Kelly (1984).

$$Y^M - Y^W = \left[\left(a^M + \sum b^M X^M \right) - \left(a^W + \sum b^W X^W \right) \right] + \sum b^W (X^M - X^W) + \sum (b^M - b^W) (X^M - X^W)$$

The Y s are the mean values of the dependent variables of the M (men) and W (women) populations. The X s are the mean values of the antecedent variables included in the regression equations, b s are the regression coefficients, and the a s are the two intercepts obtained from the men and women respective equations.

The model identifies three components. The first component is the unexplained differences between the groups that are due to both group membership and differential returns to human resources and labor market attributes. It can be regarded as the "net effect of gender." The second component is the portion of the gap due to differences in human resources and labor market attributes (or "composition effect" or "endowment effect").

The third component is the "interaction effect" of jointly changing both mean characteristics and regression coefficients over the effect of changing them one at a time.

In Table 5, we present the results of the application of this decomposition procedure to regression equations predicting earnings, remittances and household income for men and women, respectively. The equations for decomposing the earnings gap between men and women include in the set of predictors all sociodemographic and labor market attributes of overseas workers (similar to equation 3 of Table 2). The equations for decomposing the gap in remittances include among the independent variables the sociodemographic and labor market attributes of overseas worker plus gross overseas earnings (similar to equation 3 of Table 3). The equations for decomposing the observed gap in household income include in the set of independent variables (in addition to sociodemographic and labor market attributes) remittances sent to the household in the Philippines (similar to equation 3b in Table 4). It should be noted that the results of the decomposition procedure reported in Table 5 are similar to results obtained from other decomposition techniques and are consistent with the results reported in Tables 2, 3, and 4.

TABLE 5
COMPONENTS OF LN EARNINGS (COLUMN 1), LN REMITTANCES (COLUMN 2), AND LN HOUSEHOLD INCOME (COLUMN 3) DIFFERENTIALS BETWEEN MEN AND WOMEN: FILIPINO OVERSEAS WORKERS

	(1)	(2)	(3)
Observed Gap (100%)	0.23	0.67	0.39
Gender Net Effect ($a^M + \sum b^M X^M - (a^W + \sum b^W X^W)$) (%)	0.185 (80.4)	0.46 (69)	-0.01 (-2)
Composition Resources Effects ($\sum b^W (X^M - X^W)$) (%)	0.003 (1.3)	0.53 (79)	0.38 (97)
Interaction Effect ($\sum (X^M - X^W)(b^M - b^W)$) (%)	0.042 (18.3)	-0.32 (-48)	0.02 (5)

The figures displayed in Column 1 of Table 5 suggest that most of the gender-linked earnings disparities between Filipino overseas workers cannot be attributed to differences in human capital attributes such as education and age. Nor can they be attributed to occupational composition or location in the global market. Rather, about 80 percent of the gender gap in overseas earnings can be viewed as "net effect of gender" (most likely due to market discrimination against women).

The net effect of gender on earnings seems to have a cumulative effect on the differential ability of men and women to remit. About 70 percent of the gender gap in remittances (column 2 of Table 5) may be viewed as "net effect of gender." Yet only 25 percent of this gap (not shown in the table) is attributed to earnings differentials between men and women. Apparently, net earnings disparities between men and women (after adjustment for living expenses) are considerably larger than the gross earnings gap.

The results of the decomposition procedure, applied to mean difference in income between households that rely on men labor migrants and households that rely on women labor migrants, are displayed in column 3 of Table 5. The data reveal that the entire income gap can be attributed to compositional differences between men and women (mostly due to differences in remittances sent home). While the "net effect of gender" component is negligible, the "compositional effect" component accounts for the entire income gap (97%) between households with men overseas workers and households with women overseas workers.

DISCUSSION AND CONCLUSIONS

The main objectives of the present research were to examine, evaluate and discuss gender differences in patterns of economic behavior among labor migrants in countries of destination and among their households in the country of origin. The research focused on Filipino and Filipina overseas contract workers. It was mostly concerned, first, with gender differences in employment patterns and earnings among Filipino overseas workers, second, with gender differences in remittances sent to household members, and, third, with the differential impact of overseas remittances on the income of the household in the Philippines.

