

## Remittances of the Overseas Marine Service Workers To The Philippines: Implications To Good Governance

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**Abstract** - *Using the Network Governance theory, this study describes the remittances of the Overseas Marine Service Workers (OMSWs) and assesses its implication to good governance. Since OMSW remittances are mandatory, the Philippine government recognizes only the formal channels of money transfer system to the Philippines. However, some OMSWs are sending cash to their families in the Philippines through the informal channels for the reasons of emergency, speed, friendships and cost. OMSW cash remittances to their respective families are primarily spent on education, food, and health as part of the regular monthly household and family expenditure items. Recipient family members prioritize the purchase of real estate properties, income-generating investments such as micro-enterprises and agricultural lands, clothes, motorcycle or cars. Part of the cash remittances received is also spent during Christmas celebrations; however, low priority is given to spending money on birthdays, fiestas and other occasions of lesser cultural significance to the family. A minimal number of the respondents donate a portion of the money to the barangay and school. On the other hand, a portion of the cash remittances received is not spent, but kept as savings for the family. The study further reveals that good governance (e.g. accountability, transparency, participation and rule of law) does not actually have any direct effect on the OMSWs' and their families overseas remittance-related transaction and experiences, either with the formal channels or informal mechanisms.*

**Keywords:** *Network governance, remittance, formal channel*

### INTRODUCTION

The contribution of the fund remittances from Overseas Workers (OWs) to the financial health of the Philippine economy has long been acknowledged as one

of the vital forces that keep the economy afloat. The remittance from Filipinos working overseas is primarily a function of government policy and regulatory frameworks. The remittances system is the government's direct application of the detailed and systematic execution of policies, regulations in money transfer as performed by the remittance players in channeling the dollars.

Remittances from Overseas Filipino Workers (OFWs) coursed through banks grew year-on-year by 4.1 percent as of March 2011 peaking at US\$1.6 billion. Remittances totaled US \$4.6 billion in the first quarter of 2011, 5.9% higher than the level recorded in 2010. The robust remittances are reported to be a higher cash transfer from both sea-based and land-based workers expanding by 12.1 percent and 4.3 percent, respectively. The dollars coursed to the Philippines through remittances of the overseas workers keep our country's international reserves at a comfortable level. Tangible reasons that cause Philippines to experience less vulnerability to external shocks, lesser reliance on foreign savings, and acquire sufficiency of currency to service its debts and pay its imports during the global crisis (UN, 2012). Using the Network Governance theory (Sorensen & Torfing, 2005), this study describes the remittances of the Overseas Marine Services Workers (OMSWs) and assesses its implication to good governance. Good governance is implicated when the institutions arranged, organized mechanisms, and their operational processes impact the capability to attain transparency and accountability, participation and the rule of law (ADB, 1995).

It is hypothesized that the good governance principles of transparency and accountability, participation, and rule of law affects the OMSWs remittance system (underscore provided).

Network Governance is the collaborative acts through networking of the multi-players working

mainly towards an arrangement characterized by a form of governance representing public concern. (Abrams, Feyerabend, Gardner, and Heylings, 2003). Networking involves different players performing vital role in money transfer. Jones, et al. (1997) in Ziggers et, al, (2010) state that “governance network is a particular form of governance, involving as a relatively stable horizontal articulation of interdependent, but operationally autonomous actors who interact through negotiations that involve bargaining, deliberation and intense power struggles which take place within a relatively institutionalized framework of contingently articulated rules, norms, knowledge and social imaginaries that is self-regulating within limits set by external agencies and contribute to the production of public purpose in the broad sense of visions, ideas, plans and regulations”. Network governance is a dynamic process of organizing, rather than a static entity. (Toikka, (2011).

