

Chapter 4

Empirical Results

4.1 Characteristic of the Sample

4.1.1 Migrant Characteristics

In this study, the sample was predominantly made up of male migrants (95.83 percent). This may be one of the reasons that the majority of the Mon female migrants in the study area did not migrate alone to Malaysia, and the majority who migrated were accompanied by their relatives, or their husband. On average, the age of the migrants in this sample was 30.33 year old, and 54.17 percent of the migrants were married. The average educational attainment was 5.4 years of schooling. 85.19 percent of the migrants had attended primary and/or secondary school, and 11.57 percent had attended high school or higher education. It was found that only 3.24 percent of migrants were illiterate in the sample. About 44 percent of the migrants worked in the construction sector, and another 32 percent worked in the service sector, most of them working as waiters or waitresses, chefs, or cleaners in hotels and restaurants. The remaining 24 percent of migrants worked in the fisheries sector. The real monthly income of the migrants in this sample was an average of US\$ 305.61 per month. The wage rates differed depending on the individual skill of the worker and the nature of the work. In this study, the migrant workers working in the services or construction sectors earned approximately US\$150 to 360 per month, and those who were working in the fisheries sector, earned about ten to twenty percent more than

those in the construction and service sector.

4.1.2 Migratory Characteristics

The average length of the migrants stay in Malaysia was 4.88 years, and only ten percent of the sample population had over ten years experience in Malaysia. Regarding the age distribution of migrants at the time of first migration, the largest age group was the 18 to 25 year olds, making up 43.52 percent, followed by 26 to 33 year olds with 27.78 percent, and 34 to 40 year olds with 10.65 percent. The age group above 40 was a lot lower than other age groups, with only five percent. Furthermore, this study found that there were also a significant number of migrants who were under eighteen years of age, with 12.96 percent. The majority of migrants were working in Malaysia without any legal documentation and only 20.37 percent of migrants have legal documentation to work. Among the whole sample of this study, about 44 percent of migrants had returned to their home village for short visit in the previous three years.

4.1.3 Family Characteristics

As shown in Table 4.1, it was found that most of the migrants in the sample left their spouse in their home country, or in Thailand. Only very small portion of the migrants were staying together with their spouse in Malaysia (average 0.07 people). On average, the number of household members left in Myanmar was 4.01 people and 55 percent of migrants had school-age children (16 years and under) in their household. The average number of household members in Malaysia was 0.5 people. Furthermore, the average number of phone calls to family and/or relatives in Myanmar was 7.75 times for a year in 2008.

Table 4.1: Characteristics of the Sample

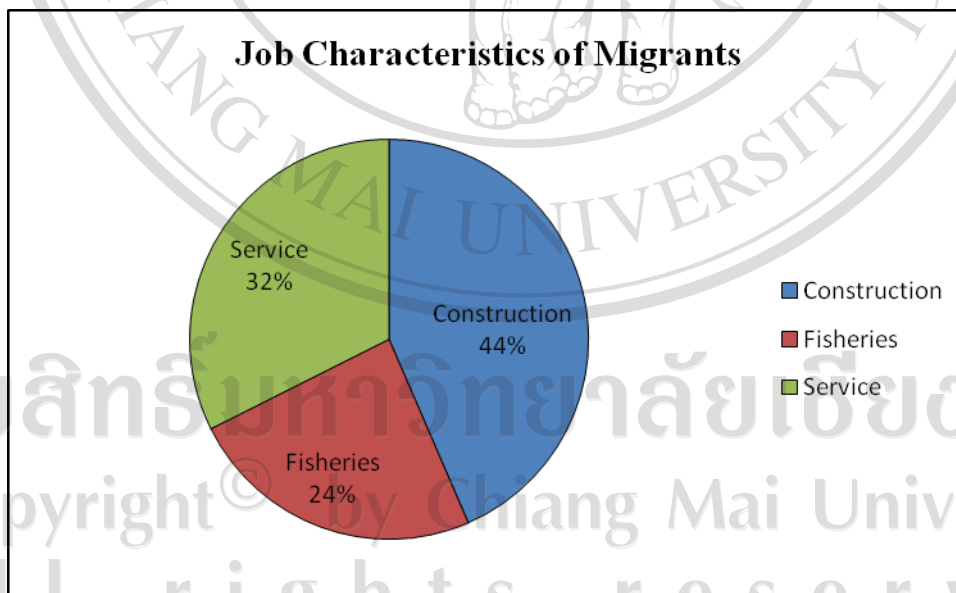
Variables	Mean	Standard Deviation	Minimum	Maximum
Migrants Characteristics				
Probability of remitting	0.94	0.2384	0	1
Amount of remittances (US\$)	1794.90	1621.6282	0	10328.64
Age(year)	30.33	7.0037	18	50
Male	0.96	0.2003	0	1
Married	0.54	0.4994	0	1
Education(grade)	5.08	2.7657	0	15
Illegal	0.80	0.4037	0	1
Duration of migration(year)	4.88	3.0930	1	15
Family Characteristics				
Spouse in Malaysia	0.07	0.2548	0	1
Household members left in Myanmar	4.01	1.7077	0	9
School age children in Myanmar	0.55	0.4986	0	1
Household members in Malaysia	0.50	0.7716	0	5
Number of phone calls to Myanmar (within 12 months)	7.75	4.8973	0	35
Return to village within last 3 years	0.44	0.4981	0	1
Job Characteristics				
Construction	0.44	0.4969	0	1
Service	0.32	0.4691	0	1
Fisheries	0.24	0.4285	0	1

