

UTILISATION OF WORKERS' REMITTANCES IN BANGLADESH

A Report Based on the Survey Conducted in 2014



Research Department
Bangladesh Bank

November 2017

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Preface

In recent decades, inflow of remittances has significant influence in reducing unemployment, mitigating current account deficit and building foreign exchange reserves. This growing contribution of remittance inflows on overall socio-economic development of the country has, therefore, drawn the attention of policy makers and practitioners. On that ground, a team comprising of officials from Research Department of Bangladesh Bank has carried out a primary survey to investigate the utilisation pattern of remittance inflows by the beneficiaries of expatriates in 2014 as per the direction of Honorable Governor and prepared this analytical report based on that survey data.

As the central focus of the survey was to know the patterns of utilisation of remittances, the study team followed a bank based sample of 415 beneficiaries irrespective of the channels through which they receive remittances. Accordingly, this report is basically prepared on the basis of complete information collected from 363 beneficiaries. In addition, a brief snapshot of some 39 big remittance earners is also reported separately due to their special characteristics which also allows to avoid the reflection of high income variation.

The survey report shows that the majority of beneficiaries of expatriates has bank account which signifies the gradual increase of financial inclusion. Nearly one third of expatriates remit money to their wives, which indicates women are economically getting empowered. The expatriates' income has increased and remitted more money over the time. The living standard of the expatriate's family has improved in terms of owning land, constructing building, purchasing flats, generating savings, and repaying loans together with purchasing durables and increasing expenses on education and health.

While analysing the main thrust of the survey, the team found that on a five years' average (2009-2013) 55.60% of remittances belongs to different types of expenditures—food and clothing (33.63%), education and health care (11.51%), durable goods (3.46%) and other expenses (7.01%). In contrast, of the total remittances 44.39% is utilised in different types of investment—real estate (18.91%), small and medium enterprises 17.78% (SMEs) and financial investment (7.70%).

I do believe and hope that this report will be very much useful for the government in taking fact-based policies to attract more productive usages of remittances in the years to come with a view to raising the GDP growth rate of the country. Further, the academicians, researchers, students, expatriates and all segments of population will be benefited a lot from this report.

I would like to thank and acknowledge the heartfelt effort of Mrs. Mahfuza Akther, General Manager and convener, Mr. Mohammad Masuduzzaman, Deputy General Manager and team leader, and other team members in conducting the survey and publishing the report successfully.



(Abu Hena Mohd. Razee Hassan)
Deputy Governor

Date: Dhaka
November 2017

Acknowledgement

This study could not have been completed without the kind assistance of some important and special people. With sincere gratitude, we would like to acknowledge the support and inspiration that we have received from those people during our study to achieve this accomplishment. An earnest appreciation goes out to the officials of Bangladesh Bank, commercial banks, and beneficiaries of expatriates who made every effort with patience to furnish us with valuable inputs to conduct the study seamlessly at all stages as well as for their generous and ingenuous insights on the issue that have immensely enriched the study. We are also grateful to the honorable Governor, Bangladesh Bank for his unreserved encouragement and advice to make the study an efficacious one. Last, but by no means the least, we would like to express our heartfelt gratitude and special thanks to Mr. Abu Hena Mohd. Razeen Hassan, Deputy Governor of Bangladesh Bank and Dr. Md. Akhtaruzzaman, Economic Adviser, Bangladesh Bank for their persistent encouragement in the form of valuable directions to turn the study into its final shape.

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Executive Summary

Remittance plays a significant role in the overall economy of Bangladesh. In spite of prevailing high trade deficit in the balance of payment, Bangladesh is enjoying current account surplus because of increasing trend in remittance inflow. This significant role of overall remittance inflows, however, drew the attention of policy makers and observers to its role in poverty alleviation and employment creation. From the same token, proper utilisation of remittance is also very important. Therefore, the sectors in which remittance is being utilised are necessary to be identified to undertake appropriate policy for productive usages of remittances. On that backdrop, Research Department of Bangladesh Bank has come up with an analytical report titled "Utilisation of Workers' Remittances in Bangladesh" on the basis of a primary survey to analyse the pattern of remittance utilisation, therefore, impact on socio-economic condition of the expatriates after working abroad.

The survey covered a total of 415 remittance beneficiaries of top 10 remittance receiving banks in 12 districts. Branches were selected on the basis of highest contributions to remittance inflow in total remittance collection of the selected banks and accordingly, 83 branches were visited. Roughly 5-6 beneficiaries from each branch were interviewed at random through questionnaires during 4-27 May 2014 and a time series data was collected on utilisation of remittances for the period from 2009 to 2013.

From analyzing the characteristics of expatriates, it is observed that majority of the expatriates are young and aged up to 35 years. Among the total expatriates, about four percent are female. Considering their education level, 61 percent of the expatriates are educated up to secondary level. Above 50 percent are employed (including agriculture) before joining job abroad.

The majority (67 percent) of the expatriates live in Middle-east countries (Saudi Arabia, United Arab Emirates, Kuwait, etc.). Around 73 percent of the expatriates spend about Taka 1-3 lakh¹ each to bear the cost for employment abroad and only 11 percent spend above Taka 5 lakh each and about 40 percent of this cost is financed from loans taken either from formal or informal sources.

Expatriates' average earnings increase over time due to their experiences. During the study period above 50 percent of the expatriates are living abroad for up to 10 years. The percentage of expatriates' who remitted money below Taka 5 lakh each was 54 percent in 2009 and this was declined to 41 percent in 2013. On the other hand, the percentages of expatriates who remitted above Taka 10 lakh each was 18 percent in 2009 and this percentage increased to 21 percent in 2013.

The amount of remittance varies by the skill and the residing country of the expatriate. Skilled workers always earn more than the unskilled do. The survey reveals that only 20 percent of expatriates are skilled. During 2009 to 2013, they earned on a yearly average of Taka 9.90 lakh each followed by the semi-skilled expatriates (Taka 6.67 lakh each).

It is also found that a very small portion of our expatriates is highly educated including Ph.D. degree holders, doctors, engineers and IT experts, etc. They occupy a very small percentage of our total expatriates, but each of them earns money significantly higher than others. They spend comparatively less for consumption, but invest more in industrial activities (like ship breaking, food, real estate, etc.), business (like electronics, transport, dealership, etc.) and service sectors (like clinics, diagnostics centers, etc.)

The study analyses the patterns of remittances on a five years' average (2009-2013) and finds that 33.63%

¹ One lakh = 0.10 million

of remittances belongs to the consumption of food and clothing followed by education and health care (11.50%), durable goods (3.46%) and other expenses (7.02%). 18.9 percent of remittances is utilised in real estate investment (purchase of livable land and flat). Besides, 17.78 percent of remittances is invested in small and medium enterprises (SMEs) of which investment in agricultural sector (including the purchase of arable land for fisheries, poultry, and dairy farms) occupies the bulk (62.98 percent) followed by business (36.05 percent), industrial (0.87 percent) and service (0.19 percent) sectors. Financial investment accounts for 7.70 percent including deposits, investment in saving instruments, shares in capital market and insurance premium.

The survey reveals that 69 percent of the beneficiaries of expatriates' workers live in rural areas. On a five years' average (2009 to 2013), 64 percent of remittances were received by the beneficiaries living in rural areas. In case of investment, the beneficiaries of expatriates in rural areas prefer to purchase arable land and start agriculture based SMEs than other investment. On the other hand, the beneficiaries of the expatriates in urban areas have the better scope to invest in real estates and financial instruments due mainly to easier access to urban facilities and financial services.

Analysing the consumption patterns of the expatriates' families, it is found that the families of semi-skilled and unskilled expatriates spend their bulk of earnings on food and clothing as compared to skilled expatriates. Similarly, the beneficiaries of expatriates living in rural areas spend more on food and clothing than those in urban areas.

Expatriates use different channels for sending remittances—formal and informal. Formally, transfer of remittance takes place mainly through bank accounts (i.e. demand draft issued by a bank or an exchange house; travelers' checks; telegraphic transfer; account to account transfer; electronic transfer, etc.), mobile money transfers and in kind. Besides, formal channels, money is remitted by hundi or by his/her friends or family members. Expatriates also carry money themselves while coming to the country. In this study, it is observed that more than 95 percent of the expatriates prefer to remit money through the bank and mobile money transfer channels. Only 0.28 percent of expatriates prefer other channels (including hundi, relatives, known persons, etc.). Since the survey team members have followed a bank based sampling, they have interviewed those beneficiaries of expatriates who are accustomed to receiving money mainly from formal channels. Therefore, the prevalence of receiving remittances from informal channel remains at an insignificant level. While conducting the study, we constantly struggled to identify major issues regarding the inflow of remittances, its utilisation, and opinions only from the beneficiaries. The beneficiaries may have supplied the information satisfactorily regarding money received and uses, but did not provide full information on the money kept in the expatriates' own accounts at home and abroad, money remitted to other beneficiaries, expatriates' other investment beyond the knowledge of beneficiaries, expatriates' investment planning and opinions regarding remittances. So, this survey report can be considered as a one-sided report. Therefore, to get the perfect features of the above issues a further survey on the expatriates living in top remittance sourcing countries is needed in the continuity of the road shows made earlier for encouraging the expatriates to remit money by formal channels. Such a study can contribute to formulating policies for momentum inflows as well as proper utilisation of remittances in the country.



(Dr. Md. Akhtaruzzaman)
Economic Adviser

Major Findings, Obstacles, and Recommendations at a Glance

Some of the mentionable observations of the survey, major obstacles to promote remittance inflow and its utilisation, and our recommendations at a glance are depicted in boxes 1, 2 and 3 respectively.

Box 1 **Major Findings**

- ❖ Expatriates' earnings increase over time as their experiences increases.
- ❖ Skilled workers remit money higher than the semi-skilled and unskilled workers do.
- ❖ Economic activities in rural areas are increasing with inflows of remittances.
- ❖ Expatriates also arrange overseas employment for other family members.
- ❖ Bangladeshi expatriates are working mostly in the Middle-east.
- ❖ Expatriates' socio-economic conditions are improving: they become capable of repaying loans, purchasing land, building houses, and expending on education and health services more than before.
- ❖ Expatriates prefer to remit money through banks and mobile money transfer channels.
- ❖ Brain draining scenario is insignificant.
- ❖ The families of semi-skilled and unskilled expatriates spend more on consumption whereas those of the skilled prefer to invest more.
- ❖ The beneficiaries of expatriates in rural areas prefer to purchase arable land and start agriculture based SMEs than other investment. On the other hand, the beneficiaries of the expatriates in urban areas have better scope to invest in real estates and financial instruments.

Box 2 **Major Obstacles in Promoting Remittance Inflow and its Proper Utilisation**

- ❖ Beneficiaries in the most cases have incomplete knowledge of the earnings, savings, and investment by the expatriates.
- ❖ Expatriates are not acquainted with foreign languages before migration.
- ❖ Delay in transferring remittances to branches from head office and its wage earners' branches.
- ❖ The location of the exchange houses is far from the workplace of many expatriates.
- ❖ No better scope of investment in rural areas other than investment in the agricultural sector.
- ❖ The absence of high speed internet facility in remote branches to provide quick service to the beneficiaries.
- ❖ Lack of skilled labour.
- ❖ Lack of financial literacy of both expatriates and beneficiaries.
- ❖ A large number of the beneficiaries have no bank account.
- ❖ Without work permit, Bangladeshis cannot remit money in the formal channels.
- ❖ Because of the term 'labour' mentioned in the work permit; most of the expatriates cannot remit the full amount of their income from other source of income due to local regulation.