### OBJECTIVES OF THE STUDY

This study aims to describe the remittances of the Overseas Marine Services Workers (OMSWs) by assessing its implication to good governance and determine its impact to the socio-economic status of the family beneficiaries

### METHODS

The respondents are 75 OMSWs, hired and/or admitted for apprenticeship on ocean going vessel. The selection is based on the following: studied in ZSCMST within the SYs 2005- 2006 to 2009-2010 ; sending allotment to their respective family-beneficiaries in Zamboanga ; and residents of Zamboanga. Other respondents considered are: family-beneficiaries, manning agencies, local government officials within the remittance system, remittances service providers, selected officials of the barangay where the family beneficiaries reside.

The study adopted purposive sampling, and the “snowball” technique. To mix viewpoints, data were derived from survey questionnaires, interviews, and observations. Survey Questionnaire No. 1 contains the tool for evaluation of good governance: the principles: Transparency & Accountability, Participation , and Rule of Law are the independent

variables, whereas, the remittance system is the dependent variable as shown in the conceptual framework. A Likert Scale format 24 items were categorized according to the selected principles, but mixed based on the alternate positive and negative stem. Survey Questionnaire No.2 was a simple category scale, used to determine the preferences of the money transfer and the reasons for the selection: the preferences of the OMSWs in money transfer, reasons in adopting the formal system, and reasons for adopting the informal system. The questionnaires were validated and submitted for reliability tests, done separately Survey Questionnaire No. 1 was subjected to SPSS Cronbach Alpha, (Cronbach, 1951) the result is 0.724 with 15 respondents. Based on Nunnally (1978), 0.724 is an acceptable Alpha, though recently the minimum Alpha is 0.9. Nunnally (1978) .However, survey Questionnaire No. 2, designed in the closed-ended scale. The continuous revisions and consistency of the stem when pre-tested validated the tool through the “pattern matching” method, a strategy for aligning data to theoretical proposition (Trochim, 2000). Copies of the questionnaires were sent to the respondents through their individual account in the “Facebook” or e-mail

Data were analyzed based on the Multi- Regression Correlation. Tabular and frequency distributions were used .Illustration was explained and discussed.

### RESULTS AND DISCUSSION

The formal channel is the recognized category of money transfer for the OMSWs’ remittance (Section 8C, POEA contract and EO 857). Likewise, the result of the survey (Survey Questionnaire no.2) shows 100% of the 60 respondents who said their remittances are coursed through the formal channel, though there are few rare cases of sending remittance in the informal channel.

As illustrated in Table 1, the coefficient r ( $r = 0.211$ ) suggests that there is a low relationship between good governance in terms of accountability and transparency, participation and rule of law taken collectively and the OMSWs’ remittance system. According to Downie and Heath (1985) the correlation coefficient of 0.4 and below is described as “low”.

**Table 1.** Good Governance and OMSWs’ Remittance System

Independent Variables	r	r <sup>2</sup>	F	p-Value	T	p-Value	Interpretation
Accountability and Transparency					-0.464	0.645	Not Significant
Participation	0.211	0.045	0.873	0.461	0.772	0.443	
Rule of Law					1.314	0.194	

*Dependent Variable: OMSWs’ Remittance System (Formal Channel)*

The coefficient of determination ( $r^2 = 0.045$ ) implies that good governance explains only 4.5 percent of the variance of the OMSWs' remittance system in terms of accountability and transparency, participation and rule of law taken collectively. The low relationship between good governance in terms of accountability and transparency, participation and rule of law taken together and the OMSWs' remittance is not significant evident in the F – Obs with a p-Value greater than the assumed alpha (p-Value>.05).

Furthermore, the same table revealed that t – Obs of good governance in terms of accountability and transparency ( $t = -0.464$ ), p-Value>.05), participation ( $t = 0.772$ ), p-Value>.05 and rule of law ( $t = 1.314$ ), p-Value>.05 taken individually indicate that it does not affect the OMSWs' remittance. Therefore, based from these findings the research hypothesis is rejected and accepted the null hypothesis. To mean that “good governance in terms of accountability and transparency, participation, and rule of law does not affect the OMSWs' remittance system?”

The result in the formal channel turns out to illustrate a low relationship of good governance in terms of transparency and accountability, participation and rule. However, there is an indication that good governance is practiced based from the performance of the manning agencies, government organizations, and the evidences presented by the OMSWs themselves and the family beneficiaries.