Source: Author's survey data

Table 4.2: Characteristics of Migrants by Education

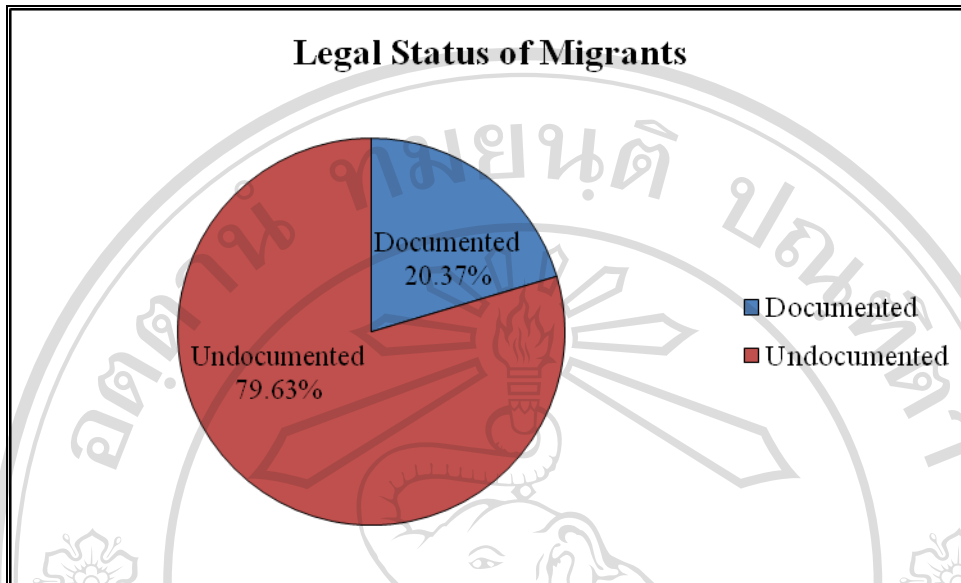
Migrants Characteristics	Construction	Fisheries	Service	Total	Total (%)
Education					
High School and above (9 th grade and above)	8	2	15	25	11.57%
Primary School (1 st grade to 4th grade)	36	39	20	95	43.98%
Secondary School (5 th grade to 8th grade)	46	8	35	89	41.20%
Illiterate	4	3	0	7	3.24%