The data presented here were obtained from a sample of households (drawn from four major sending areas in the Philippines) that sent either a man or a woman to work overseas. The data reveal that the number of households with a man as an overseas worker is roughly equal to the number of households with a woman as an overseas worker and that only a very small number of households sent both the mother and father to work overseas. The data also reveal that men and women were distributed across different countries (Hong Kong is the most frequent destination for women, and the Middle East, especially Saudi Arabia, is the most frequent destination for men) and across different occupational categories (women are heavily concentrated in the domestic help and caretakers category while men are over-

concentrated in manual-type occupations). Almost all overseas workers, both men and women, send money to their households in the Philippines on a regular basis. The data further reveal that remittances are the single most important source of income for households with overseas workers. Indeed, an increasing number of Filipino households are becoming heavily dependent on the flows of overseas remittances for economic survival.

Contrary to popular belief and to scattered arguments in the literature, the analysis reported here reveals that men send more money than do women to households in the Philippines. The gender gap in the amount of remittances can be attributed to the gender gap in earnings in overseas markets. That is, since men are making more money than are women (and under the assumption that expenses are roughly equal for the two gender groups), men are able to send larger portions of their earnings to the household, and, hence, to contribute significantly more than women to household income in the Philippines.

These findings are in sharp contrast to findings and conclusions reported by previous studies that examined economic relations of Filipino and Filipina migrants and their families (*e.g.*, Trager, 1984; Lauby and Stark, 1988; Tacoli, 1999). We believe that the differences between our findings and the previous ones are rooted, at least in part, in differences between samples. While our study focuses on mature married overseas contract workers with children, previous studies on the topic were mainly concerned with young labor migrants. Specifically, Trager (1984, 1981) as well as Lauby and Stark (1988) focused on sons and daughters who migrated from rural areas to urban centers within the Philippines. Tacoli (1999) studied a very small sample of young overseas workers in Rome. The sample used in this research is much larger and more representative of the Filipino overseas workforce. Thus, while it is possible that the commitment level of daughters to the household is higher than the commitment of sons, we believe that the economic commitment of fathers to the households and to their children is no lower than the commitment of mothers.

The data clearly suggest that due to the difference in amount of remittances, households with men employed overseas enjoy higher incomes than households with women overseas. Apparently, earnings inequality between men and women in the global economy has significant consequences for income inequality among households within the Philippines. This finding may cast some doubt and raise some questions about the economic rationale involved in decisions made by households to send women rather than men to overseas markets. If men earn more, and if men send more

money to the household, and if earnings of men contribute more to household income, one should expect an increase, not a decrease, in the proportion of men among labor migrants. However, in recent years more and more Filipinas are becoming labor migrants (Tyner, 2002; Go, 1998). The explanation we can offer regarding the increase in the number of Filipina labor migrants is two-fold and is rooted in economic conditions and employment opportunities that prevail both globally and locally. On the one hand, demand for female labor (especially personal services such as domestic help, nursing, and caretaking) has been growing in the global markets. On the other hand, demand for male labor (mostly male-type jobs in manual occupations) in the global economy has been declining (Tyner, 2002; Eelens and Speckmann, 1990). At the same time, unemployment in the Philippines, especially among women, is extremely high, and economic opportunities, especially for women, are quite limited (our data, for example, show that among overseas workers, two thirds of all women as compared to one quarter among men were not employed prior to migration).

It appears that by "sending" more women overseas, Filipino households respond not only to changing demand for workers in the global economy but also to the greater difficulties faced by women in the local economy. By so doing, they adopt a strategy according to which households are able to produce earnings from those who have very little chance to attain gainful employment in the Philippines. It should be noted, however, that although women earn less and remit less than men, the money they send plays an important role in improving economic conditions of their households in the Philippines. Yet, men's overseas earnings and remittances make a greater contribution to household income than women's overseas earnings and remittances. Indeed, gender inequality in the global labor market has significant consequences for income inequality among households in the Philippines.

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