**Transparency and accountability.** The interview with Philippine Standard ship Management, Senators, Man Power Resources of Asia, etc. stated that remittance/ familiarization were explained to the crews prior to embarkation. The POEA contract contains the policies and regulations on remittances, see excerpt attached (Section 6,7, and 8). This is confirmed in quantitative data stating that the contract agreement between the crew and the manning agencies is explained during the pre-departure seminar. Likewise, manning agencies provided the OMSW with reading materials on remittances prior to his departure. Aside from the POEA, the manning agency sees to it that all part and content of the contract is clear to him. In terms of the 80% basic requirements of the remittance, the company gives the remitter the options to select how much he prefer to give to his beneficiaries. Transparency and accountability are practiced by administering the Pre-departure seminar to hired seafarers. The financial administration, remittances and among others are part of the lecture explained to the participants in compliance with the POEA rules and

regulations. This policy is applied to all crews in the company.

Moreover, the agencies further revealed both in an interview and survey questionnaire that they did not receive any complain about the delay on remittances. This data is confirmed with the findings of Asian Development Bank (ADB) studies that satisfaction level for remittances course through banks (i.e. formal and regulated) were rated high like any other regulated channels for their speed, trustworthiness, reliability, and efficient service. Based from the issuances of Manning agencies documents and compliance of POEA's rules and regulations, Survey Questionnaire No.1, (Transparency and Accountability: Item No: 1 Specifically items 1,3,5,7,9, and 11 in transparency and accountability are admitted, whereas, items 2,4,6,8,10, and 12 are denied.

#### **Transparency & Accountability (Items 1-12)**

1. The Contract for Employment contains all the necessary information about the rights and privileges of the OMSWs (remitters) in remittances.
2. The issue on remittances was not explained to the OMSWS (remitter).
3. Reading materials on the remittances were provided during the pre-departure seminar.
4. Policies and regulations for remittances were not explained to the OMSW (remitter) during the pre-departure seminar.
5. The manning agency's duties and responsibilities in remittances are clear.
6. The family-beneficiary did not receive the remittance on time.
7. The 80% basic requirement of the remittance is flexible.
8. The manning agency does not entertain complaints about remittances.
9. The policy on remittances is applicable to all remitter.
10. The mission and vision of the formal channel (i.e Metrobank, Equitable Bank, Landbank, etc.) in remittances are not clear.
11. The remitter was happy with the services in the formal channel.
12. In case of any delay in the remittances, the teller in a bank or any formal channel staff does not explain why there is a delay.

The denial connotes confirmation of the practices of good governance. Therefore, transparency and

accountability are practiced both by the POEA and manning agency.

**Participation.** Results of interviews with the remitters who remit to Banko de Oro, Metro Bank Equitable Bank showed that they were happy with the services in the formal channel. It is because their (OMSWs) opinions are considered when new policy is formulated and the charging fees for the remittance are applicable to all remitters. However, The remittance service providers disclosed that the mission and vision of the formal channel (Bank, Equitable Bank, Land Bank etc.) in remittances are not clear. This is supported by the manning agencies' claim that the mission and vision of the formal channel in remittances are not clear.

Furthermore, they indicated that they preferred formal channel to informal channel because remittance services providers in the formal channel provide services favorable to the family beneficiaries. Specifically, the reasons for these are: a) family - beneficiaries can collect payment of remittances without presenting identification cards; b) advise is given when there is delay in the remittance; c) offer variety of options ; d) identities of the family beneficiaries and remitter are protected; e) there is convenience in the money transfer; f) remittance service providers hear complaints; g) provide solution to the complaints; and h) satisfied to the services provided in the formal channel. The results of the interviews from the remitters are corroborated by the manning agencies, namely: Senators Crewing (Manila) Philippines, Philippine Standard Ship Management Inc., Manpower Resources of Asia , Inc., and Splash Philippines, Inc. They admitted that remittance was part of the contract for employment. They further stated that family-beneficiaries received the remittance on time. In addition, evidence shows that the OMSW is not charged in money transfer fee because this forms part of the manning agencies' facilities as stated in Section 8 B. Allotment and Remittances of the POEA Contract:

*B. The principal/employee/master/company may also provide facilities for the seafarer to remit any amount earned in excess of his allotment, including back wages, if any, to his designated allottee in the Philippines through any authorized Philippine Bank without any charge to him.*

**Table 2. Good Governance and OMSWs' Remittance System**

Independent Variables	r	r <sup>2</sup>	F	p-Value	t	p-Value	Interpretation
Accountability and Transparency					-.180	.862	
Participation	0.70	0.498	2.312	.163(a)	1.809	.113	Not Significant
Rule of Law					-.358	.731	

*Dependent Variable: OMSWs' Remittance System (Informal Channel)*

This data were corroborated by the fact that some OMSWs do not know about the issue on the money transfer fee.

**Rule of Law.** The result which states that the principles of good governance such as accountability and transparency, participation and rule of law do not significantly affect the OMSWs' remittance system, both formal and informal, has in fact an implications to government organizations/agencies like the POEA. The remittance service providers, such as banks and other financial-related institutions, do not feel the application of good governance, however. it can be construed that remittance service providers have been carrying out these principles as part of their company's policies. The POEA and the regulations of "Bangko Sentralng Pilipinas" , and other allied government agencies have taken move in the exercise of good governance to make remittance service providers efficient and effective in channeling money transfer to the OMSWs' beneficiaries. According to Parigi (2004) to achieve effectiveness, transparency in transactions, it must be timely, accurate and complete. The right to access information is essential as its denial will engender active participation and interaction between the private sector and civil society in public affairs. A very transparent government can define the necessary roles of the key remittance players. The use of modern technology in money transfer can be traced in some banks that guarantee speed in services. Take for instance the Philippine National Bank , it gives a comprehensive goal in offering its services to the stakeholders. All banks practice good governance by adhering to the governing principles of transparency, accountability, participation and rule of law as evidence by the desire to offer an efficient, effective services for the stakeholders while achieving its ultimate goal to prosper in the business world.

Nine (9) out of the 60 respondents sent money through the informal channel through "Padala" to mean money send to a friend, in addition to the mandatory channel. Convenience, speed, friendships and cost are the reasons for the selection of the informal channel. As there are times, when cash is needed by the family beneficiaries for emergency i.e. health, food or studies.

The table indicates that the coefficient  $r$  ( $r = 0.70$ ) suggests that there is a moderate correlation between accountability and transparency, participation and rule of law taken collectively and the OMSWs' remittance system (informal channel). The coefficient of determination ( $r^2 = 0.498$ ) implies that 49.8 percent of the variance of the OMSWs' remittance system is explained by the collective contributions of accountability and transparency, participation and rule of law. However, there is no significant relationship between accountability and transparency, participation and rule of law taken collectively and the OMSWs' remittance system informal channel ( $F = 2.312$ ,  $p\text{-Value} > .05$ ). Furthermore, the  $t$  - Obs with a  $p$ -Values ( $0.862 > .05$  for accountability and transparency), ( $0.113 > .05$  for participation) and ( $0.731 > .05$  for rule of law) suggest that these variables taken individually do not significantly influence the OMSWs' remittance system.

### **B . The Socio-Economic Status of the OMSWs.**

Luz, (2008) found (in Songco, 2009) states that remittances are spent on consumption, investment in entrepreneurial activities and philanthropy or charity. He further observes that the bulk of remittances goes to consumption, and investment, i.e., acquisition of property, mainly housing. According to Bird (2009) Remittance is a key antipoverty drive in the Philippines. Butocan (2009) agrees by saying that *..personal consumption, which accounts for more than two-thirds of the Philippine economy, has been historically firm, with private individual spending resilient across business cycles.*