Source: Author's survey data

Figure 4.1: Job Characteristics of Migrants

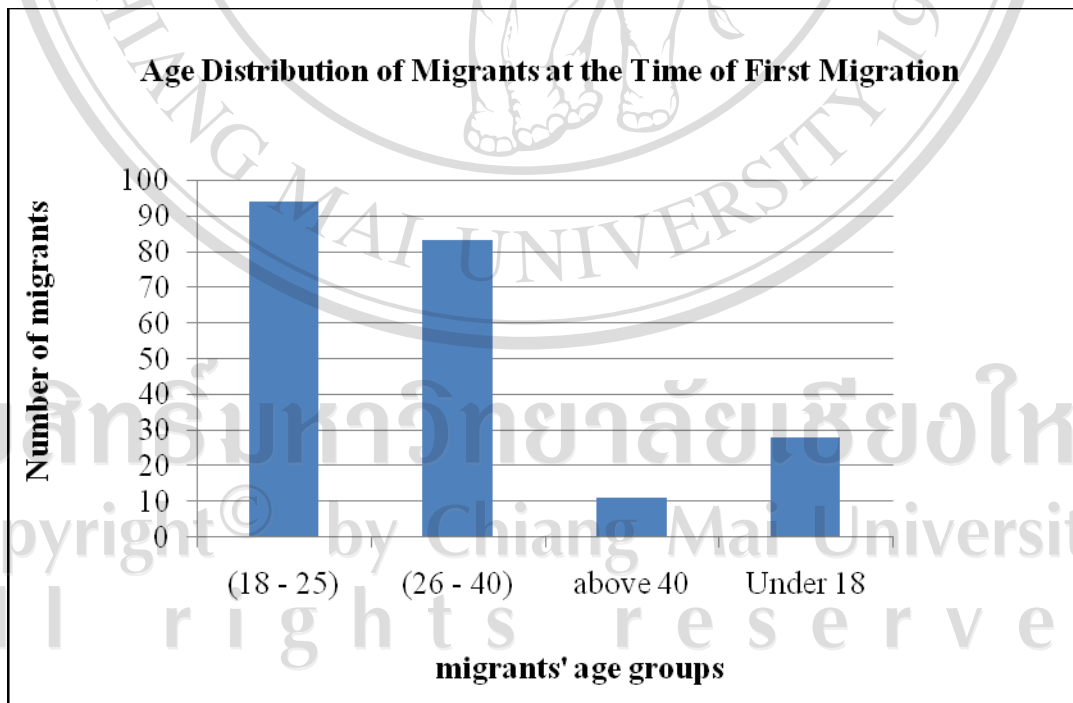
Source: Author's survey data

Figure 4.2: Legal Status of Migrants



Source: Author's survey data

Figure 4.3: Age Distribution of Migrants at the Time of First Migration



Source: Author's survey data

4.2 Characteristics of Remitters and Non-Remitters

This section attempts to describe what factors impacted upon the migrants' decision to be a remitter in the previous year (January to December 2008), when compared to those who did not remit. In this sample, about 94 percent of migrants were remitters who had sent remittances to their origin village in Myanmar during the previous year and six percent of migrants were non-remitters. The higher number of remitters was due to that in this study, mostly collected the survey data through the channels of the money collectors and *hundi* dealers in Malaysia. As a result of this, the actual proportion of non-remitters could have been higher than the survey results. As shown in Table 4.3, both age and married status had a significant relationship with the likelihood to remit. It shows that a remitter was more likely to be older and married, when compared to a non-remitter. Moreover, females were slightly more likely to be remitters than male migrants. This clearly shows that among female migrants, there were no non-remitters in this study. Regarding the family loan agreement hypothesis, the highly educated migrants were slightly more likely to be remitters than less educated ones (difference 0.25 schooling year). The active remitters had stayed just 0.24 years more than non-remitters, showing that the length of stay in Malaysia was not a significant factor affecting the probability of becoming an active remitter. However, interestingly, the number of phone calls to Myanmar in the previous year and the variable showing whether the migrant had short visited the home country in the last three years, both had a significant positive relation in terms of the migrants' probability of being a remitter. In term of family characteristics, it is interesting to find that having school age children (16 years and under) in the origin household in Myanmar, positively related to being a remitter. However, the number of

household members left in Myanmar and the likelihood to remit was negatively related. Regarding to the job characteristics, the migrants who had worked in service sector were more likely to be remitters than other sector.

