

The Utilization Behavior of the Remittance-Receiving Families in Cagayan de Oro City

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Abstract - This study determined the utilization behavior of the remittance-receiving households in Cagayan de Oro City. Employing the descriptive research design, it covered the (1) the profile of the household respondents in terms of educational attainment, means/sources of income, length of time receiving remittances, and amount of remittances received; (2) respondents' utilization of remittances in terms of basic needs, essential needs, luxury, and savings & investments; and (3) the significant difference in the respondents' utilization of remittances when they are grouped according to educational attainment, means/sources of income, length of time receiving remittances, and amount of monthly remittance received. A researcher-made questionnaire was used as key instrument in collecting the data. In treating the data, the percentage distribution, frequency counts, and Analysis of Variance (ANOVA) were employed.

Majority of the respondents graduated from college and earned income from their salaries and wages and they were receiving remittance for 2 to 6 years. The respondents always utilized the money on their basic and essential needs like food, clothing, shelter, home utilities, education, and healthcare. Remittances were never used for personal and home luxuries except for home entertaining systems, personal gadgets, and appliances. The respondents never engaged in any entrepreneurial activities; however they always save money in banks. The test of significant difference showed that there is no significant difference in the utilization of remittances when the respondents are grouped according to amount of remittance received

and their means/sources of income. The outcome of the study suggests that the recipient families need to be aware of the programs and trainings to help them avail of the different productive entrepreneurial activities.

Keywords - Utilization behavior, remittance-receiving families, entrepreneurial activities

INTRODUCTION

Due to globalization, transformations everywhere have taken place. Technological, political and even economic expansions are apparent. Such transformations have even widened movement of people from all over the world. With industrialization, the high demands for overseas workers in developed nations have attracted movements of people from developing countries with job shortages. Our country today is even seen as one of the world's leading provider of foreign workers and also the leading beneficiary of these workers' remittances.

The vast number of Filipinos working in foreign countries is predominantly motivated by their economic needs. And that the remittances they send back home, have been considered as a means of sustenance of their families. To a number of Filipino families, it is considered as a lifeline. The remittances do not just only provide the recipient families something to eat back home but have also given opportunities for a lot of children in the country to attend school. Remittances have also opened opportunities for the families to engage and invest their remittance money in productive activities.

With the evident significance of remittances on the recipient families, it is motivating to know how they use up their remittances. Do they spend more on their basic and essential needs? Do they engage in savings & investments? The researchers then of this study would like to find out how the recipient families in Cagayan de Oro City utilize the remittances they receive from abroad.

FRAMEWORK

This study was anchored on the two opposing views of migration and remittances: the optimistic view inspired by the developmentalist theory and the pessimistic view inspired by the neo-Marxist and

dependency theories.

From the data provided by IBON (Facts and figures, 2009), the boosting up of the household consumption is the actual and real role of remittances to the economy. The recipient OFW households typically spend the remittance money they are receiving from abroad on basic provisions such as food, education and medical expenses. This utilization behavior of OFW households was disclosed by the Bangko Sentral ng Pilipinas (BSP) on an assessment they conducted. It also revealed that the remittances are not invested in economic sectors that will enhance production but are largely spent on consumables and social services that should have been provided by the government in the first place.

The assessment made by BSP relates to the claims of the pessimists' framework- inspired by Neo-Marxist and dependency theories (De Haas, 2010), which says that the household recipients also do not make productive investments in businesses and they frequently spend their remittance money on buying products and on availing different consumer services (Tabuga, 2006). Remittances according to the pessimists should also not be encouraged since it is one of the reasons why there is too much consumption. These remittances will also develop dependency attitudes among the remittance-receiving families since these will encourage reliance of the households on remittances and riskily encouraging 'conspicuous consumption'.

As cited by De Haas (2008) on the work of Lipton, the latter's negative assessment on migration and remittances' impacts reveals that over 90 percent of remittance money are used up for the recipient families' everyday consumption. First, the recipient families make use of remittances to forfeit their debts acquired in financing migration or for education of their children. Second, according to Lipton, are the high payments for bride prices, feasts, funerals and the construction of proud, luxurious houses. Third, is the financing or sponsorship of another migration, while engaging in *productive investments* merely appears in the fourth place in the utilization practices.

