



Sri Lankan Migrants Abroad: Results from a Rapid Online Survey during the Spread of COVID19

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1. Introduction

Sri Lankan migrants abroad are an important resource to the Sri Lankan economy. In 2019, Sri Lankans abroad remitted a total of USD 6.7 billion. Those who remit to Sri Lanka include temporary migrants, such as migrant workers, students abroad with income sources, as well as those who have left Sri Lanka permanently.

These various types of Sri Lankan origin migrants are affected differently during the spread of COVID19 in 2020. In order to swiftly collect information about experiences and perceptions of Sri Lankan migrants in the context of the spread of COVID19 in 2020, a rapid online survey was launched by the Institute of Policy Studies of Sri Lanka (IPS) on April 9, 2020. The purpose of the survey was to rapidly collect information about remittances to provide quick recommendations, to attract and sustain remittances to Sri Lanka.

A total of 197 respondents self-selected into responding to this rapid survey. Among them, 56 were associated with the Middle East region, another 127 from Western countries, and the remaining from Asia. This report includes separate analyses for migrants associated with the Middle East and Western countries, followed by a summary of findings and recommendations to increase remittances to Sri Lanka.

2. Methodology

The online survey, with 29 closed ended questions, was made available via an online link between 9 -12 April 2020.

As of sampling, the link was introduced to respondents via social media channels – namely Facebook and WhatsApp. Among those who received information about the rapid online survey, some respondents self-selected into responding while others did not. There is no data about those who opted out. Among those who responded, some also shared the survey link with their own contacts. As such, the sampling methodology is a combination of purposive sampling and snowballing technique.

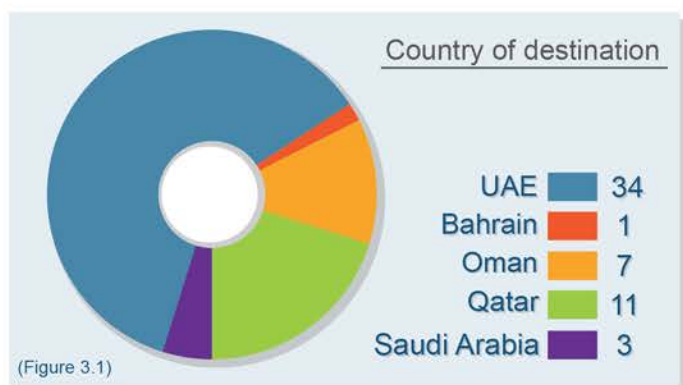
3. Skilled Sri Lankan Migrants in the Middle East

Demographics

In this sample of 56 respondents associated with the Middle East region, 50 are currently living in the Middle East, while 6 had returned to Sri Lanka during 2020. The sub sample of 56 respondents from the Middle East region had an average age of 41 years with 80% males and 20% females. The average duration in destination among this sample was 11 years, which indicates that respondents are not recent migrants, and more likely to be stabilised in the Middle East region.

Among these respondents, 34 were associated with United Arab Emirates (UAE), 11 with Qatar, and 7 with Oman (Figure 3.1).

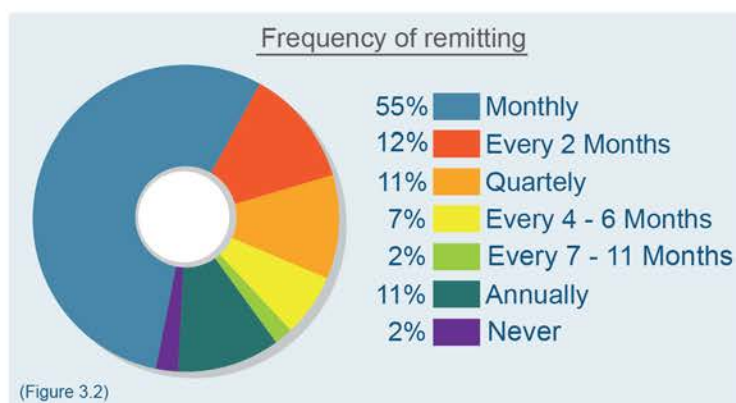
The self-reported skill level in the sub sample consisted of 75% high skilled migrants and 25% medium skilled migrants with no self-reporting of any low skilled migrant workers. As such, these findings do not reflect the experiences of low skilled workers during COVID19.