Table 4.3: Characteristics of Remitters and Non-Remitters

	All Migrant (mean) (N =216)	Remitter (mean) (N=203)	Non-Remitter (mean) (N=13)	Difference
Migrant Characteristics				
Probability of remitting	0.94	1.00	0.00	-1.00
Amount of remittances (US\$)	1794.90	1923.73	0.00	-1923.73
Age(year)	30.33	30.44	28.62	-1.83
Male	0.96	0.96	1.00	0.04
Married	0.54	0.56	0.23	-0.33
Education (grade)	5.08	5.10	4.85	-0.25
Illegal	0.80	0.79	0.85	0.05
Monthly Income (US\$)	305.61	307.83	297.34	-10.49
Duration of migration (year)	4.88	4.89	4.65	-0.24
Migration cost (US\$)	815.02	816.90	804.69	-12.21
Family Characteristics				
Household members left in Myanmar	4.01	4.00	4.23	0.23
School age children in Myanmar	0.55	0.58	0.15	-0.42
Number of phone calls to Myanmar (within 12 months)	7.75	8	3.85	-4.15
Return to village within last 3 years	0.44	0.46	0.23	-0.23
Job Characteristics				
Construction	0.44	0.43	0.46	0.03
Service	0.32	0.33	0.23	-0.10
Fisheries	0.24	0.24	0.31	0.07

Source: Author's survey data

4.3 Characteristics of Remittance Behavior According to Documentation Status

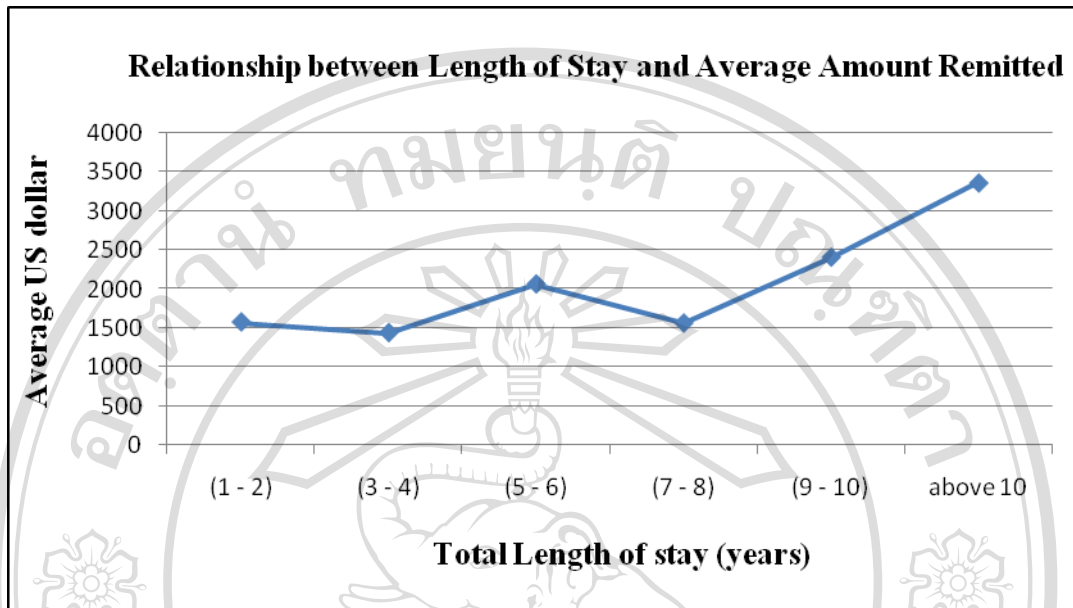
This study found that 79.63 percent of migrants were working without any legal documents, and only 20.37 percent of migrants had legal documentation to stay in Malaysia. Even within the 20.37 percent of documented migrant workers, some of the migrant workers' work permits were not valid for the work in their current job, as the result of the complex and unstable rules and regulations of the labor laws in Malaysia. In terms of socio-demographics, the average age of the undocumented migrants was 29.95 years, younger than the documented migrants. The average percentage of female documented migrants was more than male migrants. Thus, females had a greater desire to be documented migrants. Compared to the undocumented migrant workers, documented workers were more educated, had a higher income, and remitted a higher amount of money back to their family. Moreover, it was interesting to find that all the documented migrants had attended at least primary education schools; no one was illiterate. In terms of the length of stay in Malaysia, documented migrants had stayed longer in Malaysia, and the number of phone calls to their home villages was also higher when compared to the undocumented migrants. Furthermore, most documented migrants preferred to work in the services sector and were less interested in work in the fisheries sector, because of the more dangerous, dirty and tiresome work.

