

Title: Economic well-being of households in the states of India: Does remittances matter?

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Economic well-being of the households in the states of India: Does remittances matter?

Abstract

Context

Studies on economic well-being and use of remittances are often limited to international migration and less on internal migration. But the remittances flow within and among the states of India is large and often linked to the diversity in demographic and socio-economic development. Though the issue of remittances is central to internal migration in India, there is no study that systematically examines the economic gain and use of remittances in states of India.

Objective

The aim of this paper is to examine the economic wellbeing and spending behavior of households that receive remittances and those who do not receive remittances in states of India.

Data and Methods

The unit data from 64th round, schedule 10.2 of National Sample Survey 2007-08 that covered employment, unemployment and migration particulars of 125,578 households in the country is used in the analyses. The households are classified into two groups; remittances receiving and non-remittances household based on the receipt of remittances from migrant member of the households in one year prior to survey. Economic wellbeing is measured in terms of monthly per capita consumer expenditure (MPCE) and pattern of household spending on food, education, health and consumer durables. The average and marginal spending behavior are compared for remittances receiving and non-remittances households. Descriptive and multivariate analyses are used to understand the differentials and determinants of economic well being and pattern of consumption expenditure of households.

Results

The mean MPCE of remittances receiving households is significantly higher than that of non-remittances households in most of the states of India. Though, about half of the consumption expenditure on food for both remittances receiving and non-remittances households, on average,

the marginal budget share of remittances households on food in India is at least 4% lower than non-remittances households and varies largely across the state. Further, remittances receiving households spends more on formation of human capital such as health and education. At the margin, remittances receiving households in India spent at least 40% more on health expenditure compared to non-remittances households. Result on higher marginal budget spending of remittances household on health is robust across the states. The pattern is similar for education but with few exception. Results also indicate that the marginal budget spending on consumer durables of remittances receiving households is higher than that of non-remittances households and this holds true across the states of India.

Conclusion

Based on these findings we conclude that economic conditions of remittances receiving households is better than that of non-remittances households and remittances are used in the formation of human capital and consumer durables. More research is needed to link the remittances with inter-state, intra-state and international migration.

Economic well-being of households the in states of India: Does remittances matter?

Background

Economic wellbeing of remittances receiving and non-remittances households is of interest across the disciplines; among economist, demographers, geographers, planners and policy makers etc. Economic remittances, defined as household transfer by the migrant member to his/her family, primarily meant for consumption purpose is central to both internal and international migration. A number of theories and model were developed to explain the process of migration and remittances (Lewis, 1954; Lee, 1966; Todaro, 1969; Harris and Todaro, 1980; Stark and Bloom, 1985; Ravenstein, 1885; Stark and Kartz, 1986). In all these theories and models, economic factor is the common factor of migration though they differ on explaining the motive and decision to migrate. While Lewis attributed migration to wage differentials and gap in demand and supply of labour, Todaro's model attributed the expected wage¹ differentials between rural and urban areas. On the other hand, the determinants and motivation of remittances were largely guided by Lucas and Stark (R. E. B. Lucas & Stark, 1985 and Stark and Lucas 1988). The New Economics of Labor Migration (NELM), propounded in 1980s, viewed remittances as gain from the migration process that contribute to the economic development of the sending countries. The chronological advancement in theories of migration, motivation and utilization of remittances from international labor migration are documented elsewhere (Guha, 2011).

Empirical evidences across the countries suggests that remittances are beneficial both at micro and macro level. At micro level, remittances helps to meet the immediate consumption need and

¹Urban expected wage is the product of institutionally fixed wage and the probability of finding a job

improve the socio-economic condition of migrants family member at origin, reduce the transient poverty, used for investment in home country and have spill-over effect to other household (J. R. H. Adams, Cuecuecha, & Alfredo, 2010; R. H. Adams & Page, 2005; Brown, 1997; Durand, Kandel, Parrado, & Massey, 1996; Hoddinott, 1994; Kapur, 2004; Oberai & Singh, 1980; Slobodan, 1986). At the macro level, migration speed up the economic development in the developing country with a degree of economic inequality (Robert E.B. Lucas, 2003). Remittances from international migration strengthen foreign exchange reserve and have an indirect effect on economic growth and poverty reduction (R. H. Adams & Page, 2005; Edwards & Ureta, 2003). Studies also documented that the multiplier effect of remittances varies from 1.7 in Greece and 3.2 in Mexico (Adelman & Taylor, 1990; Glytsos, 1993). However, there are a few studies that found insignificant contribution of remittances in economic development (Parinduri and Thangavelu, 2008).

The pattern of remittances varies among developing and developed countries and is more complex in Indian context. We believe that the pattern of internal remittances in India has the similar characteristics as that of international remittances and family remains the central focus on use of remittances. Though the existing empirical studies have explained the economic gain and use of remittances from international migration, little is known on gain and use of internal remittances (within country) in India.