Box 3

Recommendations for Promoting Remittance Inflow and Its Proper Utilisation

- ❖ A further survey on the expatriates living in top remittance sourcing countries is necessary for perceiving the actual features of the above issues which can contribute to formulating policies adding momentum to inflow of remittance as well as its proper utilisation in the country.
- ❖ The remittances should be reached to the beneficiaries account directly after being processed centrally instead of routing the money through unnecessary procedures.
- ❖ Raising awareness to increase the financial literacy of both expatriates and beneficiaries.
- ❖ Language training programme should be initiated for the expatriates to remove the language barrier.
- ❖ Separate reporting and its strict compliance are needed for workers' remittances differentiating from the other inflow of remittances like outsourcing, consultancies, etc.
- ❖ A number of foreign branches/exchange houses should be increased to encourage the expatriates to remit money through the formal channels.
- ❖ High-speed internet facility should be ensured in remote bank branches.
- ❖ Steps need to be taken to encourage every beneficiary to open a bank account.
- ❖ Unskilled labours in rural areas should be trained by setting up vocational training centers in rural areas through government and non-government initiatives.
- ❖ Ensuring easy availability of savings schemes particularly for expatriates and their beneficiaries to motivate them towards financial investment.
- ❖ Better investment opportunities (other than investment in real estate) should be created for the expatriates.
- ❖ The government should put forward incentive packages and ensure a congenial environment for the expatriates to invest their money in industrial and service sectors.
- ❖ Tax relaxation on the expatriates' profit earned from their investment.

Chapter 1

Objectives and Method for Conducting Survey on Remittance Utilisation

1.1 Background

Remittance is the second highest source of foreign currency earning in Bangladesh following exports of readymade garments (RMG). But, remittances can be considered as the highest one in net earning term since in case of exporting RMG, a significant portion of earnings is foregone for importing necessary raw materials. Remittance plays a significant role in the overall economy of Bangladesh. In spite of prevailing high trade deficit in the balance of payment, Bangladesh is enjoying current account surplus because of increasing trend in remittance inflow up to FY16. World Bank (2016) ranked Bangladesh as eighth in the world for remittance inflow based on the information of 2015. Bangladesh joined in the 10 billion US\$ club of remittance inflow in FY10. Remittance inflow into Bangladesh experienced 372.28% growth in FY13 over FY03 and the size of yearly remittance inflow in FY13 is more than eleven times over the inflow of FY95. The contribution of remittance inflow to GDP is also rising. According to World Bank, the share of remittance inflow in GDP for Bangladesh was 6% in 2002 which increased to 12.1% in 2012.

This significant role of overall remittance inflows, however, has drawn the attention of policy makers and observers to its role in poverty alleviation and employment creation. From the same token, proper utilisation of remittance is also very important. Therefore, remittances utilising sectors are necessary to be identified to undertake appropriate policy for productive usages of remittances. On that backdrop, Research Department of Bangladesh Bank has carried out an analytical report on the basis of primary data/information in order to investigate utilisation of remittances in Bangladesh as per the direction of Honorable Governor.

1.2 Objectives for Conducting Survey

The objectives of the study are as follows:

- a) Analysing characteristics of the expatriates;
- b) Investigating causes and factors affecting the remittance inflow;
- c) Examining the utilisation patterns of remittances;
- d) Analysing the impact of remittances on socio-economic condition of the expatriates and
- e) Rendering some policy recommendations and suggestions.

1.3 Methods of Conducting Survey

The method of conducting the survey integrated three stages:

First stage – Firstly, information on the contribution of banks in the total inflow of remittance in 2013 is collected from Foreign Exchange Policy Department of Bangladesh Bank. On the basis of bank-wise remittance collection, top 10 remittances receiving banks (contributing 79% of total remittances) are selected primarily for conducting the survey at field level. Secondly, on the basis of branch-wise highest contributions to remittance inflow into the total remittance collection of the selected banks, 83 branches are chosen as the sample branches for the survey. Those branches are randomly spread over the 12 districts (Dhaka, Narsingdi, Munshigonj, Mymensingh, Sylhet, Chittagong, Noakhali, Feni, Laxmipur, Comilla, Brahmanbaria and Chandpur) under three divisions (Dhaka, Sylhet and Chittagong). Finally, on an average five beneficiaries from each branch are interviewed at random through questionnaires (Annexure II). Thus, the size of the sample reaches roughly to 415 (= 83*5).

Second stage– Selected scheduled banks are requested to supply information on questionnaires which was designed only for the banks with a view to collecting the recommendations, suggestions, and opinion from the bank management.

Third stage – A survey report has been prepared with some specific recommendations through combining and checking the consistency of the collected data/information at field level and received from banks.

1.4 Scope of the Survey

This survey conducted in 83 branches of 10 banks in 12 districts in three divisions. A minimum of four branches were brought under survey in every district and a minimum of five beneficiaries from each branch were interviewed randomly at field level and collected data/information through questionnaires. Similarly, 83 branches of banks were visited and necessary data/information on the flow of remittances was collected through questionnaires. Besides, we collected data/information on the overall flow of remittances from head offices of 10 selected banks through questionnaires.

1.5 Team for Conducting Survey

In order to conduct this survey, a team was formed comprising of eight officials of Research Department of Bangladesh Bank. For surveying at field level, the team was divided into four groups. Formation of the team and groups is shown in Annexure-I.

Chapter 2

Findings of Previous Studies on Utilisation of Workers' Remittances

Migrant workers' remittances are bolstering economic development of the country significantly in various ways. The pattern and use of remittances is the most important issue for economic development. Investment of expatriates' earnings in productive sectors can contribute to output growth, employment, etc. The inflow of remittances and its related issues e.g. utilisation of remittances, its impact on economic development, has long been of interest to economists and policy makers. There are several macro and micro level studies on remittances. The issues that have received particular attention include the condition of a migrant worker, the use of remittances, the process of migration, etc.

A survey on the remittance usage conducted by Bangladesh Bureau of Statistics (2013) shows that 32.81% and 32.82% of the remittances are used for food and non-food expenditure respectively. On the other hand, 18.84% of remittances are used for durables and other expenses including 17.39% for utilised in the purchase of land. In case of investment and savings, BBS revealed that 33.45% of remittances goes to investment and 13.74% of remittances goes to savings.

A recent survey conducted by Mahbub Hossain, executive director of BRAC, finds that 29 percent of remittances go to productive uses. The study dispels misconceptions that migrant workers' earnings go to non-productive uses. However, the study finds that food, house construction and ceremonies still take up the majority of the expenditure: food accounted for about 37 percent, house construction, and repair 12 percent and social and religious ceremonies 8 percent. This study proves that overseas workers are now investing in business activities (Heading 29 per cent of remittances, 2013).

Murshid et. al (2002) conducted a study to examine remittance behaviour and impact, as well as to review and recommend measures to improve productive use and enhance flows through recorded channels. The study covers eight villages in four districts (Chittagong, Comilla, Noakhali, and Sylhet) and 191 households are selected from these districts. The findings of the study include considerable engagement of migrant families in land-market activity, food representing the highest outlay of remittance money followed by house repairs and land purchase, etc. The study comes up with the recommendation to improve official remittance inflows, and their productive uses related to the role of the Government, financial institutions, Bureau of Manpower, Employment and Training (BMET) and perhaps the manpower agencies.

Alvin P. Ang (2007) considers the present issues surrounding the role of workers' remittances and its contribution/effect on economic growth and development. In particular, this paper focuses on how such remittances have been able to spur development and growth. The paper looks into the following areas: (a) remittance and overall growth, (b) linkages between remittances and microfinance, (c) tracing the contribution of remittances to countryside development, and (d) relationship between worker remittances and structural reform policies. The paper also looked at how these remittances have influenced the poor in general. This is important as the expected benefits have, generally, been unfelt at the level of the poor. The author hypothesises that workers' remittances has not been properly utilised into productive and investment areas of the Philippines. There are strong anecdotal evidences showing that the most of these resources are being used to fund conspicuous consumption.

Pant, Bhubanesh (2008) mentions a country survey indicating Nepalese households typically spend a large proportion of their remittances, but their propensity to save can be as high as 40 percent. In Nepal it is a challenge for policy makers to channel these savings into productive uses. Remittances do not automatically contribute to development unless adoption of effective and efficient public policies for channeling remittances into productive projects. Government authorities always give more emphasis on sending remittances through official channels while ignoring the utilisation aspect of remittances. Therefore, the family members of migrant workers should be encouraged and trained so that they are able to set up small business which will create jobs and contribute to domestic economy.

The above studies focus on the pattern and use of remittance income and it has been found that utilisation patterns vary from time to time, region to region, sample to sample, etc. However, our study is somewhat different from the above studies. It examines the patterns of inflow and utilisation of remittances in the topmost remittance receiving districts in Bangladesh along with investigating brain draining scenario and the socio-economic condition of the expatriates before and after working abroad.

Chapter 3

Characteristics of Expatriates

The survey team interviewed more than 415 beneficiaries of expatriates. But some of the beneficiaries who are not very close relatives to the expatriates failed to provide accurate information about the earnings and expenditure patterns of the expatriates' families. Therefore, this report is prepared mainly on the basis of 363 beneficiaries of the expatriates. Besides, 363 beneficiaries, some 39 big overseas earners have been categorised separately due to their special characteristics and also to avoid the reflection of high income variation. However, their distinct features and expenditure patterns are depicted in boxes 3.1 and 5.1.

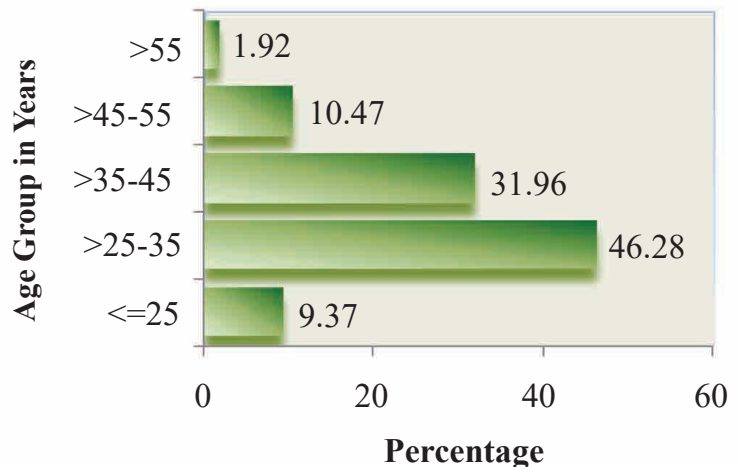
3.1 Living Status of Expatriates

Majority (66.67%) of the expatriate workers live in Middle-eastern countries. Among them 28.37% in Saudi Arabia, 12.40% in United Arab Emirates, 8.26% in Kuwait, 6.06% in Qatar and 5.79% both in Oman and Bahrain. On the other hand, 8.82%, 4.96%, 4.41%, 4.13% and 11.02% of them live in Malaysia, USA, Canada, UK and other countries respectively. Similarly, on an average of five years' trend (2009 to 2013), 66.27% of remittances comes from Middle-east (30.77% from Saudi Arabia, 9.03% from Kuwait, 8.90% from UAE 8.24% and 9.33% from other Middle-east countries) and 43.73% from other countries. Our expatriates are primarily concentrated in Middle-east countries which can put the whole sector in fragile situation if there is any sort of socio-economic shock in the region.

3.2 Age of Expatriates

Majority (55.65%) of expatriates are young and aged up to 35 years. Besides, 42.43% of them are between above 35 years and 55 years. Only 1.93% is above 55 years (chart 3.1). The trend of migrating young people abroad shows a significant impact on reducing unemployment at home.