Table 4.4: Characteristics of Remittance Behavior according to Documentation Status

Variables	All migrant (N=216)	Documented (N=44)	Undocumented (N=172)
Probability of remitting	0.94	0.95	0.94
Average Amount of remittances(US\$)	1794.90	2338.86	1655.75
Average Age(year)	30.33	31.81	29.95
Migrant's Characteristics			
Male	95.83%	88.64%	97.67%
Married	54.17%	61.36%	52.33%
Education(grade)	5.08		
Illiterate	3.24%	0%	3.24%
Primary	43.98%	34.09%	46.51%
Secondary	41.20%	45.45%	40.12%
High School and above	11.57%	20.45%	9.30%
Illegal	79.63%	0	100
Average monthly Income(US\$)	305.61	332.56	298.53
Average year of migration	4.88	5.81	4.64
3 or under 3 year in Malaysia	40.28%	29.55%	43.02%
above 3 and under 10 year in Malaysia	49.54%	54.55%	48.26%
10 and above 10 year in Malaysia	10.19%	15.91%	8.72%
Family Characteristics			
Average Household members left in Myanmar	4.01	4.07	4
School age children in Myanmar	55.09%	61.36%	53.49%
Number of phone calls to Myanmar in last year(within 12 months)	7.75	8.9	7.45
Return to village in last 3 years	44.44%	52.27%	42.44%
Job Characteristics			
Construction	43.52%	40.91%	44.19%
Service	32.41%	47.73%	28.49%
Fisheries	24.07%	11.36%	27.33%