Source: Author's illustration based on online survey data

Remittances frequency and amount

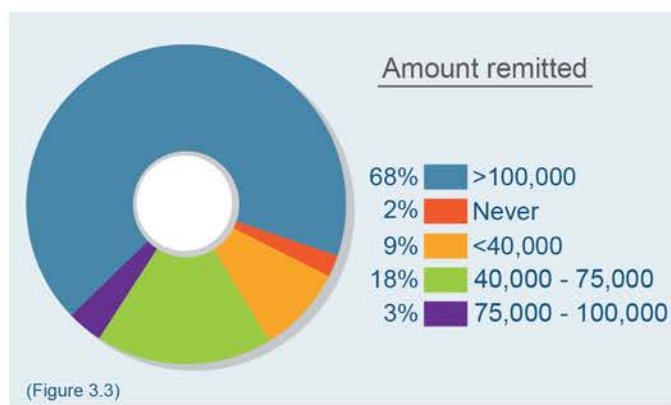
In this sample of high and medium skilled migrants from the Middle East region, over half (55%) indicated that they do remit monthly to Sri Lanka. At the same time, approximately another 30% remit sometime between 2 to 6 months, while 6 respondents, which account for nearly 11% remit annually (Figure 3.2).



Source: Author's illustration based on online survey data

Confirming the higher level of skills among the respondents, the majority of them (68%) indicated to remit over LKR 100,000 at a time, which is much higher than the national average of remittances of LKR 40,000, found in studies that represent all types of migrants from Sri Lanka (Weeraratne, 2019).

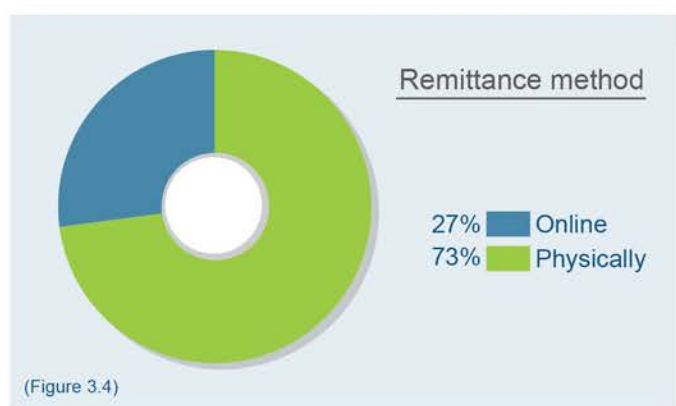
Among the 38 respondents who have reported to remit LKR 100,000 or more, 24 respondents have reported to remit in this range once a month. This indicates that such high remittances are regular to Sri Lanka (Figure 3.3).



Source: Author's illustration based on online survey data

Remittance method and channel

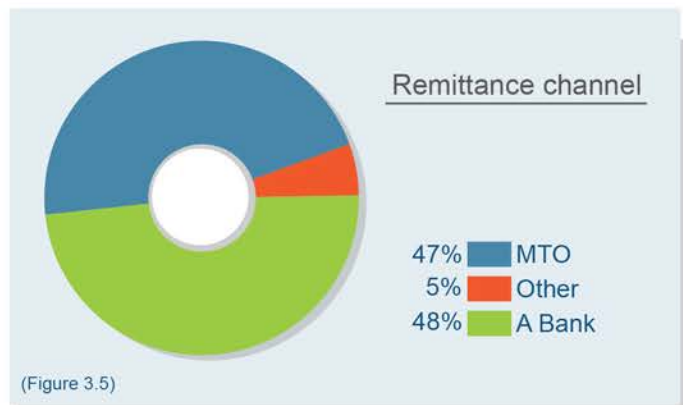
Despite being a self-reported sample of high and medium skilled migrants, a majority (73%) of them have reported to remit by physically visiting a remittance service provider, while only the remaining 27% used online methods for remittances. This underscores that even in the case of more skilled migrant workers, as those in this sub sample, a majority still depend more on traditional methods of physically visiting brick and mortar remittance service providers (Figure 3.4). By physically visiting, majority (48%) of the respondents use the services of banks and another 47% use Money Transfer Operators (MTOs) (Figure 3.5).