Chart 3.1 Age of expatriates



3.3 Gender of Expatriates

96.14% of the expatriates are male whereas only 3.86% are female. Though it is still low, the existence of female expatriates is the beacon of a new dimension in our expatriate pattern which in turn can contribute to women empowerment of the country.

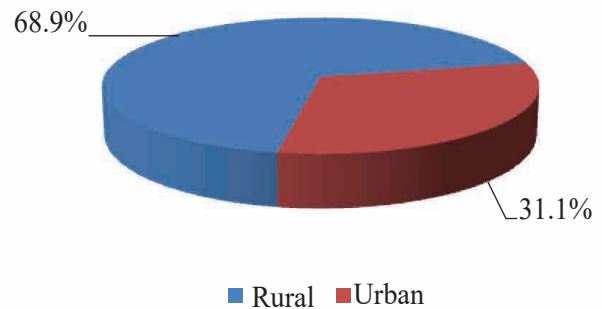
3.4 Relationship of Beneficiaries with the Expatriates

Majority (53.17%) of expatriates remit money to their close relatives—spouse (31.96%), children (13.77%) and parents (7.44%). Hence, wives of expatriates are involving in economic activity directly which in turn enables their empowerment in the society.

3.5 Location of Beneficiaries

Majority (68.9%) of the beneficiaries of expatriates live in rural areas (chart 3.2). Therefore, remittances is playing important role to make the rural economy a vibrant one.

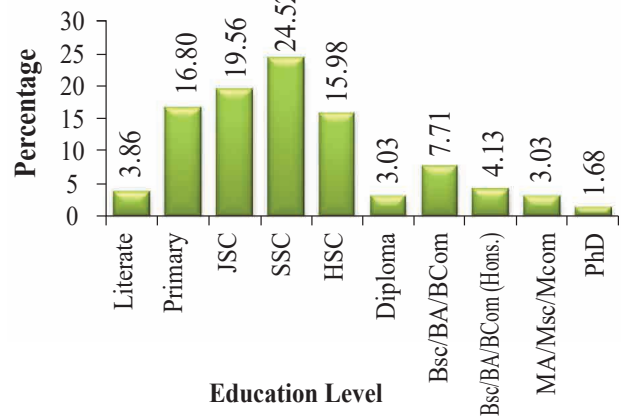
Chart 3.2 Location of beneficiaries



3.6 Education of Expatriates

60.88% of the expatriates' education level is from primary to secondary schools (chart 3.3). On the other hand, 15.98% of expatriates are educated from higher secondary schools and only 4.41% has M.Sc./Ph.D. degree. With low level or even without education/training of the expatriates make them likely to move abroad being unskilled.

Chart 3.3 Education level of expatriate workers (%)



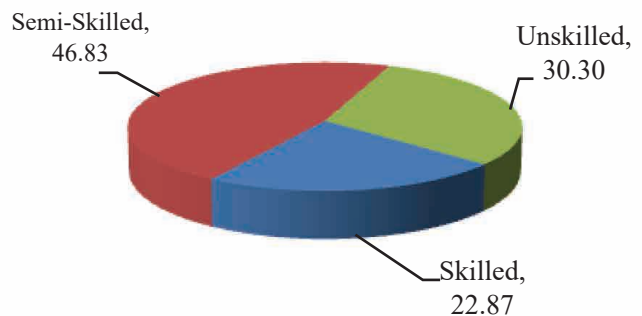
3.7 Brain Draining Scenario

Considering the education level of the expatriates, it is found that few of the expatriates are Ph.D. degree holders. Besides, the number of professionals like doctors, engineers, IT experts, etc. in the sample are also very few. The number of such skills is covered only 2.2% of the sample. Therefore, the study can conclude that the brain-draining scenario in the country is not mentionworthy.

3.8 Skills of Expatriates

While considering the skills of the expatriates, it is found that 46.83% of expatriates are semi-skilled followed by unskilled (30.30%) and skilled (22.87%)(chart 3.4). It is evident that unskilled labour is still a noticeable feature of the expatriate pattern of the country which retards the potentiality of faster growth of remittances since an unskilled expatriate earns less than the skilled one.

Chart 3.4 Number of expatriates according to skill (in percent)



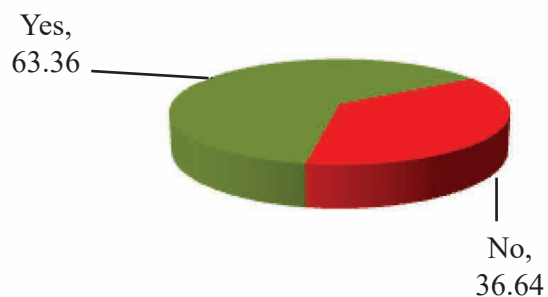
3.9 Expatriates' Working Status at Home

53.17% of the expatriates had jobs before moving abroad. The scenario of expatriates leaving jobs at home and getting opportunity for better job abroad is conducive to the economy in the sense that the vacant jobs are creating domestic employment opportunity and contributing more to the domestic economy as well.

3.10 Beneficiary's Bank Account

63.36% of the remittance beneficiaries hold bank accounts (chart 3.5). Most of the beneficiaries are using bank account showing a gradual increase in financial inclusion of the country.

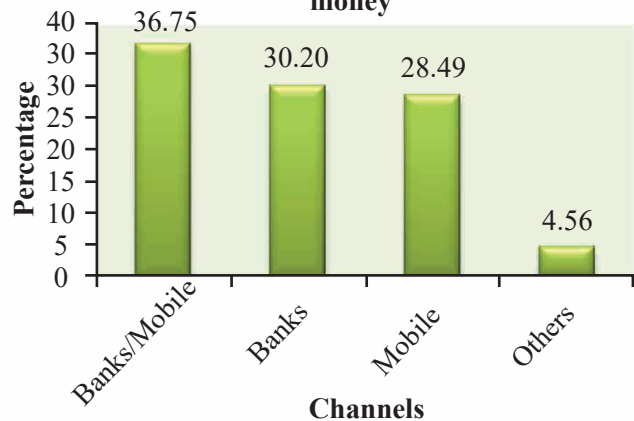
Chart 3.5 Beneficiaries' bank accounts (in percent)



3.11 Channels of Remittance Inflow

The expatriates prefer to remit money through the bank and mobile money transfer channels facilitated by Western Union, Moneygram, Transfast, etc. (36.75%) followed by only banks (30.20%), only mobile (28.49%) and others (4.56%) (chart 3.6). Other channels include informal channels mainly hundi and receipt of money through friends and close relatives. Since the main focus of the study was to find the utilisation of remittances irrespective of the channels, the study team interviewed the beneficiaries who prefer to receive remittances through a formal channel. Therefore, remittances received from informal channels remained trivial.

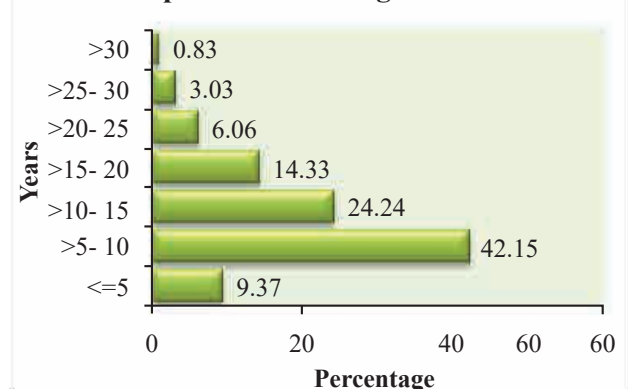
Chart 3.6 Channels used for remitting money



3.12 Work Duration of Expatriates

The majority (51.52%) of the expatriates are living abroad for up to 10 years whereas 49.48% of them are living abroad for more than 10 years (chart 3.7). Longer duration of expatriates' staying in abroad is adumbrating the stability of our expatriates there which is contributing to corroborate a sustainable inflow of remittances to the country.

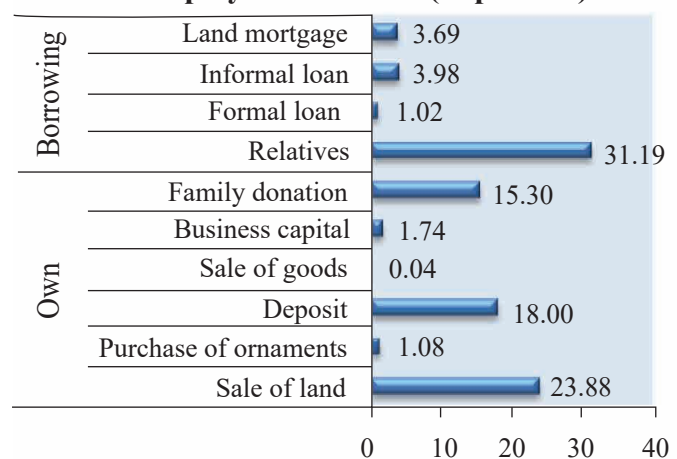
Chart- 3.7 Total duration of expatriates working abroad



3.13 Other Members of the Same Family Working Abroad

Among the total expatriates, 53.17 percent have their own family members working abroad as well. Interestingly, on an average, two family members of each expatriate are working abroad. It is a salient feature of the expatriate pattern of Bangladesh that the expatriates maintain a network to take their family members and relatives to abroad which is contributing to the increase in the number of Bangladeshi expatriates and creating remittance-prone areas as well.

Chart 3.8 Source of finance for employment abroad (in percent)



3.14 Cost of Employment Abroad

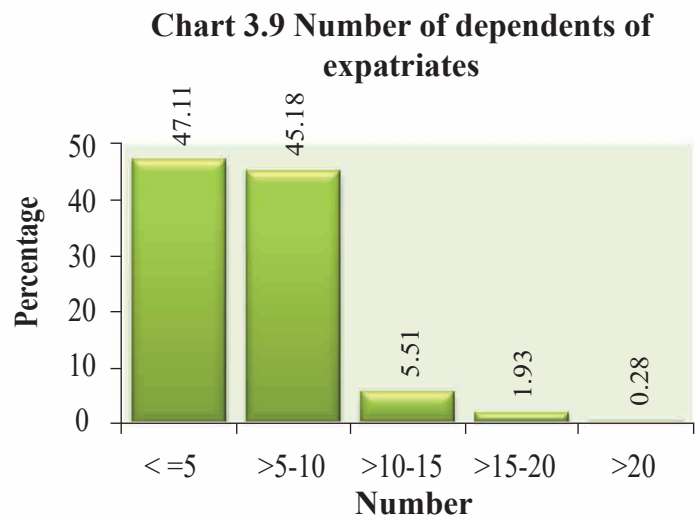
73.01% of the expatriates spend about Taka 1.00 to 3.00 lakh each and 10.51% of them spend more than Taka 5.00 lakh each for migrating abroad for employment (chart 3.8).

Among the total number of expatriates, 49.58% bear their cost from own sources and 27.17% from loans while 23.25% from both sources.

Among the total amount spent by the expatriates for going abroad, 60.13% comes from own sources (23.88% from sales of land, 18% from deposits, 15.30% from family contributions and 2.86% from others) and 39.87% from loans (including 31.19% from relatives, 3.98% from informal loans, 3.69% from mortgages and 1.02% from formal loans). From the view of financing cost of going abroad, it is found that the expatriates are losing their land and other valuables and in some cases creating burden with high interest rate bearing loans.