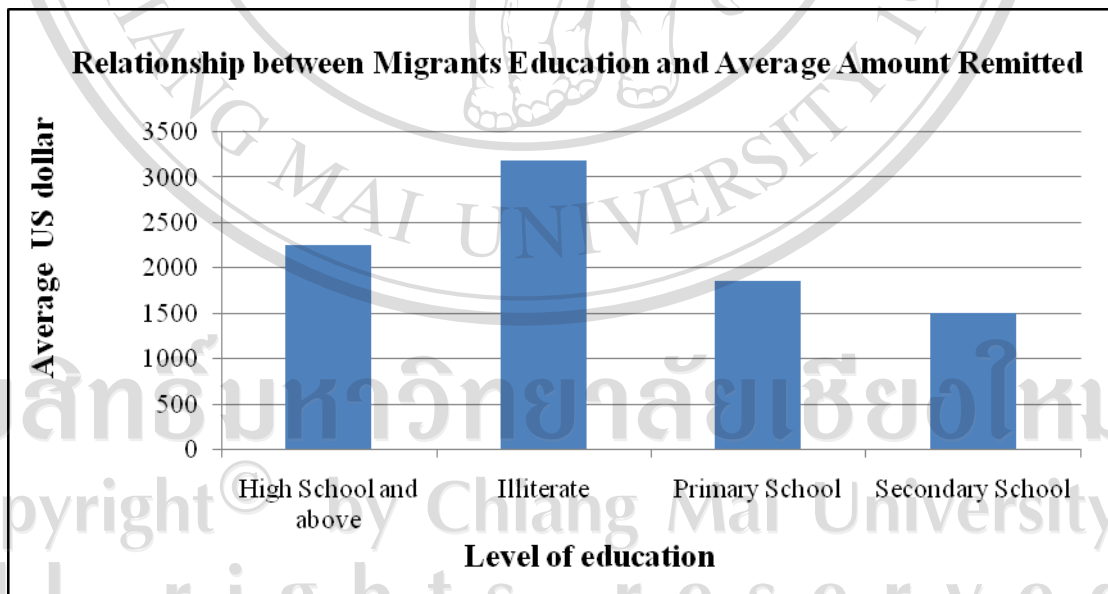
Source: Author's survey data

Figure 4.4: Relationship between Length of Stay and Average Amount Remitted

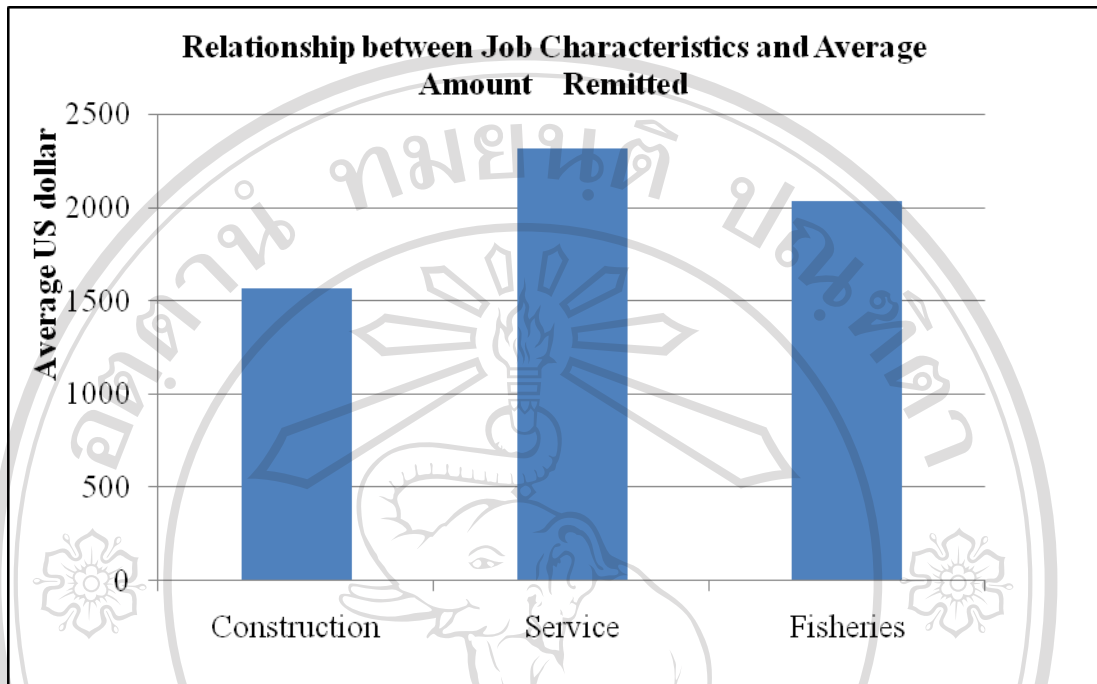


Source: Author's survey data

Figure 4.5: Relationship between Migrants Education and Average Amount Remitted



Source: Author's survey data

Figure 4.6: Relationship between Job Characteristics and Average Amount Remitted

Source: Author's survey data

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Table 4.5: Relationship between Migrants' Characteristics and Amount Remitted

(All migrants)

Variables	B	Std. Error	
(Constant)	6.179	0.42	***
Migrant			
Age	0.011	0.009	
Education	0.04	0.02	**
Married	-0.012	0.132	
Family			
Household Member in Myanmar	-0.028	0.033	
Household Member in Malaysia	-0.023	0.068	
School Age Children (Under 16 year) in Myanmar	0.064	0.111	
Migratory			
Length of Stay in Malaysia	0.029	0.017	*
Undocumented	-0.2	0.131	
Phone Calls to Village	0.051	0.008	***
Return to Village in last 3 years	0.277	0.108	**
R Squared		0.351	
Sample size (N)		203	

Source: Author's survey data

Table 4.6: Relationship between Migrants' Characteristics and Amount Remitted
(Construction)

Variables	B	Std. Error	
(Constant)	7.07	0.489	***
Migrant			
Age	-0.006	0.011	
Education	0.014	0.028	
Married	0.279	0.163	*
Family			
Household Member in Myanmar	-0.059	0.042	
Household Member in Malaysia	0.018	0.071	
School Age Children (Under 16 year) in Myanmar	-0.06	0.141	
Migratory			
Length of Stay in Malaysia	0.014	0.024	
Undocumented	-0.409	0.169	**
Phone Calls to Village	0.059	0.014	***
Return to Village in last 3 years	0.205	0.14	
R Squared		0.404	
Sample size (N)		88	

Source: Author's survey data

Table 4.7: Relationship between Migrants' Characteristics and Amount Remitted
(Services)

Variables	B	Std. Error	
(Constant)	5.657	0.658	***
Migrant			
Age	0.032	0.021	
Education	-0.048	0.03	
Married	-0.382	0.239	
Family			
Household Member in Myanmar	0.012	0.055	
Household Member in Malaysia	-0.329	0.191	*
School Age Children (Under 16 year) in Myanmar	-0.001	0.2	
Migratory			
Length of Stay in Malaysia	-0.021	0.033	
Undocumented	-0.147	0.204	
Phone Calls to Village	0.048	0.012	***
Return to Village in last 3 years	0.229	0.216	
R Squared		0.472	
Sample size (N)		67	

Source: Author's survey data

Table 4.8: Relationship between Migrants' Characteristics and Amount Remitted

(Fisheries)