Source: Author's illustration based on online survey data

Implications for wages & employment

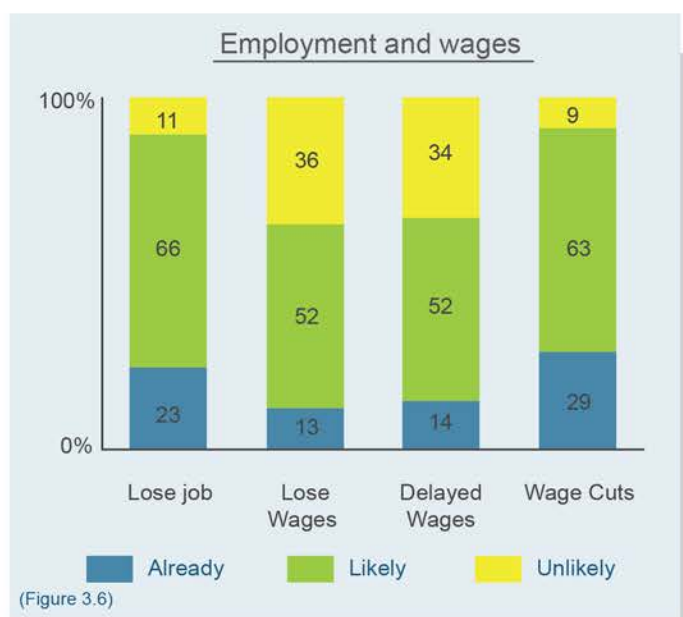
Among the 56 respondents associated with Middle East, 29% have already experienced a cut in their wages and 63% feel that they are likely to experience wage cuts in future.



Source: Author's illustration based on online survey data

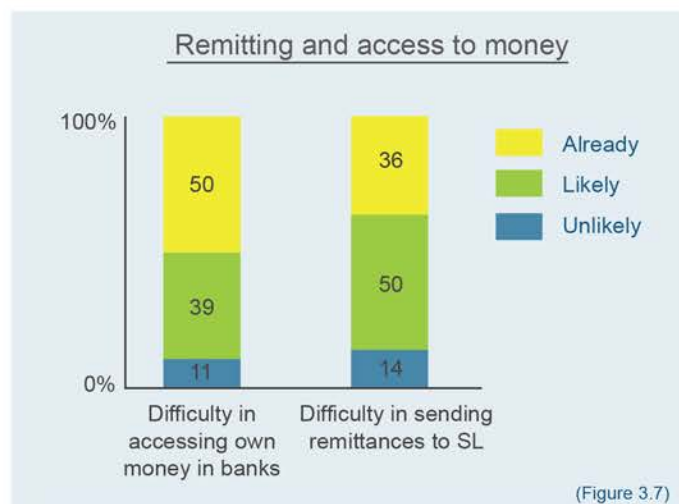
Among the migrants associated with the Middle East, nearly a fourth (23%) have already experienced termination of their employment contracts and a third (66%) feel that they are likely to lose their jobs.

Similarly, the concern among migrants about non-payment of wages by employers and possible delays in payment of wages by their employers are high. Specifically, 52% of respondents in this sample associated with the Middle East region are concerned that they will experience both, i.e. non-payment of wages and delays in payment of wages. Additionally, 57% in the sub sample fears losing the benefits associated with their job due to the implications of the spread of COVID19.



Source: Author's illustration based on online survey data

Concerns associated with wages also translate into anxieties in terms of remitting money to Sri Lanka. At the time of responding, 14% of this sample had already experienced difficulty in remitting money to Sri Lanka, while another 50% feared that they would experience difficulties in remitting money to Sri Lanka in future (Figure 3.7). Due to the confinements of a rapid short survey, the survey was not designed to probe into the reasons for difficulties in remitting.



Source: Author's illustration based on online survey data

Nevertheless, one possible reason for difficulty in remitting could be due to the concerns about receiving their wages from foreign employment, while others include difficulty in completing a financial transaction in a lock-down situation.

According to data collected in this rapid survey, there is a weak positive correlation (correlation coefficient 0.21) between difficulty in sending remittances to Sri Lanka and concerns of losing one's job. For instance, 18 respondents who reported that it is likely that their employment contracts would be terminated prematurely also indicated that they are likely to experience difficulty in sending remittances to Sri Lanka.

		Difficult to Remit			
job Loss		Already	Likely	Unlikely	Total
	Already	3	7	3	13
	likely	5	18	14	37
	Unlikely	0	3	3	6
	Total	6	28	20	56

(Table 3.1)

Source: Author's tabulation based on online survey data

Similarly, among the 56 respondents, 20 felt that it is likely they would experience non-payment of wages by the employer as well as difficulty in sending remittances to Sri Lanka. The correlation between these two variables is 0.5.

Wage Loss	Difficult Remitting			
		Already	Likely	Unlikely
	Already	4	1	2
	likely	4	20	5
	Unlikely	0	7	13
	Total	8	28	20

(Table 3.2)

Source: Author's tabulation based on online survey data

Similarly, there is a positive correlation (correlation coefficient 0.68) between difficulty in accessing own money from banks and also in sending remittances to Sri Lanka. This is further depicted in Table 3.3 below, where 18 respondents feel that they are likely to experience difficulties both in accessing own money from banks as well as sending remittances to Sri Lanka. Meanwhile, 19 respondents, who felt they are unlikely to experience difficulty in accessing own money from banks also felt that they are unlikely to have issues in sending remittances to Sri Lanka.