The migration optimists, on the other hand, are inspired by the developmentalist theory of migration economy. As cited from De Haas' work (2010), the optimistic view sees the remittances sent back home as positive to the recipient countries and households, since poverty could be lessened and the quality and growth of living of the

recipients can get better. Remittances at the same time could build up the economy since they are considered to be used up on investments and on putting up businesses and enterprises. According to migration optimists, migrant workers were also perceived as essential symbols of transformation and innovation. It was expected that when migrant workers come home to their origin countries, they not only bring back money, but also new ideas, knowledge, and entrepreneurial attitudes (De Haas, 2010). Hence, the migrant workers through their remittances is seen to have important roles in the development of economies since their remittances can boost incomes and can fuel trade and industry growth.

Schematic Diagram

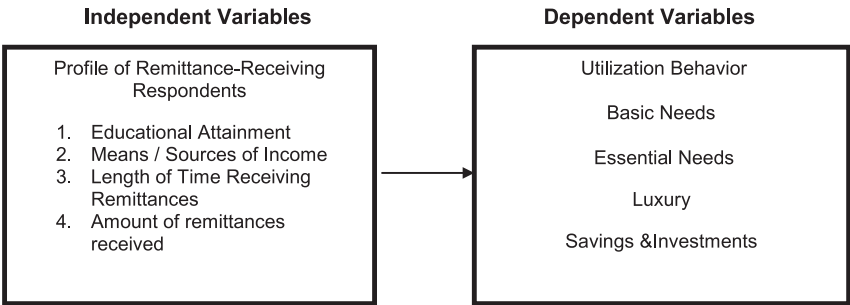


Figure 1. The Schematic diagram showing the relationship between the independent and dependent variables

OBJECTIVES OF THE STUDY

The study determined (1) the profile of the respondents' households in terms of the following educational attainment, means/sources of income; length of time receiving remittances, and amount of remittances received; (2) the respondents utilization behavior of the remittances in terms of basic needs (food, shelter, clothing), essential needs (education, healthcare), luxury (home luxury, personal luxury), and savings & Investments; and (3) the significant difference in the respondents' utilization of remittances when they are grouped according to means/sources of income and amount of monthly remittance received.

METHODS

The researchers used the descriptive research design for this study. A descriptive research intends to explore and explain and asks “what exists?” It is planned to carefully investigate and study a person, group, or patterns of behavior. Furthermore, such approach tries to describe present conditions, events or systems based on the impressions or reactions of the respondents of the research (Creswell, 1994).

The respondents of the study were the select thirty (30) remittance-receiving families within Cagayan de Oro City. They were chosen based on several characteristics; families having at least one family member currently working overseas, receiving remittances for no less than two (2) years, and were composed of at least 5-6 dependent members. Most of the respondents were heads of households. The respondents were selected via referral or recommendation method

In gathering the data, the researchers used a researcher-made questionnaire. Part 1 consisted of the profile of the respondents and Part 2 focused on the utilization behaviors of the respondents.

The frequency and percentage distribution were used to determine the profile of the respondents in terms educational attainment, means/sources of income, length of time receiving remittances, amount of remittances received. The frequency tally and percentage distribution were also used to determine the utilization behavior of the household respondents in Cagayan de Oro City. The analysis of Variance (ANOVA) was employed to find out the significant difference in the respondents’ utilization of remittances when they are grouped according to educational attainment, means/sources of income, length of time receiving remittances, amount of remittances received.

RESULTS AND DISCUSSION

Objective 1. The profile of the respondent households in terms of educational attainment, means/sources of income, length of time receiving remittances, and amount of remittances received.