3.15 Number of Dependents

On an average, each expatriate has three or four dependents living in Bangladesh. But some of the expatriates have more dependents. 47.11% expatriates' have up to 5 dependents and 45.18% have six to 10 dependents and the rest have more than 10 dependents (chart 3.9). Those who have more dependents at home are likely to remit more.



Box 3.1 General Characteristics of Some Big Overseas Earners

Some 39 expatriates remitting larger amount are categorised separately in addition to 363 expatriates. Most of them live in middle-east countries. They are highly educated and skilled. Their distinct features are shown below.

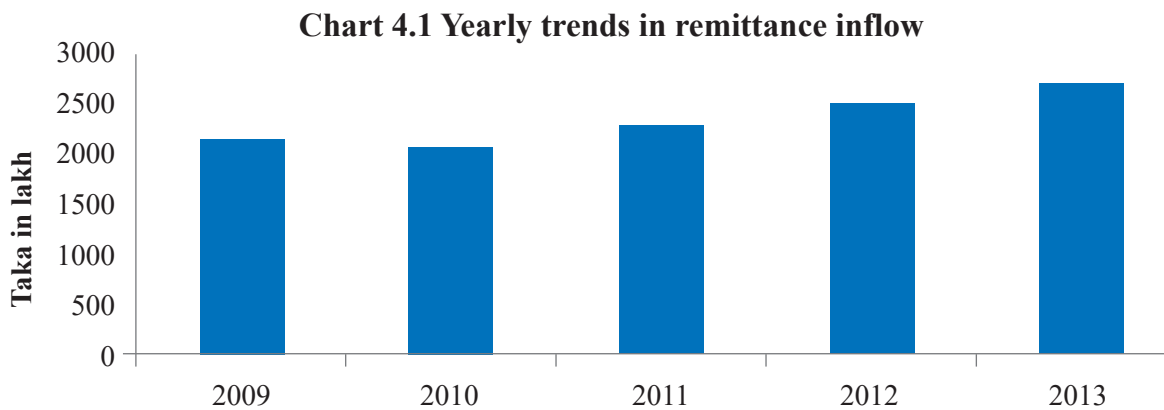
- ❖ The majority (71.79%) of them live in Middle-east countries. 41.03% live in Saudi Arabia, 15.38% in Qatar and 10.26% in Italy.
- ❖ 74.36% of them are of above 25-45 years old. Only 2.56% of them fall into the group of below 25 years and 2.56% above 55 years.
- ❖ 35.90% of their beneficiaries are siblings and 30.77% are spouses.
- ❖ 64.10% of their beneficiaries live in rural areas.
- ❖ 10.26% of them are M.Sc./ Ph.D. degree holders.
- ❖ The majority (58.97%) of them are skilled (their professions are like doctor, engineer, computer engineers, diploma engineers, hotel manager, banker, etc.). Only 7.69% of them are unskilled.
- ❖ 56.41% of them had no job before moving abroad.
- ❖ The majority (89.74%) of them remit money through both bank and money transfer channels. Only 10.26% of them send money through Hundi.
- ❖ The majority (71.79%) of them are living abroad for between 5 to 20 years. Other 28.10% are living abroad for more than 20 years.
- ❖ 53.85% of them have 1 to 3 family members working abroad. Only 10.26% of them have 4 to 5 family members working abroad and 25.64% of them have no family members working abroad.
- ❖ In 2009, 66.67% and 17.95% of their beneficiaries received money above Taka 30 lakh each and below Taka 15 lakh each respectively whereas, in 2013, 92.31% and 5.13% of their beneficiaries received similar amounts of money respectively indicating their earning increased significantly over the years.
- ❖ 76.92% of them have up to 10 family members who depend on them. Only 7.69% of them have more than 15 dependents in Bangladesh.

Chapter 4

Inflow of Workers' Remittances

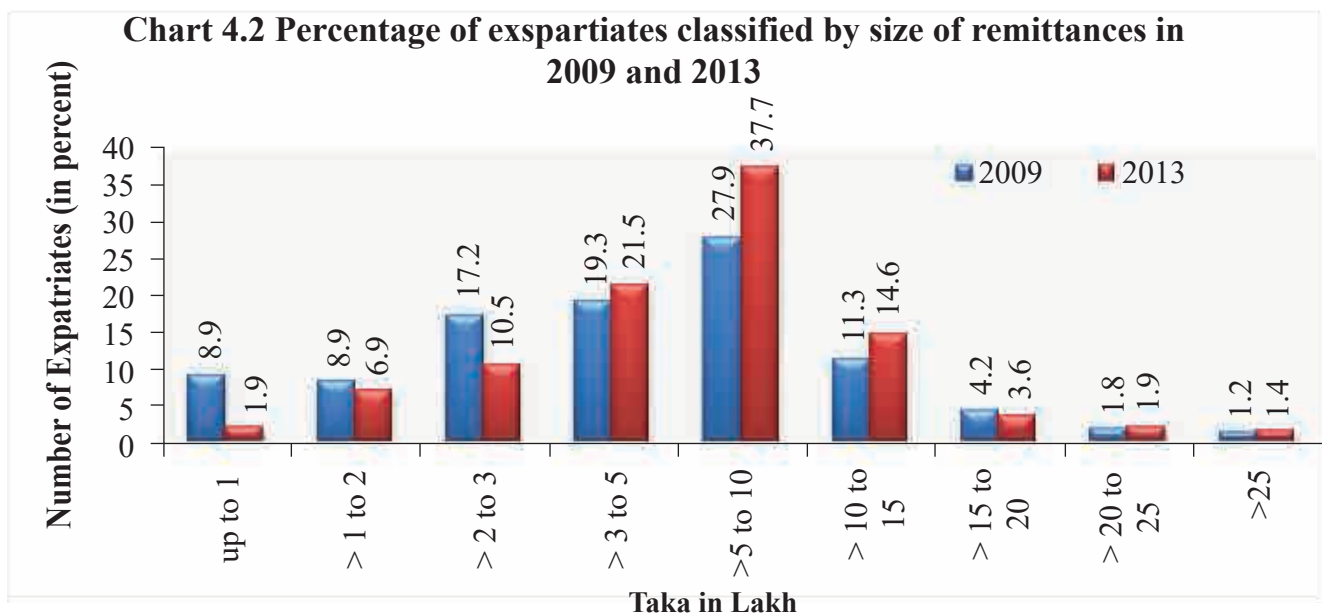
4.1 Yearly Trend in Inflow of Remittances during 2009-2013

Although the yearly inflow of remittance has shown a mixed trend during the period of 2009-2013, the absolute amount of the remittance inflow has increased over the five years. The total remittance inflow of the sample expatriates increased by around 26 percent to Taka 2694 lakh in 2013 as compared to Taka 2137 lakh in 2009 (Chart 4.1).



4.2 Overall Size of Remittances

Since the sample expatriates gained some experiences during the period (2009-2013), their average earnings probably have increased significantly and therefore, they were able to remit more in 2013 than they did in 2009.



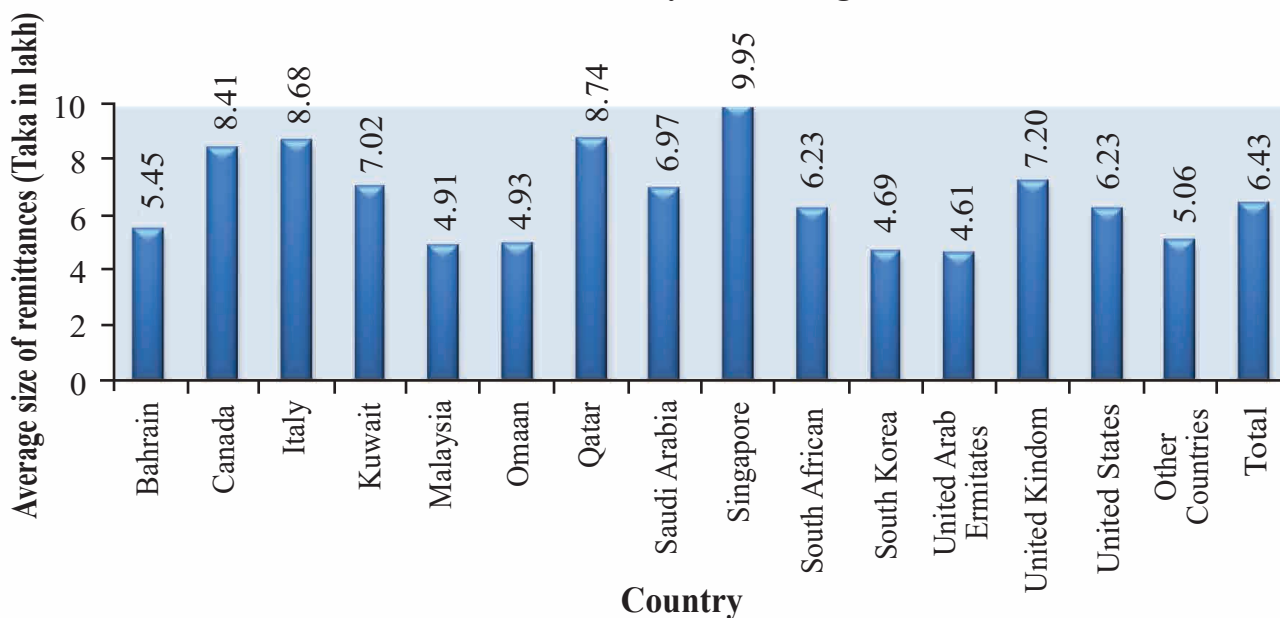
In 2009, on an average, 53.71% of the sample expatriates remitted money to their beneficiaries amounting less than Taka 5 lakh whereas 27.89% of them remitted money ranging from Taka 5 to 10 lakh and only 18.40% of expatriates remitted money above Taka 10 lakh.

In 2013, the number of expatriates remitting money less than Taka 5 lakh declined to 40.77%. The number of expatriates remitting money ranging from Taka 5 lakh to 10 lakh and more than Taka 10 lakh increased to 37.74% and 21.49% respectively. The number of the expatriates (in percent) classified by their remittance earnings is shown in chart 4.2.

4.3 Country-wise Average Size of Remittances

The size of remittances sent by an expatriate varies by country. During 2009 to 2013, on an average, a beneficiary received highest amount of yearly remittances (Taka 9.95 lakh) from Singapore followed by Italy (Taka 8.86 lakh), Qatar (Taka 8.74 lakh), Canada (Taka 8.41 lakh), United Kingdom (Taka 7.20 lakh), Kuwait (Taka 7.02 lakh), Saudi Arabia (Taka 6.97 lakh), United States (Taka 6.23 lakh), etc. The country-wise size of remittances is shown in chart 4.3.

Chart 4.3 Countrywise average size of remittances

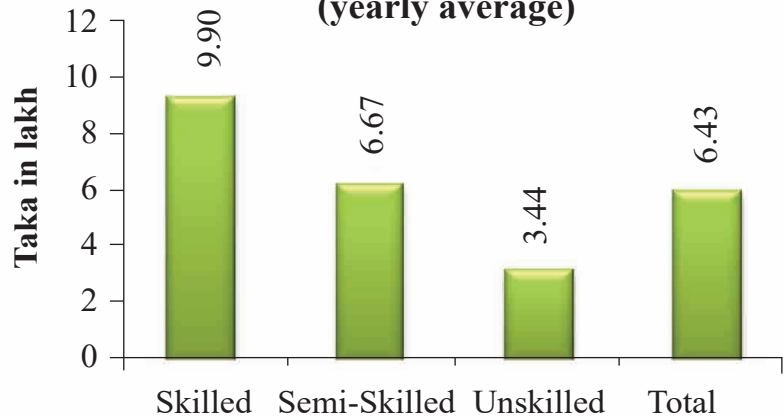


The average size of remittances comes from the high income countries (Canada, Italy, Singapore, United Kingdom and United States) is Taka 8.09 lakh which is higher than Taka 6.29 lakh received from the Middle Eastern countries (Bahrain, Kuwait, Oman, Saudi Arabia, Qatar and United Arab Emirates). This implies that the overseas employment in high come countries can contribute largely to faster growth in total remittance inflow in Bangladesh.