Wage Loss	Difficult Remitting			
		Already	Likely	Unlikely
	Already	4	2	0
	likely	3	18	1
	Unlikely	1	8	19
	Total	8	28	20

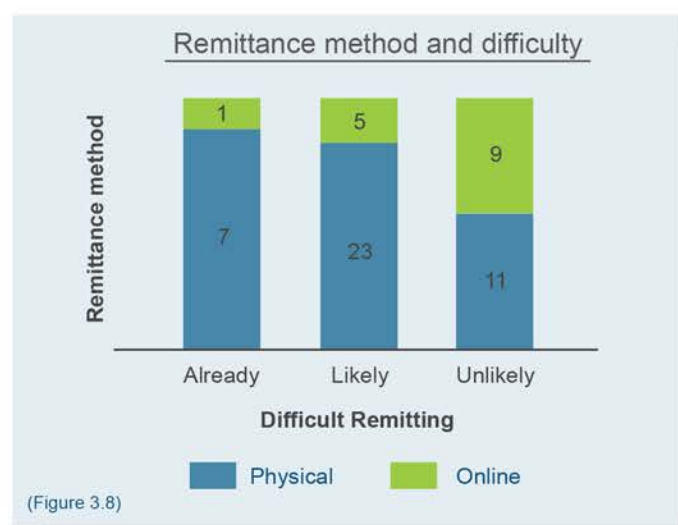
(Table 3.3)

Source: Author's tabulation based on online survey data

Moreover, among those who have reported to be already or likely to experience difficulties in remitting money to Sri Lanka, a majority remit by visiting the remittance service provider physically (Figure 3.8).

Measures to attracting remittances

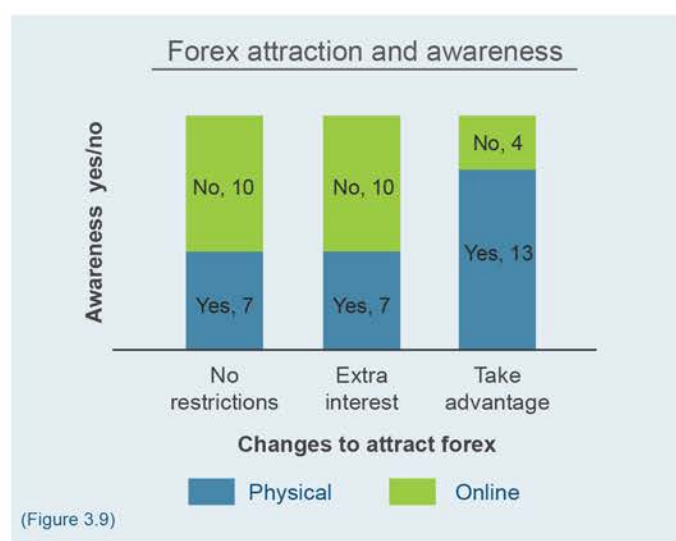
In this sample of Sri Lankans in the Middle East, only 17 answered the questions pertaining to new initiatives introduced by the Central Bank of Sri Lanka (CBSL) to attract foreign exchange to Sri Lanka (CBSL, 2020a and 2020b). Among them, many were unaware of the removal of restrictions applicable for remitting in foreign exchange to Sri Lanka and about the introduction of an additional interest rate for foreign exchange deposits.



(Figure 3.8)

Source: Author's illustration based on online survey data

Nevertheless, despite being unaware of these two initiatives before, upon becoming aware of same later, most of these respondents showed interest to take advantage of these benefits offered by sending remittances to Sri Lanka (Figure 3.9).



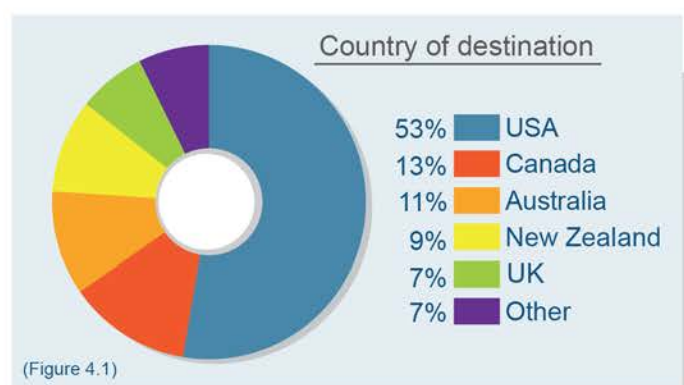
(Figure 3.9)

