

**REMITTANCE AND FINANCIAL BEHAVIOR OF OVERSEAS
CONTRACT WORKER DEPENDENTS IN SELECTED
MUNICIPALITIES OF CAVITE**

THESIS

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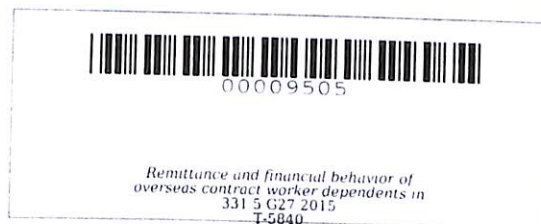
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Undergraduate Thesis
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ABSTRACT

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This study generally aimed to determine the remittance and financial behavior of Overseas Contract Worker dependents in selected municipalities of Cavite. Specifically this aimed to determine the socio-demographic profile of Overseas Contract Workers dependents; determine the amount of remittances received; determine how remittances are utilized; determine the financial behavior of OCW dependents and find out the relationship between remittances and financial behavior of OCW dependents in selected municipalities of Cavite.

The 200 OCW dependents were determined through non-proportionate quota sampling, and were identified through snowball technique in the six municipalities of Cavite composed of Indang, Silang, Alfonso, Amadeo, Mendez and GMA. Towns included were also identified through fishbowl technique. Frequency and percentage were used to interpret socio-demographic profile and amount of remittances received. Mean was used in interpreting the average amount of remittances, and to get the measures the central tendency of age and number of dependents. Likert Scale Model was used to interpret the financial behavior and Pearson Correlation Coefficient to determine the relationship between remittances and financial behavior.

Majority of the dependents of OCW are females and in the middle ages. More than half of the participants have single types of household.

Results also showed that remittance received were spent on food followed by education and utilities; saved in banks, and invested in lot.

The spending behavior of the dependents towards negative spending is at poor level, while saving and investment behavior are said to be at good level.

The findings showed that there is no significant relationship between remittances received and financial behaviors (spending, saving, investment). Two saving behaviors were found to have a significant relationship with monthly remittance. These are saving first before spending and putting aside on a regular basis for the future. But then, the overall results between remittances received and saving behavior showed no significant relationship between them.

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INTRODUCTION

The Philippines has a long history of sending migrant workers since the overseas employment program was launched by the Philippine government in 1974. According to Rafael (1997), by the early 1980's there is an increase in the demand for skilled and semi-skilled Filipino workers in many parts of the Middle East, Asia and Western Europe. Limited domestic employment opportunities in the country and high compensation package abroad attract workers to seek overseas employment. To provide a better future for the family is the primary concern between the migrant family worker and the household dependent.

Based on the 2012 Survey on overseas Filipinos by the National Statistics Office (NSO), the total number of overseas Filipino workers (OFWs) was estimated at 2.22