Table 3 indicates the results of the survey on the preferences of the OMSWs family-beneficiaries on the uses of the remittances. Collectively, there is a greater percentage on food, education, purchase of clothing, appliances, lot, house, and o *“support the (migrant) family needs for food, clothing, and shelter; they contribute to the improvement in human resources (since some remittances are spent on education and health); they represent a source of savings and capital for investments in business or financial instruments ; they constitute a source of funds for this.* Songco, (2009) supports the findings, in his report, stating that *Remittances infrastructure and social services in local communities.* The table further discloses that priority on the preference varies based on the rank that respondents gave to their respective choices were implying that their perspective preferences differ. This summary shows the respondents top three priorities on the uses of remittances:

**Food.** According to ADB (2004), Philippines spends 60% of the remittances for food, followed by education and savings. Based from the findings, 80% the OMSWs family –beneficiaries spend remittances for food (  $n=48$ ). While Indonesia, based on ADB (2004) report spends 72% on food whereas Malaysia spends 81 % of the remittance received for food; **Health.** Ranking second to the OMSWs family-beneficiaries' priority is health. Many Filipino considers health as a high priority. The option of the respondents only signifies that they too consider “ Health as a form of Wealth”; and **Education.** There is a considerable number of respondents who selected education as the third top most priority, not only for their family member but even extended to other relatives. Indeed, his claim is true because education in the Philippines is always considered as the key to improving the economic status of the family- worth investing.

The table further shows that part of remittances are donated to the community. This information is confirmed by Mr. Rodolfo Ramos, a Barangay Official of Talon-Talon. In an interview, he said that considerable donation was given to the barangay for the repairs of infrastructure, in some other occasions, to support some barangay activities. Mr Roderick D. Trio, Director, Alumni Affairs disclosed, that OMSWs alumni donated books and other reading materials for the College Library.

OMSWs' preferences on the use of remittances can be correlated to Andres', (n.d) claims “Filipino is general friendly, hospitable, and helpful, peace loving and sociable fellow; fond of giving parties, whether promotion, birthday, etc . an excuse for giving" blowout". He added that drinking could always be a part of the celebrations. The OMSW as Filipino has the value for the wellbeing and security of the family. He ensures that his family is regularly receiving his hard earned money. His responsibility to provide for the basic needs of the family can be explained through the theory of Maslow's hierarchy of needs. Illustrating the instance of meeting the physiological needs first, the OMSWs, like any other human beings primarily consider the basic needs. When he starts to build financial security through savings and acquisitions of property, he climbs to the next stage of the hierarchy-safety needs. The maintenance of social stability as being with friends, being hospitable to others sharing to others his earning through donations, portrayed his moving on to the next stage of the hierarchy. Self-esteem, his achievements both financially as overseas earner, his career as future licensed Engineer or Deck

Officers carry with it the respect, pride and honor that none could ever deny. The last and the uppermost stage: self-actualization, the OMSWs in the study are very young (2005-2010) apprentices/graduates, being so

have yet a long path to tread on for “what they can be” or ” must be. Building for the stability of life is just starting with OMSWs, there is much yet to achieve hence, self-actualization is yet too far to conclude.