Aim and Rationale

The aim of this paper is to examine the inter-state variation in economic wellbeing of households that receive remittances and those who do not receive remittances. The paper has been conceptualized with the following rationale. First, migration research in India is more focused on analyzing the trends, pattern and factors of internal migration from census data and on linking migration to health and more specifically to HIV/AIDS (Chatterjee, 2006; Lusome & Bhagat, 2006; Saggurti et al., 2011). There is no representative study that systematically analyzes the economic gain and utilization of remittances in states of India those are heterogeneous with respect to demographic characteristics and the level of socio-economic development. Second, the inter-state migration in India is largely for the sake of employment and associated with the level of socio-economic development and the level of unemployment among the states of India. Under developed states of India continued to be the out-migrating states while the developed states are in-migrating states(Bhagat, 2005; Nagpal, Smita, & Chandna, 1991). Though the constitution of India guarantees free movement of citizens among the states, India had witnessed violence and unrest among migrants and non-migrants in some parts of India. Third, rural-urban migration continues to increase over time in all the states of India. The large volume of rural-urban migration is the main cause of growth of slums in cities and putting heavy pressure on the basic infrastructure in urban areas . It is also stated that the rural-urban migration is associated with transformation of rural poverty to urban poverty (Haan 1997reference).

Data and Methods

We have used the unit data of 64th round (July 2007– June 2008), schedule 10.2 of National Sample Survey (NSS) that covered 1,25,578 households in India. The NSS is the official statistical organization in India that collects data on various aspects like consumption

expenditure, employment and unemployment, migration, morbidity and health care etc². regularly. The 64th round, schedule 10.2 collected detailed information on employment and unemployment including particulars of migration and remittances. The remittance received by the households in 365 days prior to the survey is considered in the survey. In the absence of household income, we have used the household consumption expenditure (monthly per capita consumption expenditure (MPCE)) to assess the economic well-being of the household. For analytical purpose we have classified the households into two mutually exclusive categories based on receipt of remittances one year prior to survey. Those households received remittances are labeled as remittances households and those did not receive any remittances are labeled as non-remittances households. Remittances figures include both internal as well as international remittances and we have not segregated the analyses due to smaller sample size at state level. . There were 19³categories of goods and services in which households spend as given in NSS survey. For sake of analysis we have categorized them into four major heads viz., food, education, health and consumer durables. The average budget share and the marginal budget share on food, education, health and consumer durables of remittances households and non-remittances households is estimated and compared across the states in India. To estimate the marginal budget share we first estimated the modified version of Working-Leser model. The model is given as

²The NSS adopts a multistage stratified sampling procedure covering all states and union-territories in the country. Data from NSS have been extensively used for planning, programs and research. The sampling design, sample size and other characteristics are available in national report (NSS 2010).

³The 19 items of expenditure are cereals and cereals product, pulses and pulses product, milk and milk product, edible oil, vegetables and fruit, egg, fish and meat, sugar, salt and spices, pan, tobacco and intoxicants, fuel and light, entertainment, personal care and effects, toilet articles and other sundry articles, consumer services and conveyances, rent, medical expenses (non-institutional), medical (institutional), educational expenditure, clothing, bedding and footwear and durable goods.

$$C_i/EXP = \beta_1 + \frac{\alpha_i}{EXPD} + \beta_1(\log EXPD) + \beta_2\left(\frac{HSIZE}{EXPD}\right) + \beta_3(HSIZE) + \beta_4\left(\frac{AGEHH}{EXPD}\right) + \beta_5(AGEHH) + \beta_6(EDUHH) + \beta_7(TYHH) + \beta_8(RES)..... (1)$$

where:

C_i = Monthly per capita household expenditure on ith good (food, non-food, health and education)

EXPD = Per capita household expenditure

HSIZE= Household size

AGEHH: Age of the head of the household

EDUHH: Head of household's educational level (1 if Primary completed and more and 0 otherwise)

TYHH: Type of household (1 if agricultural household and 0 otherwise)

RES: Type of residence (1= Rural and 0 for Urban)

The variables are included based on literature and the availability. Eight equations are estimated, for food, health, education and consumer durables, four each for remittances receiving households and remittances non-receiving households. After estimating the equations marginal budget shares for each categories of expenditures are computed for all the states. The rationale of choosing food, health, education and consumer durables and the type of variables is guided by literature. A higher share of food expenditure reflects economically poorer households and vice versa. On the other hand, a higher share on nonfood categories reflects economically better off households. The expenditure on health and education indicates investment in human capital, whereas spending on consumer durables implies the investment in physical capital. The analyses has been carried out at state level and all computational are done on monthly basis. Descriptive analyses are used to understand the differentials in mean expenditure two groups across the states in India.

Results

Socio-economic Characteristics of the households

Table 1 presents the sample profile of households receiving remittances and non-remittances households in India. The head of the households that received remittances are older than households that did not receive any remittances. Among those received any remittances, the mean annual remittances was Rs 24115. The mean household size was similar for remittances receiving and not-receiving households in India. The educational level of head of the households in remittances receiving households is lower than that of non-remittances households in India. Among those receiving remittances, about half of the households were other backward class (OBC), one-sixth schedule caste and one-third others. The proportion of female headed households is significantly higher among households those received remittances compared to those did not receive remittances. Half of the remittances households were self-employed, 20% were laborers and only 4% belongs to the category of regular wage or salary. Among households receiving remittances, about two-third resides in rural areas and one-third resides in urban areas. The t-statistics shows the differentials across remittances households and non-remittances households (continuous variables) are significantly different. The chi-square shows the group differences in categorical variables.