Source: Author's illustration based on online survey data

4. Skilled Sri Lankan Migrants in Western Countries

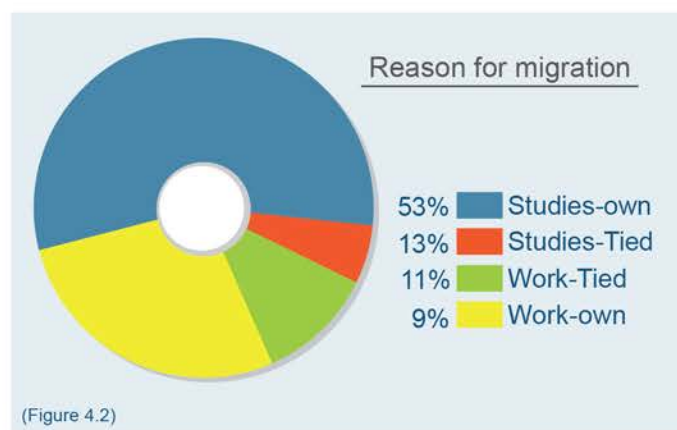
Demographics

In this sample of 127 respondents from Western countries, 53% were associated with United States of America (USA), 13% with Canada, 11% with Australia, 9% with New Zealand, 7% from UK and another 7% from other countries (Figure 4.1). These other countries include 4 respondents from Latvia, 2 from French Polynesia, and one each from Germany, Italy and Sweden. Among the 127 respondents, 95% are currently living in these regions, while 5% had returned to Sri Lanka during 2020. In this sample the average age is 38 years with 53% respondents being females. The average duration in destination among this sample was 9 years, which indicates that respondents are not recent migrants, and as such, more likely to be stabilised in these countries of destination.



Source: Author's illustration based on online survey data

In this sample, 56% of respondents had initially migrated for studies, while 28% for employment. Another 11% had migrated as tied migrants when a family member migrated for employment, while the remaining 5% are tied migrants for employment (Figure 4.2). Given that students and tied migrants also remit money to Sri Lanka, together with their long average duration in the country of destination (COD), it is likely that those who have migrated for studies or as tied migrants, over time might have become working migrants in the COD. As such, this full sample is analysed henceforth.



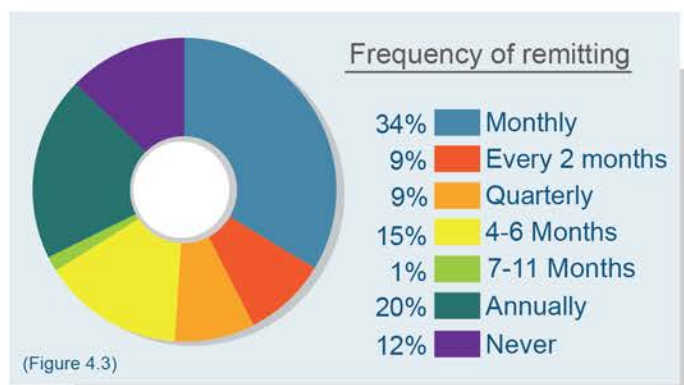
Source: Author's illustration based on online survey data

The self-reported skill level in this sample consisted of 66% high skilled migrants and 33% medium skilled migrants with only 1 respondent self-reporting as low skilled. As such, these findings do not reflect the experiences of low skilled migrants in these countries during COVID19.

Remittances frequency and amount

Reflecting characteristics of permanent migrants with distant ties with Sri Lanka, in this sample only 34% indicated that they remit monthly to Sri Lanka, while 20% remit once a year. Though the survey did not probe, such annual remittances may be possibly during special occasions or requests by those in Sri Lanka. As such, except for the 13% who have indicated as never remitting to Sri Lanka, the remaining high skilled and more permanent migrants in these regions, reflect to maintain some level of connection with Sri Lanka in terms of remittances (Figure 4.3).

Despite being a group of more skilled migrants, the majority of them remit less than LKR 40,000 at a time. This average of remittances of LKR 40,000, is consistent with studies that represent of all types of migrants from Sri Lanka spanning a variety of regions of destination (Weeraratne, 2019). As such, one possible reason for this more skilled group to remit more in line with average migrants would be due to their distant links maintained and the absence of immediate dependents in Sri Lanka.