Table 1. Profile of the respondents in terms of educational attainment

Educational Attn.	Frequency	Percentage
High School Level	1	3.33
High School Graduate	4	12.33
College Level	7	23.33
College Graduate	18	60
Total	30	100

Table 1 shows the profile of the household respondents in terms of their educational attainment. As seen, majority of the respondents (60%) graduated from college followed by those who have reached the college level (23.33%) and those who have graduated only from high school (12.33%), while only 3.33% of the respondents did not graduate from high school.

Overall, the table shows that there are more respondents who had attained a complete education and graduated from colleges/universities with Bachelor's degree. This may imply that they are presently working and earning and are not just relying solely on the remittances they receive from abroad. Families with highly educated parents would also be more likely to send their children to school.

Table 2. Profile of the respondents in terms of means/source of income

MEANS/SOURCE OF INCOME	Frequency	Percentage
Salaries/Wages	10	33.33
Businesses	4	13.33
Pension and retirement fees	6	20
None	10	33.33
TOTAL	30	100

Table 2 shows the profile of the household respondents in terms of means or sources of income. As shown, there are 33.33% of the household respondents who obtain income from their salaries and wages followed by those who earn from their pension and retirement fees (20%) and from their businesses (13.33%). On the contrary, there

are some 33.33% also of the respondents who don't have any means or sources of income and livelihood.

In general, the results entail that majority of the respondents have their sources of income from their salaries, businesses, and pension fees and do not just rely on the remittances they are receiving. They perhaps will just add up the remittance money they get if their domestic incomes will not be enough to meet their needs or they may possibly utilize it on other purposes such as investing and saving. These families will be more capable of engaging in any entrepreneurial and banking activities compared to those who don't have any other sources of earnings.

On the other hand, the respondents who do not have any domestic sources of income rely on the remittances they receive from their relative/s working abroad as their chief household income. According to Holmval (2006), the families that depend on remittances as their main family income would possibly utilized the money basically on their everyday expenses only and will not be allocated for any productive purposes. And that their tendency to consume may vary from the remittance-receiving families as well.

Table 3. Respondents' profile in terms of length of time in receiving remittance

Length (in years)	Frequency	Percentage
2-6 years	19	63.33
7-11 years	7	23.33
12-16 years	3	10.00
17 above	1	3.33
Total	30	100.00

Table 3 shows the frequency count and percentage distribution of the respondents based on their length of time in receiving remittances. The result reveals that those who are receiving remittance money for 2-6 years gained the highest percentage (63.33%) followed by some who are receiving for 7-11 years already (23.33%), while a very few have been receiving for 11 years and above.

The result suggests that the money being sent home from these early migrations is good enough only to fuel the daily needs of the recipient

families in Cagayan de Oro City. Furthermore, the remittance money may also be used first to pay out the debts the family has acquired from financing the worker’s migration abroad. Also, a small amount of remittance money can be expected in the first working and adjusting years of the worker/s in a foreign land.

Table 4. Amount of Remittances Received

Amount of Remittances Received	Frequency	Percentage
5,000- 10,000	9	30
10,000- 15,000	8	26.67
15,000- 20,000	4	13.33
20,000- 25,000	4	13.33
25,000 above	5	16.67
Total	30	100

Table 4 shows the frequency and percentage distribution of the respondents in terms of the amount of remittances received. As shown, 30% of the respondents are receiving remittance money amounting to P5, 000- P10, 000 followed by those 26.67% that receive amounts within P10, 000- P15, 000 bracket.

Overall, this result can be associated with the results in Table 3 that reveals that majority of the respondents (63.33%) are receiving money for not more than 2 to 6 years. The shorter the length of time of migration, the smaller amount of money is expected to be sent back home. Furthermore, the tendency of the migrant workers to remit can be based on the cost of living in the foreign country and the employment condition of the migrant worker. Given that most of the migrants are working in the Middle East, they are spending for their house and daily needs and are also adjusting to the country’s high cost of living.

Moreover, some of the workers are doing low-paid occupations, which would make it very hard for them to send higher amount of money in their country of origin immediately. The tendency of every migrant worker to remit could as well be based on the real wage differentials between the foreign country and the home country. Most of the migrants are working in the Middle East, thus, a lower rate of earning can be expected and a lower amount of remittance money can

as well be projected to be sent home.