4.4 Skill-wise Inflow of Remittances

Skilled workers earn the most. It is observed that during five years, on an average, size of remittances of a skilled expatriate is Taka 9.90 lakh, followed by a semi-skilled expatriate Taka 6.67 lakh and an unskilled expatriate Taka 3.34 lakh (chart 4.4). On an average, the skilled workers remit money 1.15 times higher than those of semi-skilled workers and 3 times higher than those of unskilled workers. This indicates that the export of skilled manpower of Bangladesh can help boost the growth of remittance inflow in general. This fact is underscoring the importance of investment to establish vocational institutions that can create skilled manpower for Bangladesh.

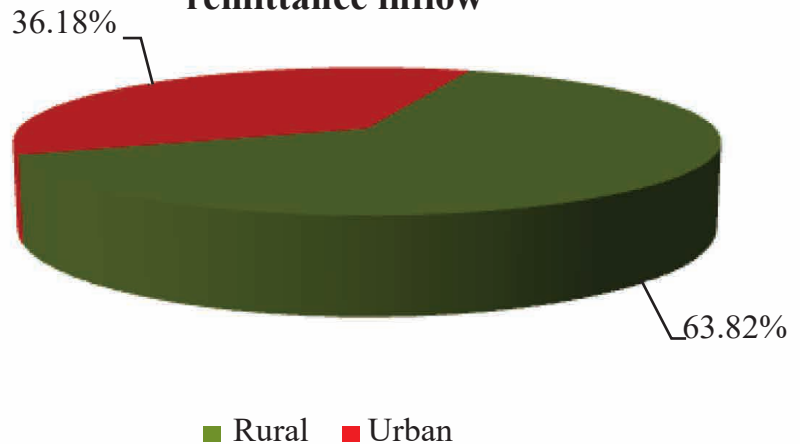
Chart 4.4 Skill-wise remittance inflow (yearly average)



4.5 Regional Inflow of Remittances

Since most of the beneficiaries are living in rural areas, the inflow of remittances in rural areas occupies the majority. On a five years' average 63.82% of remittances is received by beneficiaries living in rural areas (chart 4.5).

Chart 4.5 Regional share of remittance inflow



4.6 Divisional Inflow of Remittances

Among the three divisions, Chittagong Division has the highest share of total remittances. Based on the five years' average, 52.9 % of remittances is received by beneficiaries living in Chittagong Division (chart 4.6).

Chart 4.6 Divisional pattern of remittances inflow

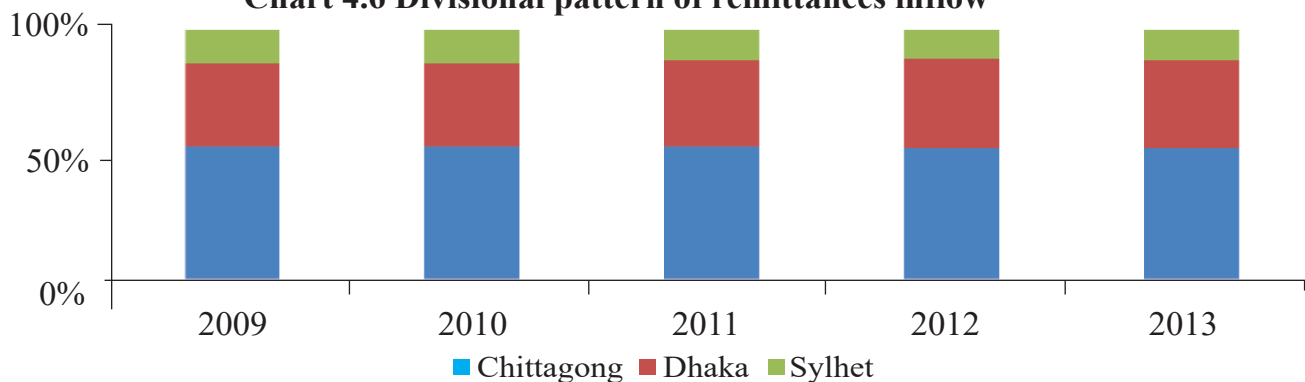
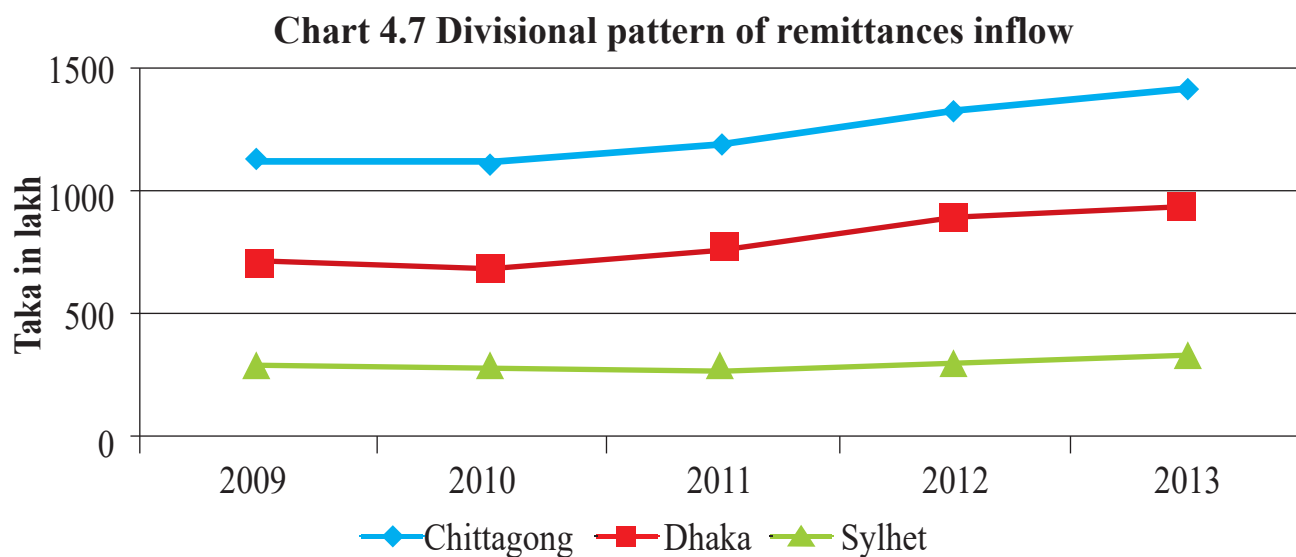


Chart 4.7 portrays the trends in divisional remittance inflow over time. The analysis shows that remittance inflow rose in every division over time except for the year 2010 but the growth rate is significantly different. In Chittagong division, remittance inflow increased steadily and absolute amount remained highest compared with other two divisions. Remittance inflow remained almost same in Sylhet division over time except for slight rise in 2013. However, the divisional contribution in remittance inflow is maintaining the same trend over the period of 2009 to 2013(Chart 4.7).



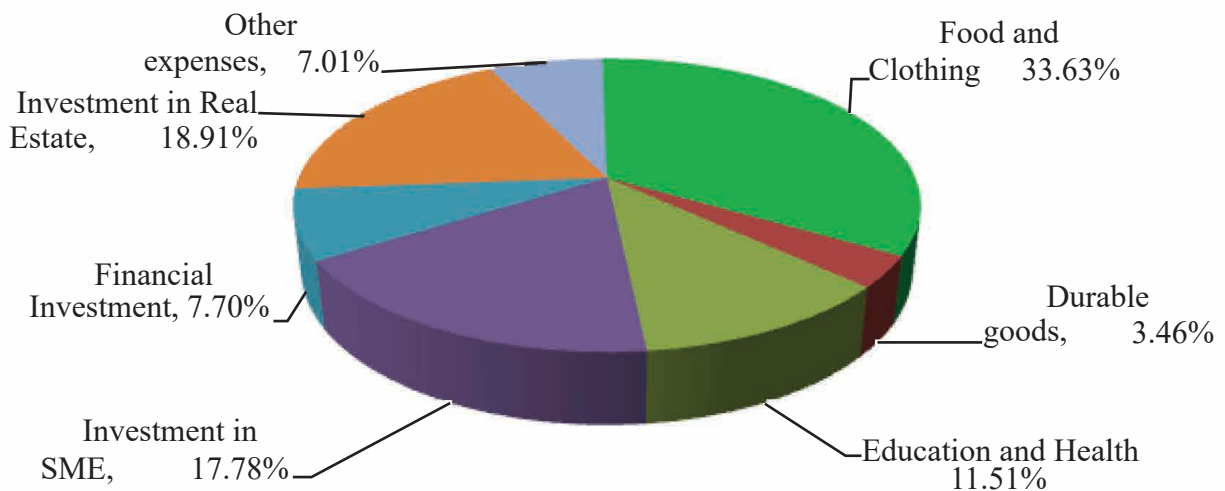
Chapter 5

Utilisation of Remittances

5.1 Average Pattern of Remittance Utilisation during 2009-2013

While considering the utilisation patterns of remittances on a five years' (2009 to 2013) average, we find that 33.63% of remittances belongs to the consumption of food and clothing followed by education and health care (11.51%), durable goods (3.46%) and other expenses (7.02%). The utilisation pattern of beneficiaries is shown in chart 5.1.

Chart 5.1 Pattern of remittances utilisation



In contrast, 44.39% of the total remittances is utilised in different types of investment. Expatriates invest 18.91% of their earnings in real estate which is comprised of livable land purchase (10.64%), building construction (7.61%) and purchase of flat (0.66%).

The beneficiaries utilise 17.78% of remittances in investment in small and medium enterprises (SMEs). Among the investment in SMEs, investment in agricultural sector (including the purchase of arable land for fisheries, poultry and dairy farms) occupies the majority (62.98%) followed by business (36.05%), industry (0.87%) and service (0.19%).

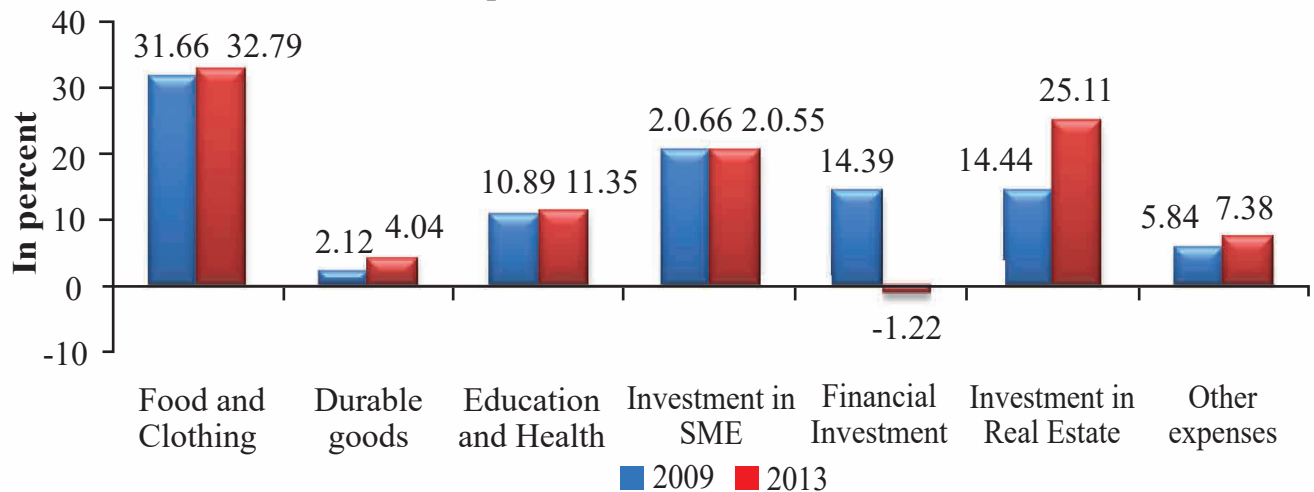
Financial investment is considered as deposits in banks, investment in savings certificates and stock market, and paying insurance premium, etc. Financial investment of beneficiaries' accounts for 7.70% of remittances including deposits in banks and investment in saving instruments (6.70%), investment in capital market (0.72%) and insurance premium (0.28%).