**Table 3. Preferences on the Uses of Remittances**

Preferences on the Uses of Remittances	Rank									
	1	2	3	4	5	6	7	8	9	10
<b>Investment</b>										
Food (n = 48)	4/8.3%	10/20.8%	9/18.8%	4/8.3%	6/12.5%	4/8.3%	4/8.3%	2/4.2%	1//2.1%	4/8.3%
Health (n = 43)	6/14%	1//2.3%	3/7%	4/9.3%	7/16.3%	2/4.7%	6/14%	6/14%	6/14%	2/4.7%
Education (n= 42)	14/33.3%	6/14.3%	6/14.3%	4/9.5%	4/9.5%	2/4.8%	1//2.4%	3/7.1%	1//2.4%	1//2.4%
a. Children (n = 14)	1//7.1%	2/14.3%			1//7.1%		2//14.3%	5/8.3%	3/21.4%	
b. Brother/Sister (n=5)		1/20%			1/20%	1/20%	2/40%			
c. Relatives (n= 5)		3/60%			1//20%			1//20%		
Improvement in House (n= 5)		3/60%			1//20%			1//20%		
Purchase of new house (n=19)	1//5.3%	1//5.3%	5/26.3%	4/21.1%	1//5.3%	4/21.1%	1//5.3%	1//5.3%	1//5.3%	1/5.3%
Purchase lot (n=25)	3/12%	2/8%	1//4%	4/16%	6/24%	3/12%	5/20%		1//4%	
Purchase appliances (n=29)	1//3.4%	3/10.3%	3/10.3%	2/6.9%	3/10.3%	3/10.3%	5/17.2%	2/6.9%	3/10/3%	4/13.8%
Purchase clothing (n=32)	2/6.3%	1//3.1%	3/9.4%	3/9.4%	5/15.6%	5/15.6%	1//3.1%	6/18.8%	5/15.6%	2/6.3%
<b>Purchase</b>										
Car (n= 12)		1//8.3%	2/16.7%	1//8.3	1//8.3%	6/50%		1//8.3%		
Motorcycle (n=6)	1//16.7			2/33.33%	1//16.7%	1//16.7%	1//16.7%			
Purchase Entertainment Device/Equipment (n = 22)		1//4.5%		3/13.6%	1//4.5%	5/22.7%	5/22.7	1//4.5%	4/18.2%	2/9.1%
TV/LCD/LCD Monitor (n =31)	1//3.2%	2/6.5%	4/12.9%	6/19.4%	1//3.2%	5/16.1%	6/19.4%	3/9.7%	2/6.5%	1//3.2%
Camera/Camcorder (n=15)	1//6.7%			2/13.3%	3/20%		3/20%		4/26.7%	2/13.3%
<b>Events/Celebrations</b>										
Yuletide Season (n = 28)	2/7.1%	1//3.6%	1//3.6%	2/7.1%	4/14.3%	1//3.6%	3/10.7%	3/10.7%	3/10/7%	8/28.6%
Travel (n= 8)	1//12.5%		1//12.5	2/25%			1//12.5%	1//12.5%	2/25%	
Wedding (n = 8)		1//12.5				1//12.5%	1//12.5%	3/37.5%	1//12.5%	1//12.5%
Feast N = 4)	1//25%						1//25%	2/50%		
Birthday (n=4)	1/25%				2/50%		1//12.5%			
<b>Payment Obligations</b>										
Loan (n = 8)	1//12.5%	2/25%					2/25%	3/37.5%		
Amortization (n = 6)	1//16.7%		1//16.7%		2/33.3%	1//16.7%			1//16.7%	
Redemptions (n = 4)			1//25%		1/25%		1//25%	1//25%		
Savings (n = 40)	17/42.5%	8/20%	4/10%	2/5%	5/12.5%		1//2.5%	3/7.5%		
Productive Investment (n = 15)	4/26.7%	5/33.3%	1//6.7%		1/6.7%	1//6.7%		2/13.3%		1//6.7%
<b>Donations</b>										
NGO (n = 7)		1/14.3%			1//14.3			1//14.3	2/28.6%	2/28.6%
Religious Org. (n = 4)						1//25%		1//25%		2/50%
Relatives (n = 28)		1//3.6%	2/7.1%	1//3.6%	3/10.7%	3/10.7%	1//3.6%	5/17.9%	8/28.6%	4/14.3%
Friends (n = 7)		1//14.3%				2/28.6%		2/28.6%	1//14.3%	1/14.3%
Barangay/Community (n = 5)	1//20%	1//20%							2/40%	1//20%
School/College (n = 3)	1//33.33%					1/33.33%				1//33.33%
Social organization (n=1)					1//100%					

Interview results from OMSWs indicate that the conditions of their lives have improved from the time they were students to the time they were employed. They said that life was complicated and difficult when they were students. Respondent 2 disclosed that his life was complicated due to problems. Likewise, respondent 4 added that life was difficult before going on board. While respondent 1 revealed that he could not buy the things he wanted in life like cellular phone with camera, computer, new clothes, pants and pair of shoes due to poverty. Six of the respondents reported that their studies were supported by their sisters and brothers; however, one respondent said that his education was supported by his parents.