Objective 2. Respondents utilization of remittances in terms of basic commodities (food, shelter, clothing), essential commodities (education, health), luxury (home luxury, personal luxury), and savings & Investments

Table 5. Percentage distribution of the respondents’ utilization of basic needs

ITEM	ALWAYS		SOMETIMES		SELDOM		NEVER	
BASIC NEEDS	F	%	F	%	F	%	F	%
1. The money is utilized to purchase rice, meat, milk, fish, fruits and vegetables.	26	86.67	4	13.33	0	0	0	0
2. Buy appropriate clothing for my family.	11	36.67	7	23.33	12	40	0	0
3. Build a concrete house for my family.	15	50	3	10	7	23.33	5	16.67
4. The house is secured with a permanent fence.	22	73.33	4	13.33	3	10	1	3.33
5. The family is able to pay the electric bills on time	20	66.67	9	30	0	0	1	3.33
6. The family is able to pay the water bills on time	20	66.67	8	26.67	1	3.33	1	3.33

Table 5 shows the frequency and percentage distribution of the households’ utilization of basic needs. As shown on the table, almost all of the household respondents prioritize the utilization of their remittance money or a fraction of it on their basic expenditures like food, shelter, water, electricity and even on securing their houses. Likewise, the study by Tabuga (2007) on “How do Filipino families use the OFW remittances?” found out that remittances were mostly used for food, housing, household operations and utilities, and as cited by her

in an ADB study in 2003, it was revealed that the recipient households consumed highest on food. This implies that the sources of income do not matter in the utilization behavior of families when it comes to basic needs since remittance recipient families with salaries, businesses, and pension fees behave just similar to any other households. This is attributed to the fact that generally Filipinos prioritize the daily needs of their family members such as food- which is one of the most vital. Without food and proper nourishment, their health will be affected. Moreover, Filipino families characteristically spend for building or improving their houses. Since working here in the Philippines will not provide them an opportunity to build their own homes, they decide to work abroad. On the contrary, buying clothing came in as last priority when it comes to the utilization of the remittances.

The findings suggest that the respondents are not particular when it comes to their clothing needs. The fact that their income is only enough for their basic needs, they do not have the budget anymore for designer or signature clothing brands.

Table 6. Respondents' Utilization Behavior
in terms of Essential Needs

ITEM	ALWAYS		SOMETIMES		SELDOM		NEVER	
ESSENTIAL NEEDS	F	%	F	%	F	%	F	%
EDUCATION The family is able to pay the children's tuition fees (Including University, college, secondary, elementary, and nursery).	23	76.67	0	0	0	0	7	23.33
1. Buy complete learning materials such as notebooks, textbooks and others for the children.	26	86.67	3	10	0	0	1	3.33
2. Buy the materials needed for the projects of the children in school.	24	80	5	16.67	0	0	1	3.33
Buy complete school uniform for the children (This includes items of clothing as stated in school regulations this may also include purchase of clothing for sport).	23	76.67	6	20	0	0	1	3.33

The family pays for recreational lessons or leisure lessons for the children [Driving, golf, tennis, sewing, music, painting, horse riding, cooking, skiing, photography etc...].	4	13.33	1	3.33	8	26.67	17	56.67
The family purchase personal computers [For the intention of educational usage].	13	43.33	4	13.33	4	13.3	9	30
The family affords school transport for children everyday [This refers to expenditure on all forms of transport: bus, taxi, etc.	24	80	4	13.33	1	13.33	4	3.33
The family can pay for school trips / visits of the children organized by the school/college.	19	63.33	7	23.33	4	13.33	0	0
HEALTHCARE								
Money is used to make sure that all members of my family are in good health as a result of balanced diet	22	73.33	7	23.33	1	3.33	0	0
Any member who gets sick is sent to the doctor for check-up and takes prescribed medication.	17	56.67	8	26.67	5	16.67	0	0
3. Family members take food supplement such as vitamins and minerals	18	60	6	20	5	16.67	1	3.33
4. In case of confinement of the member patient, the family can pay the hospitalization expenses.	25	83.3	4	13.33	1	3.33	0	0
All members of the family are covered with health insurance and health care plans.	15	50	1	3.33	6	20	8	26.67

