RURAL OUT-MIGRATION AND REMITTANCES -
A CASE STUDY OF FOUR DISTRICTS IN PENINSULAR MALAYSIA

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ABSTRACT

This research report examines the socio-economic differentials of remittances in Kerian, Hilir Perak, Sabak Bernam and Rembau, using data from a based on a survey on “Consequences of Rural Depopulation on the Agricultural Communities” conducted in 1997 by a group of researchers from the University of Malaya. The survey provided a host of socio-demographic information for the detailed analyses of remittances in terms of:

- the proportion of households in the study areas that had received remittances from their migrant children and the amount received, and
- the proportion of migrant children who had sent remittances and the amount remitted.

Bivariate analyses were carried out to examine the socio-demographic differentials in receiving and sending of remittances. Appropriate non-parametric statistics were used to test the significant differences across subgroups of the study population. Significant differentials in remittances can be observed across the four districts as well as socio-demographic groups.

Various multivariate techniques including logistic regression, analysis of variance, multiple classification analysis and multiple regression were used to identify the determinants of remittances, both in terms of receiving and sending. Education level and
activity status are two important variables affecting remittances. In addition, current place of residence is also an important determinant in the propensity to remit.

The social and economic implications of the findings are discussed in relation to social development. Some suggestions for future study on this topic are also put forward.
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