All of the respondents admitted that their lives had changed for the better when they worked on board. Respondents 1 and 2 described their lives at best today. The material things that they wanted in life are now like laptop, smartphone, new pair of shoes, shirts, pants and lot for their parents. They summarized that their lives today are far better than before. Other respondents said that they planned to take licensure examination for promotion. The OMSWs' beneficiaries, in an interview, disclosed that their children provide them with financial support regularly and their other earnings are deposited in the banks for future endeavors.

Interviews with three other individuals from Talon-Talon/Mampang and Tugbungan indicated that there are OMSWs in their communities 8 in Talon-Talon/Mampang) and more or less 20 in Tugbungan. However, they could not exactly determine the changes in the community despite the income received by the family- beneficiaries from the OMSWs. On the other hand, two out of three interviewees disclosed that there is a great difference between members of the community with OMSWs' remittance with those without. This is evident in terms of improvement of houses, hiring of workers, sending extended family members to school and lifestyle change. They further agreed that in certain way, the presence of the OMSWs/family beneficiaries' in their respective communities has contributed economic development. Likewise, The people who benefit from the OMSWS remittances are distant relatives friends and the community, as well as hiring household workers. The bulk of the remittances of the OMSWs are saved in the banks and invested in agricultural land.

## CONCLUSION

The mandatory remittance channel for the OMSWs is formal through the EO 857. The findings show that OMSWs' structure and functional configurations is

composed of eight fundamental agencies, each falling within the circle of the networking where the path of the dollars passed through. These agencies are: POEA, Manning Agencies, "Bangko Sentral ng Pilipinas" foreign banks, national banks, domestic banks, remitters, and family beneficiaries. All are within the networking, acting autonomously but interacting within a regulated framework maintaining the relationship of social coordination and control. However, each agency has its task to perform within its institution, but, it coordinates to participate in money transfer.

The findings yield to a low relationship of remittance as against good governance taken collectively: transparency and accountability, participation and rule of law on OMSWs' Remittances in Zamboanga City. The result shows that the formulated research hypothesis is rejected and accepted the null hypothesis, in that the result reveals that good governance practice does not affect the OMSWs remittances to Zamboanga City. However, the low relationship in the findings do not all throughout negate that good governance is practiced in the remittance system based on the performance of the key players and the collective evidences presented. Hence, it is right to construed that good governance is practiced and therefore, there is an implication of good governance to OMSWs' remittance system to Zamboanga City.

This study also shows that the remittances of OMSWs are used wisely by their beneficiaries in Zamboanga City in terms of basic needs such as education, food and health including purchase of lot, house and clothing. Furthermore, part of their remittances were used to spend for Christmas celebration although less priority is given to other social occasions and functions. Tomas, (n.d) attested on Filipino seafarers' attitude, values and behavior in its preferences on the uses its hard earned income. However, part of their remittances are saved in banks and some productive investments, others are donated to the barangay and in particular ZSCMST. The findings are parallel with the previous study- stating that the money sent by the overseas workers to their beneficiaries were spent primarily for the basic needs of the family such as: food, medicine, clothing, shelter, education, saving and investment in business or financial infrastructure (Songco, 2009). As such, the testimonies of some respondents manifested the applications and convenience that remittances brought to both remitters and family beneficiaries, anchoring on the contributions of the recipients of remittances in the Philippine economy- responding to the anti-poverty

drive in the Philippines. Hence, there is an impact on the socio-economic status of the family beneficiaries based on the evidences presented and the stability socio-economic status.

The Findings of the nine (9) OMSWs sending through the “padala” have paved way to conclude that there are unrecorded remittances which are not included in the monitoring of cash inflows, and the expenditures for daily consumptions, strengthen the claim that “remittances keep our economy afloat” .

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