

International Labour Migration, Remittances and Economic Security of the Households Left Behind: A Case Study of Sri Lanka

Siriwardhane, Dinesha¹, De Silva, W. Indralal², Amaratunge, Sampath³

Department of Business Economics, University of Sri Jayewardenepura,

Department of Demography, University of Colombo, NCAS, UGC

Department of Economics, University of Sri Jayewardenepura

indralald37@gmail.com

International labour migration has attracted the attention of both males and females in Sri Lanka. Recent statistics reveal that more than twenty four percent of the labour force is currently working abroad. Remittance, sent by them is plays a vital role at the macroeconomic level. However, there is a shortage in the literature on the role played by the remittances at the household level. This study fills the gap in the literature by elucidating the impact of international labour migration and remittances on the economic security of the households left behind. Study uses data collected from a sample of 750 households. Cluster sampling method was employed to collect data from rural, urban and estate sectors in Kalutara District, Sri Lanka. Results reveal that the labour migration is mainly based on economic reasons which are pioneered by the insufficiency of income. Both male and females send the remittances for the well being of the households. Among other sources, remittance represents a significant share in the income. While it is a regular income for a large group of households; it is a seasonal lump sum for another group. However, the relative size of the remittance receipts depends on the gender of the migrants, interrelationships between the migrants and the remittance receivers and the manpower level of the migrants. While a larger amount of remittances are sent by skilled workers, a larger share of the income, earned by the low skilled workers is sent to their households. Comparison with the households without migrant workers with the migrant workers, reveals that impact made by the remittance to household income is significant than the income earned through other sources. A significant inequality among the migrants as well as between migrant and non migrant households was found in the study. Remittances, sent by the labour migrants were found as a source that strengthens the economic security of the households. However, the time spent abroad and the utilization of remittances by the households determines the economic security in the long term.

Key words: Economic Security; Households; Labour Migration; Remittances.