Source: Author's illustration based on online survey data

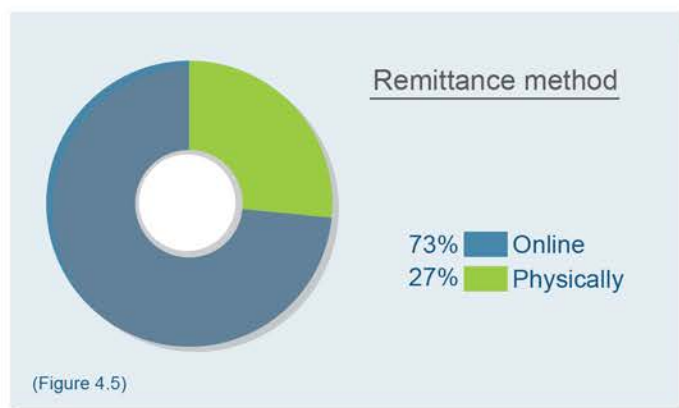
Specifically, among all migrants in these regions, majority 47% remit less than LKR 40,000 per time, with 28% remitting LKR 40,000-75,000 per time. Another 17% remit over LKR 100,000 per time (Figure 4.4). Among the 34% respondents who reported to remit monthly, 37% remit less than LKR 40,000 per month, while, 35% remit between LKR 40,000-75,000 on a monthly basis. Another 23% of monthly remitters send over LKR 100,000 a month. Among the annual remitters, the highest share of 52% remit less than LKR 40,000 a time, while 28% remit between LKR 40,000-75,000 at a time. Among annual remitters 16% remit over LKR 100,000 at a time (Figure 4.4).



Source: Author's illustration based on online survey data

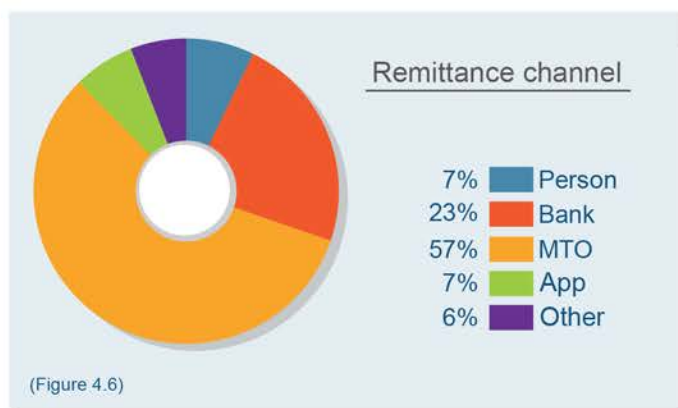
Remittance method and channel

Reflecting characteristics of high and medium skilled migrants and their technology savviness in terms of financial transactions, in this group a majority (73%) remit by visiting a remittance service provider online (Figure 4.5). This underscores that even in the case of lockdown or curfew situations, this group of migrants are well positioned to remit money to Sri Lanka.



Source: Author's illustration based on online survey data

In this group of migrants in more developed countries, the most popular remittance channel (57%) is through Money Transfer Operators (MTOs), while the popularity of banks for remittances is less than half of this share (23%). At the same time, another 7% migrants in the sample use various apps such as WhatsApp Money to remit.

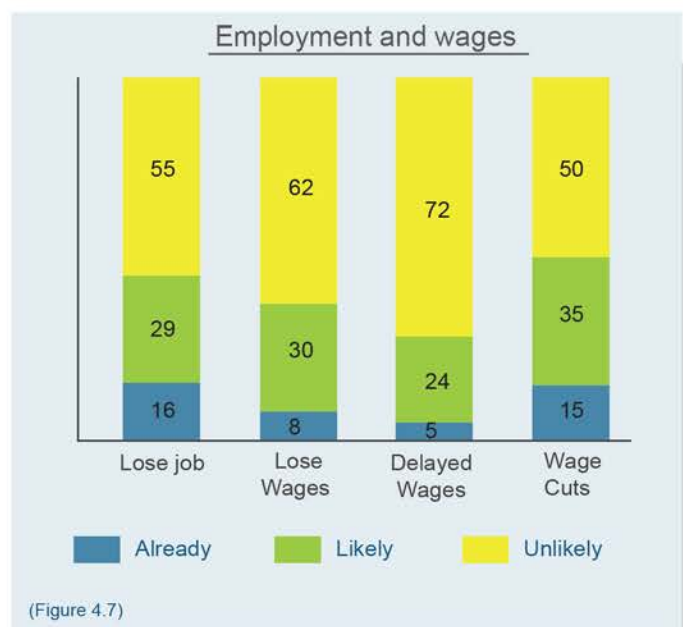


Source: Author's illustration based on online survey data

Implications for wages & employment

Among the 127 migrants associated with these countries, only relatively small shares have already experienced adverse implications in terms of employment due to the spread of COVID19. For instance, in this sample, only 16% have already experienced termination of their employment contracts and the share that experienced wage cuts is 15%. At the same time, the shares indicating the likeliness of experiencing any employment related negative implications range between 24-35%.