Table 6 shows the frequency and percentage distribution of the respondents' utilization behavior in terms of essential needs. The table reveals that most of the respondents indicated that the remittance they received are utilized primarily for the education of their children such as buying complete learning materials of their children for school (86.67%), buying materials for projects (80%), paying for the school transport of their children every day (80%). In addition, some household respondents also indicated that they are able to pay the children's tuition fees (76.67%), buy complete school uniform 76.67%), pay for

school trips (63.33%), and purchase personal computers (43.33%) for children's use. This high regard of families for education, as revealed by the results, relates with the fact that for the majority of the Filipinos value the level of education attained by every member of the family. Even though earning a college degree here in the Philippines is really costly, families still place a high regard for it. That is why most of those who go abroad, as observed, are parents wishing to send and sustain their children to school. Education in the country is seen to be a ladder for social advancement. Thus, remittances can have a positive impact on children's education.

On the other hand, paying for recreational lessons or leisure lessons for the children attained the lowest percentage of 13.33%. This entails that the families do not spend much on any recreational or past time activities like painting or golfing that would only add up to their expenses.

In terms of healthcare, majority of the respondents indicated that they always utilize the remittance money to make sure the family can pay the hospitalization expenses in case of confinement of a family member (83.3%), and all members of their families are in good health as a result of balanced diet (73.33%). The families also make use of the money to purchase vitamins (60%), for check-ups and medications (56.67%), and on healthcare plans and insurances (50%). Filipino families nowadays typically are placing high regard for their health.

In general, the results reveal that the utilization of the household respondents in terms of the essential needs like education and healthcare is a priority of the respondents next to basic needs. In support of this, Tabuga (2007) cited from studies conducted that remittances encourage recipient households to invest in education that leads to greater opportunity for child schooling in the country. Furthermore, Tabuga (2007) also found out that the recipient families do not just utilize their remittances solely on consumption goods, housing, and education, but also on health & medical care. In addition, the results relate also with the findings released by IBON foundation (2009) that the remittance- receiving households usually utilize their remittance money on food, education, and medical expenses.

Table 7. Percentage distribution of the respondents’ utilization in terms of luxury

ITEM	ALWAYS		SOMETIMES		SELDOM		NEVER	
	F	%	F	%	F	%	F	%
LUXURY								
Home Luxury								
My family uses air conditioning system for convenience.	6	20	4	13.33	2	6.67	18	60
The family engages in buying art and antique furniture and collectibles, and wall decors.	3	10	7	23.33	9	30	11	36.67
The family has a complete home entertaining system consisting of televisions; DVD/video players and audio equipment for family's use.	19	63.33	6	20	2	6.67	3	10
Our bathroom has a bath tub, shower and water heater.	5	16.67	3	10	1	3.33	21	70
Our home is decorated with wall coverings, such as wall paper; ready-made curtains, and drapes.	6	20	7	23.33	11	36.67	6	20
Our kitchen has a microwave oven and refrigerator.	14	46.67	6	20	6	20	4	13.33
Our kitchen is equipped with an air conditioning/filtration system.	2	6.67	1	3.33	1	3.33	26	86.67
1. My family has a musical instrument like piano.	4	13.33	6	20	3	10	17	56.67
2. My family has home computer for family use.	14	46.67	4	13.33	3	10	9	30
My family engages in home service like Housecleaning/maid service	6	20	0	0	3	10	21	70
Personal Luxury								
3. My Family owns electronic gadgets like iPods and other MP3 devices; cameras and cellular phones for personal use.	17	56.67	4	13.33	6	20	3	10