5.2 Trends and Patterns of Remittance Utilisation in 2009 and 2013

The pattern of remittance utilisation had been changed during the period. The consumption as a percentage of total remittance has an increasing trend while the investment as a percentage of total remittance has an opposite trend.

In 2009, 31.66% of total remittance was used for the consumption of food and clothing only. Among other consumption of the beneficiaries, education and health care, durable goods and other expenses account for 10.89%, 2.12%, and 5.84% respectively. Consumption of durable goods includes furniture, electronic goods, gold and personal vehicles. Other expenses include festival expenses, socio-economic charity, loan repayment, finance for overseas employment of other family members, etc. Almost half (49.49%) of the remittances are utilised in different types of investment including SME (20.66%), real estate (14.44%) and financial investment (14.39%). The expenditure patterns of beneficiaries in 2009 and 2013 are shown in chart 5.2.

Chart 5.2 Trends and patterns of remittance utilisation in 2009 and 2013

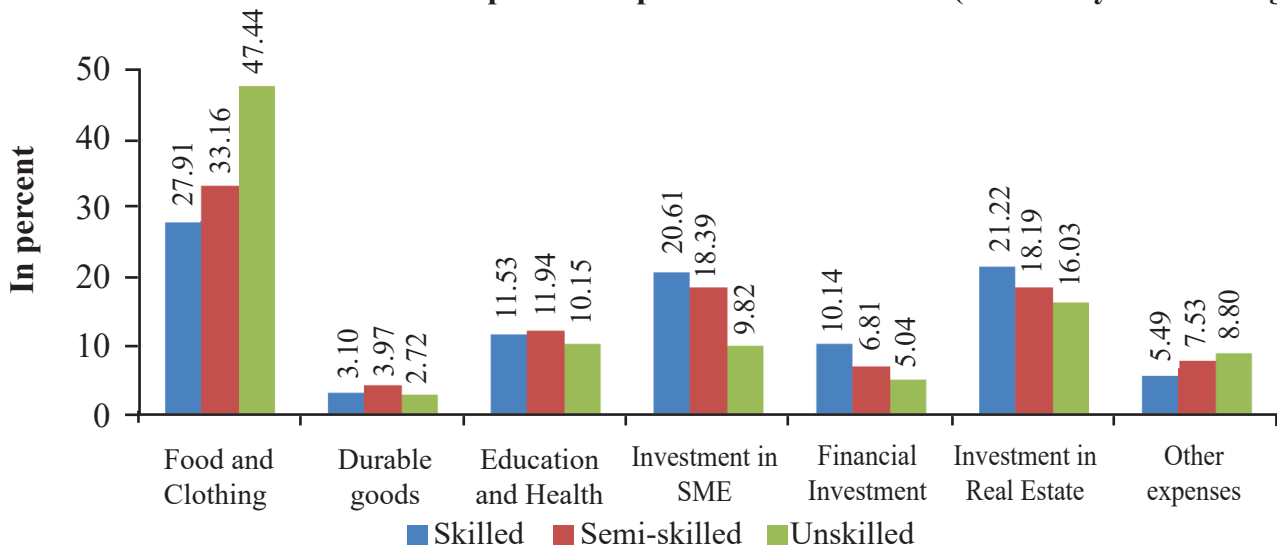


In 2013, 32.79% of remittances was utilised for the consumption of food and clothing only whereas education and health care accounts for 11.57%, followed by durable goods with 4.04% and other expenses with 7.38%. At that time, 44.44% of remittances was utilised in different types of investment in which SME, real estate, and financial investment were 20.55%, 25.11% and -1.22% respectively. The share of financial investment remained negative because in 2013 the utilisation of remittances was more than the inflows. The problem reason of the excess utilisation of remittances over inflow in 2013 was the use of previous year's savings for investment in real estate. However, the share of investment fell down in 2013 because the beneficiaries of expatriates spent more on food and clothing, durables, health and education, and other purposes.

5.3 Expatriates’ Skills and Expenditure Patterns of Remittances

Analysing the expenditure pattern of the remittance beneficiaries, the study finds a relationship between the level of expatriates’ skills and the pattern of the beneficiaries’ expenditure. The beneficiaries of the skilled expatriates are likely to prefer investment to consumption. In case of the beneficiaries of the semi-skilled and unskilled, the trend is the opposite. The beneficiaries of semi-skilled and unskilled expatriates spend more on food and clothing. The beneficiaries of semi-skilled and unskilled expatriates spend 33.16% and 47.44% of remittances respectively on food and clothing. However, the beneficiaries of the skilled expatriates spend 27.91% of remittance on food and clothing, comparatively less they those of the semi skilled and unskilled do. The skill-wise expenditure patterns of beneficiaries are shown in chart 5.3.

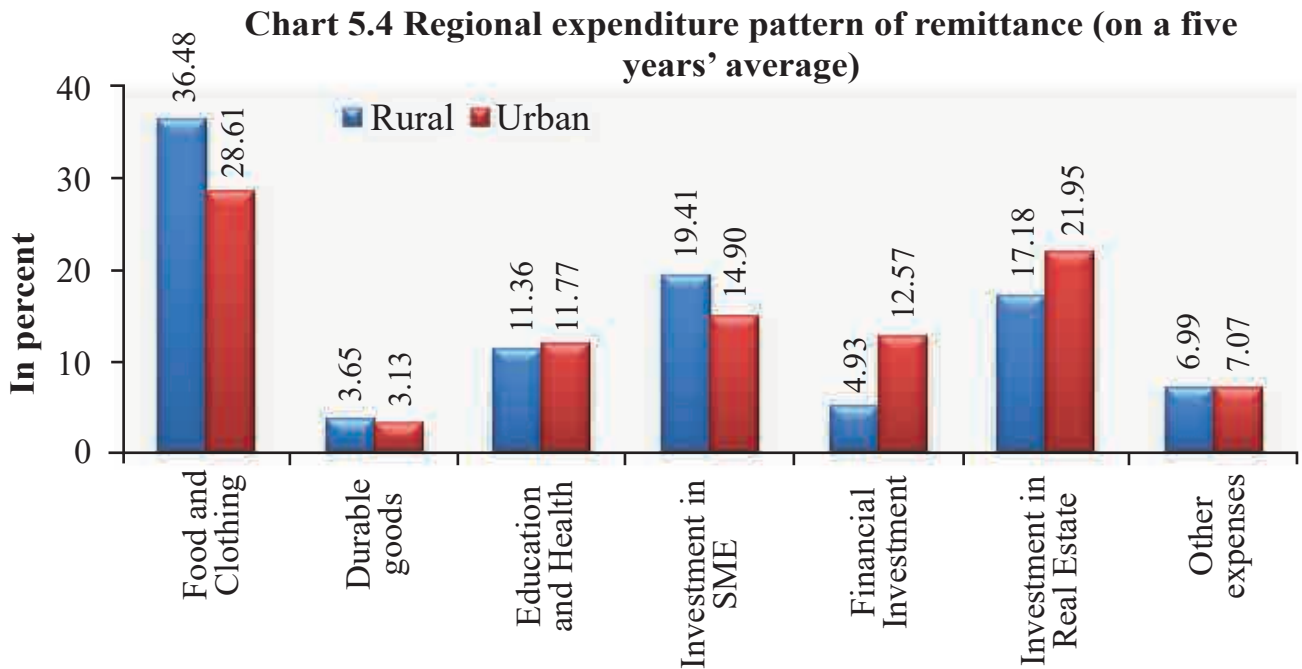
Chart 5.3 Skill-wise expenditure pattern of remittance (on a five years’ average)



The beneficiaries of the skilled expatriates are in the better position to invest money in real estate, SMEs, and financial instruments. For example, the beneficiaries of the skilled expatriates invest in real estates, SMEs and financial instruments 21.22%, 20.61% and 10.14% of remittances respectively. On the other hand, the beneficiaries of the semi-skilled expatriates invest in SMEs (18.39%), followed by real estate (18.19%), and financial instruments (6.81%). The beneficiaries of the unskilled expatriates are in the worst state in investing money in real estate, SMEs, and financial instruments. They invest 16.03%, 9.82% and 5.04% of remittances in these sectors respectively.

5.4 Expenditure Patterns of Remittances in Different Regions

The expenditure pattern of remittance differs across regions. The study finds that consumption goes more to rural areas whereas investment concentrates more in urban areas. In rural areas, the beneficiaries are likely to spend more of their receipts on food and clothing than those in urban areas. Since unskilled and semi-skilled workers mostly come from rural areas, their beneficiaries have less scope for investment and spend comparatively more (36.48%) on food and clothing. On the other hand, the beneficiaries of expatriates in urban areas spend 28.61% of their money on food and clothing. The regional consumption patterns of beneficiaries are shown in chart 5.4.

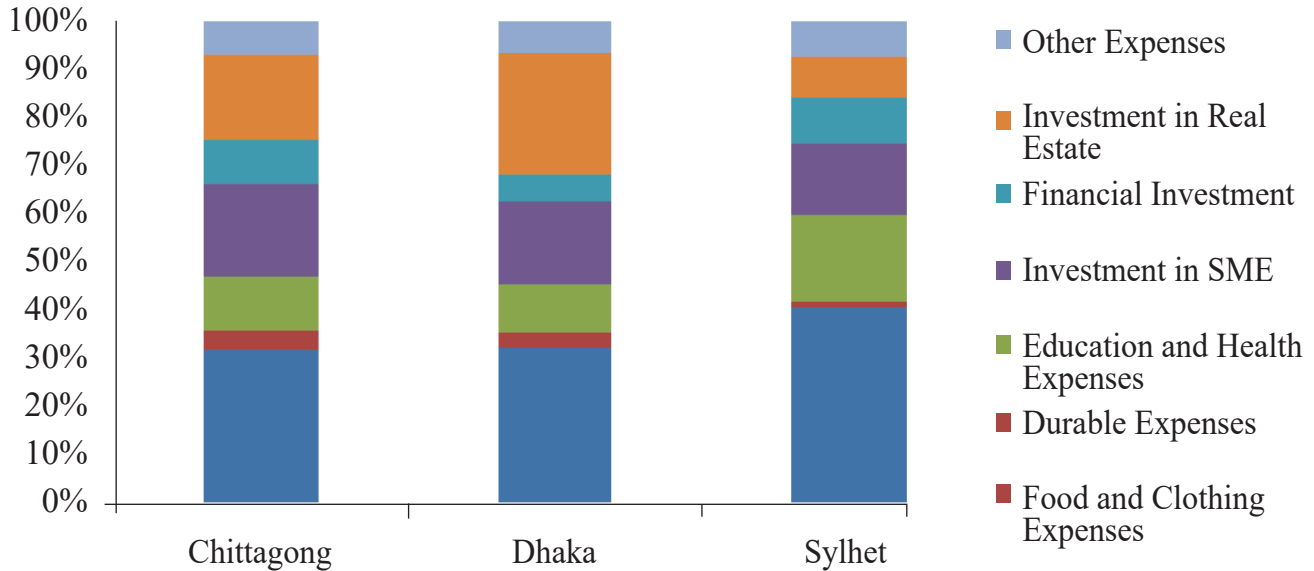


In case of investment, the beneficiaries of expatriates in rural areas prefer purchasing arable land and starting agriculture based SMEs to investment in real estate. The beneficiaries of expatriates in rural areas invest 19.41% of remittances in SMEs, followed by 17.18% investment in real estates and 4.93% in financial instruments. On the other hand, the beneficiaries of expatriates in urban areas have the better scope to invest in real estates. They invest 21.95% of remittances in real estates, followed by 14.90% in SMEs and 12.57% in financial instruments. The beneficiaries of expatriates in urban areas invest a major portion of remittances in financial investment than those in rural areas due mainly to higher financial literacy and easier access to financial services.