Variables	B	Std. Error	
(Constant)	2.686	1.418	*
Migrant			
Age	0.061	0.028	**
Education	0.101	0.075	
Married	-0.447	0.426	
Family			
Household Member in Myanmar	0.041	0.09	
Household Member in Malaysia	0.359	0.397	
School Age Children (Under 16 year) in Myanmar	0.661	0.286	
Migratory			
Length of Stay in Malaysia	0.175	0.052	***
Undocumented	0.458	0.523	
Phone Calls to Village	0.058	0.018	***
Return to Village in last 3 years	0.336	0.28	
R Squared		0.563	
Sample size (N)		48	

Source: Author's survey data

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4.4 Amount Remitted: OLS Regression Analysis

The above tables provide the result of the OLS regression analysis, suggesting that a number of factors are significant in the behavior regarding the amount remitted. The model in this study analyzed not only all migrants but also separately for those in the construction sector and the service sector, and for those migrants in the fisheries sector. The three groups of aggregate factors were: individual migratory characteristics, individual migrant characteristics and family characteristics.

As expected, the migrant's education level was positively related to the amount remitted. This findings show that those migrants with a higher education level remitted four percent more than the migrants with a lower educational level. Moreover, the length of stay in Malaysia exhibited a slightly positive relationship with the amount remitted. The next significant positive effect on the amount remitted was the number of phone calls to the home village, and the number of times the migrants had returned to their village in the previous three years.

Migrants who made more phone calls to the family sent five percent more money to their family than those migrants who made fewer phone calls. Surprisingly, the average amount remitted of the migrants who had visited their home village for a short period, was 27 percent higher than those who had not. This suggests that who exhibit an emotional connection and strong family ties, remit higher amounts.

In the construction sector, being married had a positive relationship with the amount remitted. Interestingly, in this sector, documented migrants were sending approximately 40 percent more than those who were undocumented. This may have been due to the fact that most of the documented workers also had more skills and knowledge than the undocumented ones. In this sector, some skilled and

knowledgeable migrants worked as micro sub-contractors rather than on daily wages, in order to gain a higher income. For example, one technically skilled migrant made contracts with construction companies or individual customers, with regard to the painting of a house or room, with a mutually agreed price. After that, the skilled migrant hired other Myanmar migrants to paint the house or room, by giving them daily based wages. Normally, these types of migrant held a valid passport and were legal and safe, as they had to contact construction companies or individual customers. Moreover, they could speak Malay and/or Chinese, in order to communicate. For migrants in the services sector, the number of household members in Malaysia had a negative relationship with the amount remitted. Therefore, the existence of multiple migrants in the households in Malaysia was not significant in terms of the amount remitted. Regarding migrants in the fisheries sector, the findings were that the age of the migrant and length of stay in Malaysia both showed a positive relationship with the amount of the remittance; those who were older and more experienced in Malaysia were sending higher amounts of money when compared to the others.

Finally, supporting the altruism hypothesis, the number of phone calls to family members in Myanmar showed a positive relationship for those working in all sectors, showing that the invisible emotional relationship with the family encouraged migrants to send high amounts of money.

4.5 Remittance Behavior of Mon Migrants Working in Malaysia

The analysis of remittance behavior in this sample proves that a number of factors play an important role in the decision to remit, and the amount remitted. My study found that remitters tended to have slightly more schooling than non-remitters, and there was a positive relationship between the level of education and the amount

remitted. But, within this variable, this study found some hidden remittance behaviors of the migrants. Figure 4.5 compares the characteristics of the migrants' remittance behavior regarding average amount remitted, divided into four groups of education level, these being illiterate, then primary education, secondary education and higher education levels. Among the four groups, the illiterate group remitted the highest amount of money to their family. This was followed by the groups who had attended high school and higher education, and the group who had attended primary school. The lowest level remittance group was those who had attended secondary education. Unlike in other studies, in this study, the migrants who had never attended school remitted the highest amount of money compared to the other groups. Since majority of migrants have to work in "3D jobs" (dangerous, dirty and difficult), the determinant factor of wages was based on how much those migrant could endorse their labor through hard work; how much they were willing to do dirty work and work in a dangerous environment, rather than through their education level, age, legal status etc. As human beings, most of the people with a higher education did not like to work in a poor environment, when compared to the less educated, even though the wages were high. This was the main reason why the illiterate migrants group was able to send the highest amount of money home, compared with the other groups.