4.	My Family buys luxury fashion branded bags, shoes, clothing and apparels such as Armani, Gucci, Guess, Adidas, Prada, Hermes, etc.	0	0	3	10	13	43.33	14	46.67
5.	My family buys cosmetics, fragrance, and beauty products.	7	23.33	11	36.67	7	23.33	5	16.67
6.	My family spends on women's and men's jewelry by type, including necklaces, earrings, bracelets, rings, bridal/wedding, pins and brooches that are composed of diamonds, and other gemstones.	1	3.33	3	10	8	26.67	18	60
7.	My family includes in the budget buying wines and liquors like scotch, vodka, rum, cognac, whiskey, etc.	0	0	1	3.33	9	30	20	66.67
8.	My family owns luxury cars such as BMW, Cadillac, Jaguar, Infiniti, Land Rover, Lexus, Lincoln, Mercedes, Porsche, Saab, and Volvo).	2	6.67	1	3.33	0	0	27	90
9.	My family goes to Cinema at least twice in a week for film showing.	3	10	2	6.67	4	13.33	21	70
10.	Family eats out at some restaurants at least twice a week.	2	6.67	9	30	11	36.67	8	26.67
11.	My family goes out for a picnic at least twice a month.	3	10	3	10	7	23.33	17	56.67
12.	My family undertakes body conditioning activities like ball games and swimming.	0	0	3	10	6	20	21	70

Table 7 shows the frequency and percentage distribution of the respondent households' utilization in terms of luxury. As the result shows, most of the household respondents indicated that they never utilized the remittance money on purchasing nearly all of the items listed above. Majority (90%) signified that they *never* buy luxury cars or even engage in home services like housecleaning/maid service (70%). In addition, majority of the respondent households indicated that they *never* utilize the remittance money on buying wines and liquors

(66.67%), jewellery (60%), and use of air conditioning units (60%) nor buy such item using the remittance money.

In contrast, majority of the household respondents indicated they purchase and have complete entertaining systems like televisions; DVD/video players and audio equipments (63.33%) followed by those who own electronic gadgets like iPods and other MP3 devices, cameras and cellular phones (56.67%). This result perhaps is because of the creation of international culture brought about by the revolution in mass communications that has influenced Filipino families a lot. Filipinos are change-oriented and they satisfy their needs through the advanced technologies that they see. As observed, roughly every Filipino household has complete televisions and home entertaining systems displayed in their living rooms. And, almost each Filipino, rich or poor, possesses mobile phones and even cameras today. Likewise, the Philippine Daily Inquirer (2011) cited that the Philippines had become the “most tech-savvy country in Asia”. Hence, the large number of Filipino migrant workers has made the country as one of the most technology proficient users in Asia, with a remarkable segment of people using diverse technology tools to keep in touch with family members overseas. Also, according to a survey conducted by software giant Microsoft, Filipino families have an average of 10 gadgets, which they use to converse or be in touch with their loved ones in other parts of the country and the globe. This just shows that technology has become a built-in part of every Filipino family’s daily lives.

Moreover, this technology culture of buying modern gadgets and electrical devices has influenced the increased in consumerism among Filipinos, thus, supporting the contra-productive claims of the pessimists’ view of migration and remittances.

Table 8. Percentage Distribution of the Respondents' Utilization in terms of Savings and Investments

ITEM	ALWAYS		SOME-TIMES		SELDOM		NEVER	
	F	%	F	%	F	%	F	%
The family engages in entrepreneurial activities such as:								
Savings and Investments								
1.1. Crop Farming & Gardening	4	13.33	1	3.33	1	3.33	24	80
1.2 1.2. Livestock and Poultry	0	0	1	3.33	4	13.33	25	83.33
1.3 Wholesale and Retail	1	3.33	3	10	2	6.67	24	80
1.4 Manufacturing	0	0	0	0	1	3.33	29	96.67
1.5 C Community, Social, Recreational and Personal Services	0	0	1	3.33	4	13.33	25	83.33
1.6 TT Transportation, Storage and Communication Services	1	3.33	2	6.67	2	6.67	25	83.33
My family saves in the bank.	13	43.33	7	23.33	5	16.67	5	16.67