5.5 Expenditure Patterns of Remittances in Three Major Divisions

On an average, expenditure pattern of remittances does not significantly vary across divisions with a few exceptions. In all the divisions, the beneficiaries of expatriates spent mainly in food and clothing (chart 5.5). The beneficiaries of expatriates in Sylhet division spend more on education and health care as compared to other two divisions. Remittance channeling to the education and health care may contribute to the human capital development of the country to some extent.

Chart 5.5 Overall divisional expenditure pattern of remittances



In Dhaka and Chittagong divisions, investment in both real estate and SME is higher as compared to the Sylhet division. For real estate investment, Dhaka is leading the row when Chittagong is leading in SME investment. In case of financial investment, Sylhet is slightly ahead of Dhaka and Chittagong divisions.

Chart 5.6 Overall divisional expenditure pattern of remittances

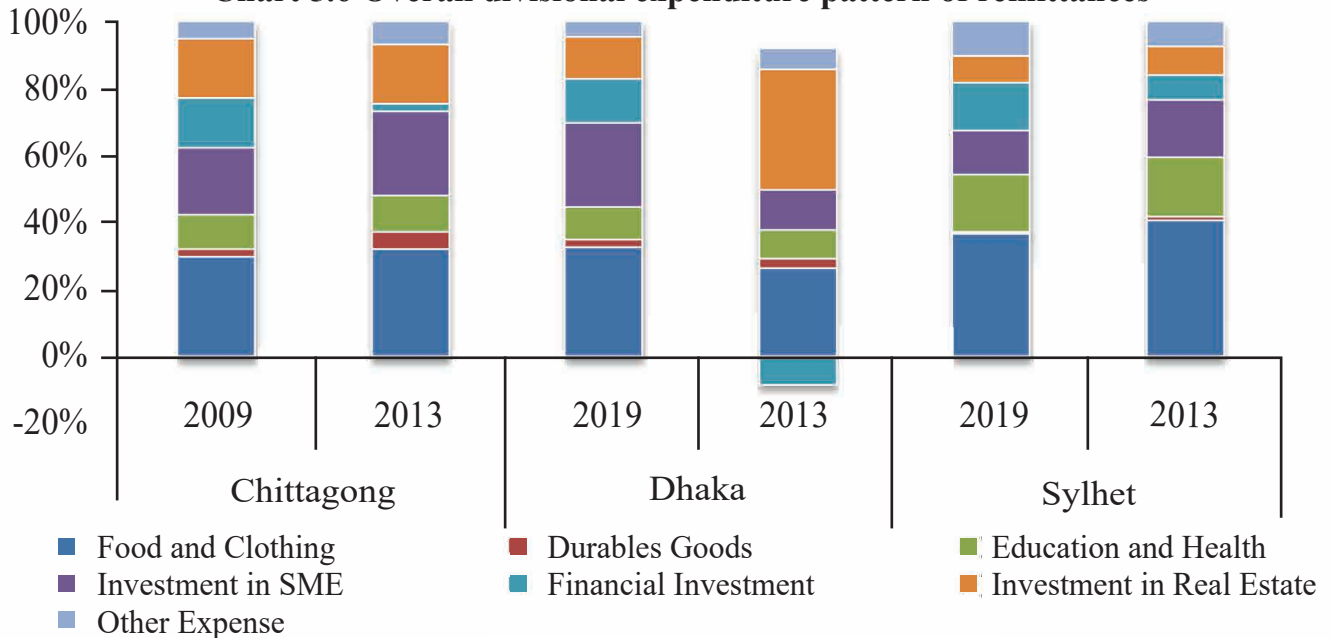


Chart 5.6 depicts the divisional pattern of remittance utilisation from the aspect of two points of time (2009 and 2013). The pattern shows that while the variation in Sylhet division is less noticeable, it is significant in case of Dhaka. The share of food and clothing; and education and health remained almost same in all three divisions in 2013 compared to 2009. In Sylhet division, SME investment swelled up sharply in 2013 compared to 2009 whereas financial investment plunged. Real estate investment from remittances got a boost in 2013 compared to 2009 in Dhaka division which is a visible reflection of the overall boom in the real estate investment. Real estate investment in Dhaka division is made of cumulative deposits in banks. Therefore, the inflow of financial investment in Dhaka division remained negative. SME investment dropped in 2013 compared to 2009 in Dhaka division due to much concentration on real estate investment. In case of Chittagong division, SME investment increased sharply in 2013 compared to 2009 while the reverse picture is evident for financial investment of the division.

Box 5.1 Expenditure Pattern of the Beneficiaries of Some Rich Expatriates

Some 39 large overseas earners remit on a large scale to their beneficiaries. They spend less for consumption and invest more in different productive sectors of the economy. Considering the expenditure patterns of beneficiaries of those large overseas earners during 2009 to 2013, some distinct features are observed as follows:

- ❖ The lion's share (50.13%) of remittance goes to the investment in the real sector which includes investment in SME, large business, and joint business. Investment in small and medium enterprises (SMEs) occupies the first position (56.93%) which includes poultry, bakery, fishery, agriculture (including the purchase of arable land), cattle rearing, tailoring, leather business, paddy business, etc. The share of investment in a large business (ship breaking, building construction, embroidery factory, transport, dealership business, etc.) and joint business (export manpower, jewelry, CNG station, large shop for cloth/sharees, pharmacy, etc.) are 31.12% and 11.95% respectively.
- ❖ Real estate investment occupies the second largest share (20.02%) of remittances which comprises of building construction (51.37%), purchase of livable land (46.89%) and purchase of flat (1.74%).
- ❖ Expenditure for consumption stands at the third position (15.04%) including the purchase of food and cloth which occupies the highest share (63.18%) followed by education and health care (27.86%), durables (6.72%) and other expenses (2.24%).
- ❖ Financial investment stands fourth in position (9.78%) which includes deposits and investment in saving instruments (98.59%) and insurance premiums (1.41%).
- ❖ The rich beneficiaries spend 5.03% of remittances for other purposes including socio-economic development, festival expenses, loan repayment, etc.

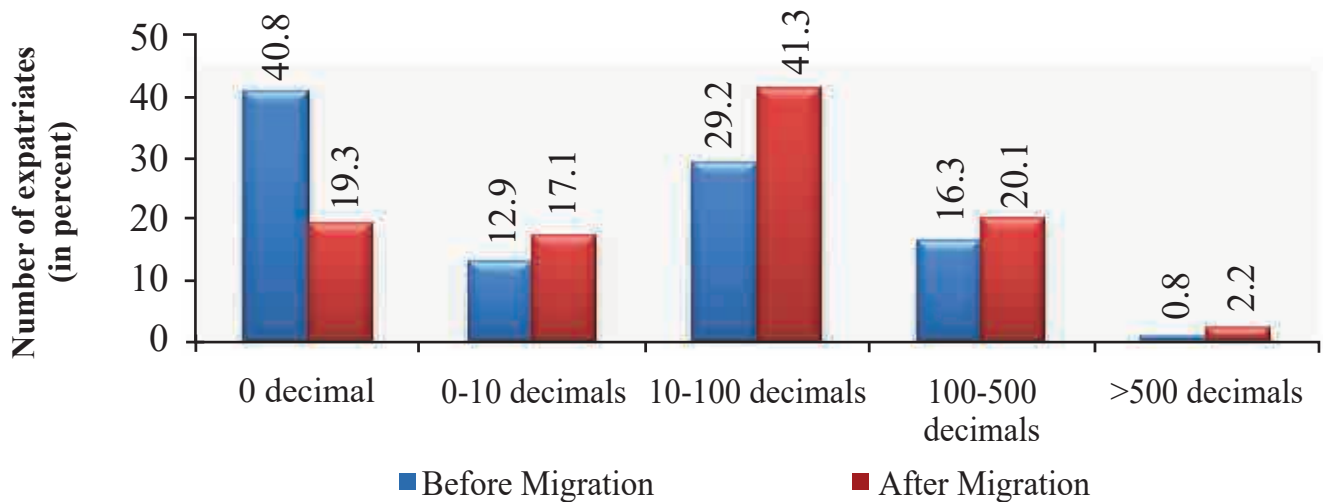
Chapter 6

Changes in Socio-economic Conditions of Expatriates' Families

6.1 Ownership of Land

The study shows that expatriates' possession of land increases after migration. Before migration, 40.8% of expatriates owned a small amount of land even have they did not have any land due to economic insolvency (chart 6.1).

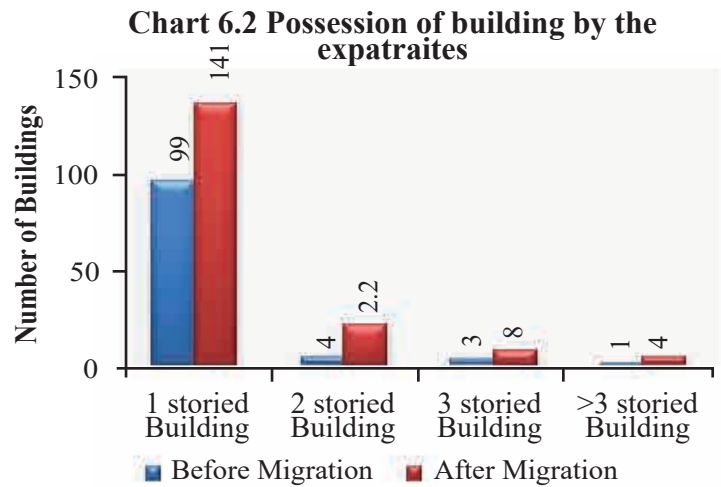
Chart 6.1 Possession of land by the expatriates



After migration, some of them relatively become more solvent and are able to purchase land and eventually, the percentage of expatriates not having own land reduced to 19.3 percent from 40.8 percent. On the other hand, expatriates owning land up to 10 decimals increased by around 5 percentage points to 17.1 percent from 12.9 percent. Similarly, expatriates owning land ranged 10-100 decimals increased by around 12 percentage points to 41.3 percent from 29.2 percent. This trend implies that remittance plays a significant role in reducing landless expatriates, and shifting ownership from marginal to vast landholders.

6.2 Possession of Buildings

The expatriates' possession of building also increased after migration. Before migration, the number of expatriates having one-storied building was 99 (27.3%) (chart 6.2). After migration, some of them built houses and the number of expatriates having one-storied building increased to 144 (38.8%). Therefore, after migration, the improvement of expatriates' buildings in terms of numbers of stories has increased.