Interestingly, in all employment related outcomes considered, a majority of Sri Lankan origin migrants feel that they are unlikely to experience any implications due to COVID19. Specifically, 72% believe that they will not experience any delays in receiving wages, while 62% believe that they will not experience any wage loss. Similarly, 55% feel that they are unlikely to lose their jobs due to the spread of COVID29, while 50% feel that they will not have to experience any wage cuts. This indicates that this sample of high and medium skilled Sri Lankans in the Western world are somewhat immune to employment and wage implications due to COVID19. This also implies that such workers would be well positioned to remit to Sri Lanka.



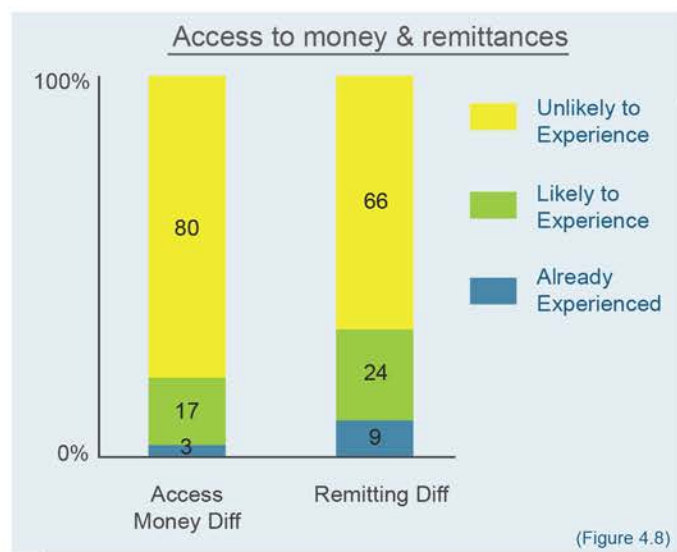
Source: Author's illustration based on online survey data

Implications on access to money and remittances

In terms of remitting money to Sri Lanka, at the time of responding, 66% of this sample are confident that they will not experience any difficulty in remitting money to Sri Lanka, while another 24% feared they might encounter such difficulties (Figure 4.8). Similarly, 80% of the sample did not fear at all that they will have any issue in accessing their own money from banks. This further proves that migrants in these countries are able to continue to remit to Sri Lanka.

Measures to attracting remittances

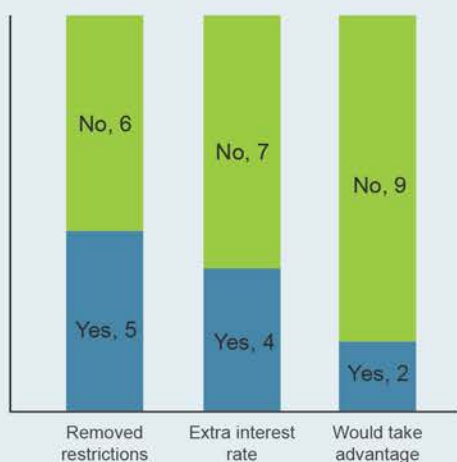
In this sample of Sri Lankans, only 11 answered the questions pertaining to new initiatives introduced by the CBSL to attract foreign exchange into Sri Lanka (CBSL, 2020a and 2020b). Among them, many were unaware of the removal of restrictions for remitting foreign exchange to Sri Lanka and about the introduction of an additional interest rate for foreign exchange deposits (Figure 4.9).



Source: Author's illustration based on online survey data

However, even after becoming aware of these two initiatives, most of these respondents showed no interest to take advantage of these benefits offered by sending remittances to Sri Lanka. Nevertheless, the sample size is quite small in this regard.

Forex attraction and awareness



(Figure 4.9)

Source: Author's illustration based on online survey data

5. Caveat

Due to this non-random nature of recruiting respondents to survey, the sample consists of migrants towards the right hand side of the skills distribution. As such, these findings are not representative of all Sri Lankans in these countries.

Nevertheless, the findings consist of internal validity for those responded. As such, these findings provide an early indication of the experiences and sentiments among more skilled Sri Lankan origin migrants during the spread of COVID19.

6. Summary of Findings

Middle East

As per the sample of 56 migrants associated with the Middle East region:

1. Majority of high and medium skilled migrants in this region remit more than LKR 100,000 every month.
2. Above amount of remittances is more than double the average amount of remittance (LKR 40,000 per month) to Sri Lanka.
3. Medium and high skilled migrants in this region remit by physically visiting a remittance service provider.
4. Despite being more skilled, visiting a remittance service provider online is less popular among these migrants.

5. Those remitting by physically visiting a remittance service provider are more likely to experience difficulties in remitting to Sri Lanka during the spread of COVID19.