As mentioned in Chapter 2, altruistic motives for sending remittances would be expected to show a decrease in remittances over time, due to a weakening attachment to the family left behind in the home country. A study of Mexican migrants who worked in South Carolina, proved that those with a longer length of stay are 0.91 times less likely to remit than those with a shorter length of stay, but that there is no relationship with the amount remitted (Barcaglioni, 2008). However, in

this study, the results do not support this. The active remitters had stayed in Malaysia 0.24 years more than the non-remitters (Table 4.3). Also, those migrants with a longer length of stay sent only 2.9 percent more than those with a shorter length of stay (Table 4.5). This shows that a longer stay in Malaysia increased the chances of finding a stable and well paid job. On the other hand, these migrants still had an intention to return back to their home country over time, due to the close attachment with their family. Therefore, this study shows that the trend of migration is towards temporary migration, since the purpose of migration is to alleviate poverty and to improve family living standards. Thus, the growth trend of remittances increased over time.

As expected, the number of phone calls to families left behind in Myanmar was significant in predicting the decision to remit and the amount remitted. Moreover, the migrants who had visited home for a short period were positively related to the likelihood to remit and amount remitted. Both indicators clearly showed that strong ties and close relations with the family, whether it is an emotional or physical attachment, have an influence on remittance behavior.

As mentioned previously, the remitters were more likely to be older and married, when compared to the non-remitters. However, the characteristics of the migrants in this area had no significant affect on the amount remitted. This was due to the fact that being older and/or married meant that the migrants had responsibilities to take care of their spouse and children who were left behind in Myanmar.

Specifically, in terms of job characteristics, the migrant workers who worked in the service sector were more likely to remit and remitted a higher amount, when compared to the migrants' workers working in the construction and fisheries

sectors. It is important to mention that the reason behind this was the fact that the ratio of abusing drugs and drug related substances were higher among Mon migrant workers in construction sector and fisheries sector than service sector. According to the KAOWAO News (2009) and the key informants in Malaysia, at least two-third of the Mon migrant workers in Malaysia were abusing drugs, drug related substances and alcohol, most of them were using a “combination of three tablets sleeping pills”, to sedate. However, due to the lack of official statistical data, it is difficult to confirm. Another reasons for this was the fact that jobs in the construction sector were more likely to be unstable and/or temporary jobs compared to service sector, since they were based on construction sites, or projects. During the periods shifting from one project to another, there was no income for the migrant workers. Although the migrant workers in the fisheries sector were less likely to remit, if they did so, the amount sent was larger than for the other migrant workers. Thus, the average amount remitted in fisheries sector was higher than construction sector.

In particular, regarding the remittance behavior of documented and undocumented migrants, Table 4.4 shows that documentation status appears not to have been a significant factor in influencing whether a migrant was a remitter or not.

However, regarding the remittance amount, documented migrant workers remitted higher amounts when compared to undocumented ones. Moreover, the average age, education level, length of stay in Malaysia and monthly income of the documented migrants were all higher than for those who were undocumented.

Looking in-depth look behind the statistics, there were some other factors influencing the decision to remit. In Malaysia, since undocumented workers do not have permission to work and stay in the country, they can be arrested any time by the

police, immigration authorities and RELA Corps². Moreover, for the documented migrants in this sample, most of them did not know whether they were valid to work on their current job or not. In Malaysia, according to the Malaysia Immigration Act, the employer has the right to terminate and cancel the work permits of migrant workers who run away from their employer, or who transfer to other jobs without permission. Even if an employer gives permission to work on another job, the migrant can still be arrested by the authorities if the work permit status is not valid with the new job type. Thus, whether they are documented or undocumented migrant workers, their life is still uncertain and they can be arrested by the authorities at any time. In addition, most migrant workers stay in shared accommodation with others, without either privacy or security. Therefore, these migrants do not generally want to keep large amounts of money with them in Malaysia, and so prefer to send back money to the family as soon as they receive their wages, whether they were documented or undocumented, due to the insecure conditions.

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² RELA (Ikatan Relawan Rakyat or People's Voluntary Corps) is a Malaysian government-backed untrained paramilitary force whose members, in conjunction with immigration and police officers, routinely round up suspected undocumented migrants.