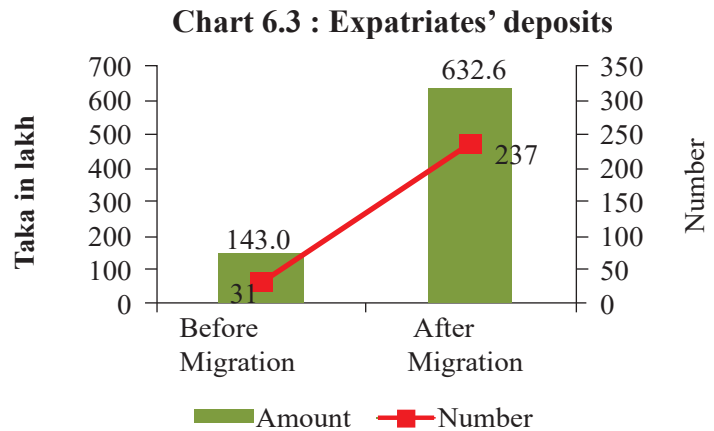


6.3 Possession of Apartments

While none of the expatriates have any own apartment for living, after migration, three of them purchased apartments for themselves.

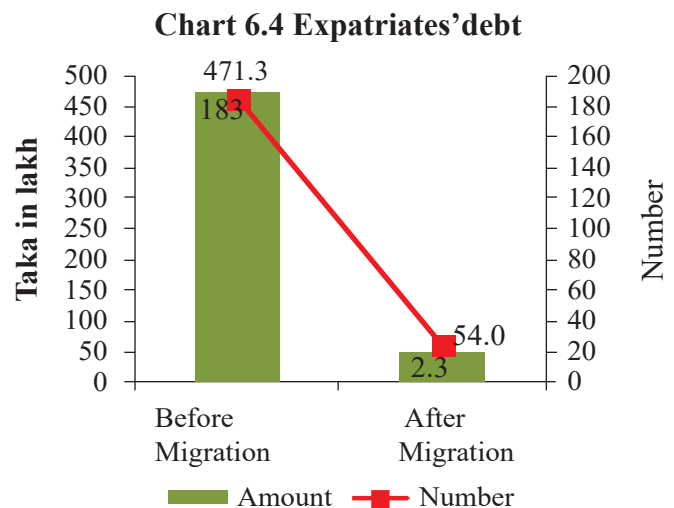
6.4 Expatriates' Deposits

After migration, the expatriates' deposits increased significantly. Before migration only 31 expatriates had deposits amounting to Taka 143.0 lakh (chart 6.3). But after migration, a lot of expatriates (237) have deposits amounting to Taka 632.6 lakh.



6.5 Expatriates' Loans

After migration, the burden of loans of the expatriates reduced significantly. The majority of expatriates (50.4%) had loans before going abroad for work due not to being well-off and their outstanding loans stood at Taka 471.3 lakh (chart 6.4). But after migration, a lot of expatriates were able to repay their loans and only 23 (6.3%) of them have few loans amounting to Taka 54.0 lakh.



Chapter 7

Recommendations and Suggestions

Conducting Further Study on the Expatriates

Collecting information on the inflow of remittances and its utilisation of the expatriates from the beneficiaries alone was a great challenge for the study team, as beneficiaries were reasonably unable to explain the real scenario. The beneficiaries provided necessary information satisfactorily especially information related to their consumption, but could not provide information on the money retained in the expatriates' own accounts at home and abroad, expatriates' investment, investment planning and expatriates' opinion on remitting money. So, a further survey of the expatriates living in top remittance sourcing countries is important in line with the road shows made earlier for encouraging the expatriates to remit money in formal channels. This will lead us to the perfect features of these issues which in turn can contribute to formulating policies adding impetus to remittance inflow as well as its effective utilisation in our country.

Removing the Hindrance to Boost Inflow of Remittances

Along with the existing policies, more policy is required to remove all kinds of hindrance like work permit, money transfer facilities, work environment, etc. through bilateral diplomatic discussions.

Increasing Technological Support

In order to reduce the time-lag of remittances, technological improvements are required to ensure money transfer from the exchange houses to respective beneficiaries' bank branches directly after being processed centrally instead of routing the money through unnecessary procedures.

Increasing Financial Literacy

A large number of expatriates are illiterate or poorly educated. A training programme on the process of remitting money through banking channels could be introduced for the expatriates before leaving Bangladesh in order to encourage them to use the banking channels for remitting money.

Removal of Language Barrier

A major problem of the expatriates during moving abroad for the first time is the difficulty in communication with foreign languages. Most of them are poorly educated and therefore, unable to speak English and other languages satisfactorily. Hence, the government can initiate a language programme for the expatriates where they can attain some basic knowledge of English and other foreign languages possibly free of cost before moving abroad.

Ensuring Strict Compliance of Separate Reporting of NRB Remittances

Some of the scheduled banks are reporting the earnings of the foreign universities' agents, journalists of foreign TV channels, consulting firms, etc. as inward remittances. In this connection, a clear guideline is needed in reporting workers' remittances and other inflow of foreign currency separately to get precise information on expatriates' remittances. Strict compliance with those guidelines should be ensured.

Introducing Unique Code for Exchange Houses

Bank officials often face the difficulty to identify a specific exchange house as there is no specific identification code available for the houses. In the current system, exchange houses are categorised based on the number of digit of exchange house code, but in each category, there can be more than one exchange house. In that case the remittance receiving beneficiary needs to mention the name of the exchange house; otherwise, the bank officials are unable to complete the transaction instantly. So, an arrangement needs to be made to introduce unique code for each exchange house so that the exchange houses can be traced through their respective codes.

Increasing the Number of Exchange Houses

Existing number of exchange houses are not enough to support a large number of expatriates. Therefore, the number of exchange houses needs to be increased to facilitate their better access to formal money transfer channels and also to discourage transferring money through contraband processes (e.g. hundi).

Creating Scopes for Investment in Rural Areas

Due to the lack of scope for other productive investment in rural areas, expatriates have the tendency to invest in agriculture sector only. As a result, most of the investment from remittances is pouring towards agriculture. Under this circumstance, the government needs to put forward incentive packages and ensure a congenial environment for the expatriates to invest their money in diverse sectors like industrial and service sectors.

Ensuring Easy Availability of Savings Schemes

To ensure easy availability of savings schemes particularly for expatriates and their beneficiaries especially in remote areas to motivate them towards financial investment, each bank branch can sell saving certificates and offer special deposit schemes for them.

Relaxing Tax on Expatriates' Profit

To encourage additional investment, tax on the profit portion of expatriates' investment should be waived as an incentive.

Ensuring High-Speed Internet Facility in Remote Branches

Lack of high-speed internet facility is an obstacle for remote branches to provide swift service to remittance receivers. Scheduled banks need to ensure uninterrupted high-speed internet connectivity in their remote branches. In addition, remittance related bank officials should also be trained properly in operating computer software and hardware.

Encouraging Beneficiaries to Open Bank Accounts

A significant portion of beneficiaries have no bank accounts while collecting money from mobile transmission channels. Therefore, they are drawing total amount of remitted money from the banks and thereby fueling the issue of currency outside banks. So, all beneficiaries should have bank accounts for the sake of financial inclusion led growth in Bangladesh.

Introducing Training to Upgrade Unskilled Labours into Skilled Labours

Most of the expatriates are unskilled or semi-skilled in Bangladesh. The unskilled earns less than the skilled expatriates. Most of the unskilled or semi-skilled labours come from the rural areas. Therefore, unskilled labours in rural areas should be trained by setting up vocational training centers in rural areas through government and non-government initiatives.

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Composition of Survey Team at Field Level in 2014

‘A’ Group

Name of Officials	Designation	Duty in the Group
1. Mahfuza Akther	Deputy General Manager Research Department	Team Leader
2. Rajib Mandal	Assistant Director Research Department	Member

‘B’ Group

Name of Officials	Designation	Duty in the Team
1. Mohammad Masuduzzaman	Joint Director Research Department	Team Leader
2. Md. Nur-E-Alom Siddique	Assistant Director Research Department	Member

‘C’ Group

Name of Officials	Designation	Duty in the Team
1. Md. Maidul Islam Chowdhury	Assistant Director Research Department	Team Leader
2. Israt Jahan	Assistant Director Research Department	Member

‘D’ Group

Name of Officials	Designation	Duty in the Team
2. Laila Fatin	Assistant Director Research Department	Team Leader
3. Shamsur Rahman	Assistant Director Research Department	Member

Bangladesh Bank

Head office

(Research Department)

Questionnaire

(For expatriates' beneficiaries)

Name of the bank (belongs to the beneficiaries).....A/C No:
Branch.....District.....
Contact details:.....Phone (if any).....
Date.....Name of the survey team.....Serial No.....

1. Personal information of expatriate

- a) Name of expatriate:Age (year):
Gender: Male Female; Marital Status: Married Unmarried
- b) Relationship of beneficiaries with expatriates:
- c) Expatriates' present country of working:
- d) Time period of working at the present country:Total time of working abroad:
- e) Expatriates' educational qualification:
- f) Occupation of expatriate:Skill: Skilled Semi-Skilled Unskilled
- g) No. of dependents family members on the expatriate:
- h) Is anyone except he/she of the family working abroad?.....
(Please mark) Yes No; if yes, then mention the total number of persons:

2. Socio-economic Status of expatriates before going abroad

- a) Was the expatriate employed in the country? :(Please mark) Yes No;
If yes, please mention the occupation
- b) Immovable asset: Land:(decimal); building:Floor:
- c) Financial asset (amount Taka in lakh.): Deposit/Cash.....
- d) Financial liabilities: (amount Taka in lakh):
- e) Do you have any bank account? : (Please mark) Yes No
- f) Source of financing for going abroad: Self Loan;
If self financing, then mention the sources and amount (Taka in lakh):
 Selling land (.....) Selling ornaments (.....) Deposited money (.....)
If loans, then please mention the source and amount (Taka in lakh | rate of interest):
 Relatives (.....|.....) Institutional (.....|.....) money lender (.....|.....)

3. Socio-economic Status of expatriates after going abroad

a) Medium of money transfer: bank directly NGOs mobile hundi person

(Taka in lakh)

	2009	2010	2011	2012	2013
Remitted money (based on the sources)					
Total outstanding at the end of December					

b) Socio-economic Status of expatriates after going abroad

Immovable asset: Land.....(decimal); building:Floor:

Financial wealth (amount Taka in lakh): Deposit/Cash.....

Total Liabilities: (amount Taka in lakh):

c) Information on utilisation of remittances:

(Taka in lakh)

Particulars of expenditure	2009	2010	2011	2012	2013
1. Personal/family expenditure					
Daily expenses on food and clothing					
Purchase of furniture					
Purchase of electronics					
Purchase of ornaments					
Purchase of personal vehicles					
Medical expenditure					
Educational expenditure					
Expenditure related to marriage/festival					
Expenditure related to socio-economic welfare					
2. Investment in real sector					
Own business					
Small and medium sized enterprises (SMEs)*					
Large enterprise					
Joint Business					
3. Financial investment					
Deposit					
Saving certificates					
Insurance					
Investment in capital market					
4. Others investment					
Purchasing Land/Flat					
Others					
Grand total					

*Name of project/enterprise (if any).....

4) **Comments of beneficiaries in this regard** (if any problem faced by the beneficiaries and expatriates at home and abroad respectively)

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