Table 8 shows the frequency and percentage distribution of the households' utilization in terms of savings and investments. As the table illustrates, almost all of the respondents indicated that they *never* engage in any kind of entrepreneurial activities. This result relates with the study conducted by Tabuga (2006) and supports the pessimist view stimulated by neo-Marxist and dependency theories, that the recipient families do not make useful investments in businesses but often spend their remittances on purchasing consumer products and consumer services. This result may relate with the notion that Filipinos are not all in truth business oriented. In addition, looking at the learning structure of the country, Filipinos are not taught to get themselves into businesses but they are taught on how to work for others' businesses. The Filipino tradition is set when it comes to future preparation. Parents will most likely mention to their children that graduating from college/university will aid them easily in looking for jobs (to become employees). Filipinos have been mentored this way. Being an employee means fixed salary. Filipinos are not trained to fill the business world but rather to fill the Philippines' workforce.

On the other hand, in terms of savings, the findings reveal that some of the respondents (43.33%) save their remittance money or a portion of it in banks. This entails that even though most of them do not engage in businesses, some still save money for future use. It can also be that the migrant worker does look ahead to something in return like enjoying the savings made out of the remittance when he/she gets back home. It could also be that families save so that they can use up the money in case of emergencies. And because of economic uncertainties, many Filipinos raise their concerns about the job security in the country, thus, more are deciding on to fatten and build up their bank accounts or fill up their saving pots with any spare cash they can have from their remittances.

Objective 3. The significant difference in the respondents’ utilization of remittances when they are grouped according to educational attainment, means of livelihood/source of income, length of time receiving remittances, and amount of monthly remittance received

Table 9. Test of Significant Difference in the Respondent’s Utilization of Remittances

GROUP	F-VALUE	P-VALUE	DECISION	DESCRIPTION
Means/sources of income	2.5	0.109	Do not reject Ho	Not Significant
Amount of Remittance Received	2.5	0.109	Do not reject Ho	Not Significant

Table 9 shows the test of significant difference on the utilization of remittances when they are grouped according to means/sources of income, and amount of monthly remittance received. The test of difference reveals that there is no significant difference (accept Ho) in the utilization of remittances when the respondents are grouped according to the means/sources of income and amount of remittance received, respectively. However, the two other variables namely; educational attainment, length of time receiving remittances cannot

be statistically tested due to some items that have no corresponding entries.

CONCLUSIONS

From the findings of the study, it can be concluded that the household-receiving remittances in Cagayan de Oro City utilize their money always on the basic and essential needs of their families such as food, household operations (water & electrical), education, and health care. Hence, their utilization of remittances sustains their families' daily consumptions, increases child schooling, and secures their families' health. This result supports the pessimists' claim that families often use up the remittance money on their daily consumptions and on acquiring consumer goods and services; however, it discredits the optimists' views that the families make productive investments by putting up businesses and enterprises. Investing the remittance money on businesses is never utilized by the respondent families and that investments come in last place in the utilization priorities of the respondent families in Cagayan de Oro City.

Hence, efforts must be further enhanced to engage the remittance recipient families into programs related to entrepreneurship and help them widen their awareness about the proper investment and savings of their remittances.

RECOMMENDATIONS

The following recommendations are herewith made after a careful analysis of the data:

1. Further studies can be made on a wider basis finding out the impact/effect of the utilization behaviors of the remittance-receiving households on the local economy and on the national economy in general.
2. A comparative study can also be conducted on the utilization behaviors of the remittance-receiving families and those that are not. It can be achieved by looking at the tendency of every remittance-receiving family to consume, invest, and save compared to those families whose full incomes are from domestic earnings only.

3. The government agency like the Overseas Workers Welfare Association (OWWA) should offer programs, trainings, and entrepreneurial opportunities to assist the recipient families in managing their remittance money adequately and;

4. Given that education is one of the main concerns of the recipient households when it comes to their utilization priorities, the government has to match this by addressing the quality and value of education in our country. This can be done through attending into the problems of shortages of school facilities & school buildings in public schools, and textbooks, overworked, and underpaid teaching staffs. Conditions like these in public and even private schools can degrade the kind and quality of education the government is giving to the young learners.

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