6. Negative concerns about job security correspond to difficulties in remitting money to Sri Lanka.

7. Negative concerns about wages correspond to difficulties in remitting money to Sri Lanka.

8. More skilled migrants in the Middle East who were previously unaware of measures to attract remittances, are likely to take advantage of same if made aware.

Western Countries

1. High and medium skilled Sri Lankan migrants in Western countries are less likely to remit regularly.

2. While being irregular in their remittances, when they do remit, the amount remitted is relatively small compared to their capacity.

3. This exhibits the distant nature of links maintained with Sri Lanka, by more skilled migrants in the West.

4. Majority of migrants in this sample remit by online methods.

5. Majority of migrants in this group are unlikely to experience negative employment and wage outcomes due to COVID19.

6. Majority of migrants in this group are unlikely to experience difficulties in accessing own money or remitting money to Sri Lanka.

7. As such, in terms of their stability in employment, remitting methods and channel, these migrants are well positioned to remit to Sri Lanka during the spread and implications of COVID19.

8. These more skilled migrants in region were previously unaware of measures taken by the CBSL to attract remittances.

9. Even after becoming aware of above, these migrants were not interested in taking advantage of same.

In comparing the two groups of skilled migrants in the Middle East with those in Western countries, data from the rapid online survey indicate the following:

1. Skilled migrants in Middle East maintain close ties (in terms of remittances) with Sri Lanka, than those in Western countries.
2. Skilled migrants in the Middle East remit more regularly to Sri Lanka than those in Western countries.
3. Skilled migrants in the Middle East remit larger amounts per time than those in Western countries. This comparison implies that skilled migrants in the Middle East are an established source of migrants to attract remittances to Sri Lanka.

At the same time, the less likelihood to have employment and wage related implications due to spread of COVID19 among relatively more distance skilled migrants in the West can be identified as a potential source of migrants to harness in efforts to attract remittances.

7. Recommendations

The above findings empirically confirm the known linkages between migrants, foreign employment and remittances to Sri Lanka, and points towards nine recommendations for the Government of Sri Lanka (GOSL).

Middle East

1. Negotiating with employers in the Middle East to retain Sri Lankan workers by adopting alternatives such as furlough, shorter hours of work etc., to ensure job security, while the employer is able to absorb the economic shock due to COVID19. Towards this effort, GOSL ought to mobilise the rapport recruitment agencies in Sri Lanka have with recruitment agencies and employers in the Middle East. Additionally, the Sri Lankan missions in the Middle East also can influence employers and recruitment agents in the region towards this effort.
2. Launch a campaign to inform Sri Lankans in the Middle East to encourage a shift towards online methods of remitting. Towards this effort, the networks and associations of Sri Lankans abroad can be utilised through the Sri Lankan missions, to launch a social media campaign. The campaign need to deliver targetted messages to Sri Lanka origin abroad.
3. Launch a campaign to inform Sri Lankans in the

Middle East about measures taken by the CBSL to attract foreign exchange to Sri Lanka.

Towards, this efforts, data collected via the newly launched "Contact Sri Lanka" Online Portal for Overseas Sri Lankans, could also be harvested to conduct a targetted campaign.

4. Launch a campaign to educate the migrant households in Sri Lanka about the measures taken by the CBSL to attract foreign exchange to Sri Lanka.

1. This campaign targetting migrant households could be deployed via Migration Development Officers attached at the Divisional Secretary Division level, who maintain records of migrant households.

Western countries

1. Launch a well targetted media/advertising campaign to motivate this group of migrants to make a one-time remittance along the lines of their patriotism to their land of origin, and communicate that a relatively small contribution by them can translate into a significant positive impact in Sri Lanka.

2. Given that such skilled migrants are likely to be organised by their Sri Lankan schools or professional groups while being overseas, they should be motivated to contribute to the betterment of such centres of interest in Sri Lanka.

3. This group can also be motivated by their families and contacts back in Sri Lanka, by passing the above message via personal contacts, ideally with some kickbacks for those left behind in Sri Lanka.

4. Nevertheless, it is important to understand that for such skilled migrants and their contacts back in Sri Lanka, they are less likely to be motivated by marginal pecuniary gains. As such, it is important to strategically identify their so called "soft spots" to effectively motivate them.

5. Along the same line, the CBSL introduced additional interest rate payment of 1- 2 percentage points extra for foreign currency deposit, are less likely to be attractive to this group of migrants. Instead, such a recognition based reward system would be better received by this relatively better off group of migrants. Some suggestions for this include:

- Priority Access card for migrants at immigration lines at air ports in Sri Lanka.
- Priority Access card for remittance recipients at bank lines in Sri Lanka.

Acknowledgement

The author wishes to thank all respondents of the survey, IPS publication team and Kanishka Werawella.

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