Receipts of remittances and households living standards in Indian States We measure economic differentials among remittances receiving and non-remittances households by their level of MPCE. Table 2 provides the mean MPCE, mean remittances and remittances as percentage of total household consumption expenditure of remittances and non-remittances

households in states of India. The table 2 is arranged based on the ascending order of absolute differences in MPCE among remittances receiving and non-remittances households. Among all states and union territories, in 26 states/union territories the mean MPCE of remittances receiving households is higher than that of non-remittances households and in 4 states the differences is negligible (less than 15 rupees). While in the state of Uttar Pradesh, the mean MPCE of remittances receiving households is 37 rupees lower than that of non-remittances households, it was 240 rupees lower in Lakshadweep. The difference in mean MPCE among remittances and non-remittances household is maximum in Chandigarh followed by Goa and Pondicherry. The differences in mean MPCE among remittances and non-remittances households are statistically significant in most of the states except Mizoram, Arunachal Pradesh, Sikkim, Maharashtra and Andaman Nicobar Island. The mean annual remittances received were 24115 rupees in India and that varies largely across the states. It was maximum in Chandigarh (rupees 2,69,985) followed by Goa (rupees 1,97, 581). It was minimum in the state of Chhattisgarh followed by Madhya Pradesh. Remittance as percentage of total household consumption expenditure (annual) among households receiving remittances varies from a low in 19% in Nagaland to a high of 185% in Goa. In general, it may be said that the level of household consumption expenditure of remittances receiving household is better than that of remittances non-receiving households.

Differentials in MPCE among remittances and non-remittances households by educational level of head of households in India

The differential in mean MPCE by educational level of head of the household is compared for remittances and non-remittances households in India (Table 3). The mean MPCE increase with the educational attainment of head of the household for both remittance receiving and non-receiving households. For example, the mean MPCE among remittances receiving households whose head of household were illiterate was 633 rupees compared to 1488 rupees for those

households head with higher secondary and above. However, the differentials in MPCE among remittances receiving and non-remittances households controlling for educational level is large. Among those household heads with educational level of higher secondary and above, the mean MPCE of remittances receiving households was 117 rupees more than remittances not-receiving households. The differences are lower for lower educational level. In general, this pattern holds true for states of India. Among those households with educational level of higher secondary and above, the difference in MPCE among remittances receiving and non-remittances households is maximum in the state of West Bengal and lowest in the state of Uttaranchal. This indicates that controlling for educational attainment of head of household, remittances households are economically better off than non-remittances households and holds true in all states of India.

Use of remittances by Households

Before analyzing the household spending pattern of remittances receiving and non-remittances households, we have analyzed the use of remittances as reported by households. During the survey, households were asked the use of remittances in a 13 point scale. For the sake of analysis we further categorized into seven major heads viz., food, education of household members, health, debt repayment, saving/investment, housing and others. Fig 1 presents the percent distribution in use of remittances in these categories arranged in order of spending on education and health. We found that majority of the households used remittances for food expenditure in all states of India. However, in almost every states, remittances are used for spending on health and education.

Average Budget Share of remittance receiving and not receiving households in India

Table 4 compares the average budget share of remittances receiving and non-remittances households with respect to health, education, consumer durables, housing and others in states of India. The average share of food expenditure is similar (0.51 each) in remittances receiving and non-receiving households in India. It was minimum in Chandigarh for both remittances receiving and not-receiving households (0.36 Vs 0.30). On the other hand the share was maximum in the state of Assam (0.64 and 0.61 respectively). Those households which are economically better off tend to have lower share on food expenditure compared to households who are not economically better off. Barring the states of Karnataka, Rajasthan, Himachal Pradesh, Sikkim, Nagaland, Andaman Nicobar and Maharashtra, in all other states, the share of food expenditure in MPCE is higher among non-remittances compared to remittances households. In these states, the difference in food share in MPCE is small. On the other hand, the share of health and educational is useful to understand the investment in human capita. The share of health expenditure in MPCE was 0.061 among non-remittances households compared to 0.088 in remittances households in India. Barring Andaman Nicobar and Jammu and Kashmir, in all other states and union-territories, the average budget share on health expenditure among remittances receiving households is higher than that of remittances non-receiving households. The differences were maximum in the state of Uttaranchal followed by Andhra Pradesh. In the demographically advanced state of Kerala, the average budget share on health among remittances receiving households is 0.15 compared to 0.11 among non-remittances households. This is significantly higher than national average and that of many states of India, possibly due to population ageing and age-structural transition in the state. At the national level, the average budget share on education among non-remittances households was 0.079 compared to 0.068 in remittances

receiving households. However, the state pattern is mixed and the differences among remittances receiving and non-remittances households is smaller. The average budget share on education among remittances and non-remittances households is higher in the states of Punjab, Haryana, Tamil Nadu, Andhra Pradesh and Chandigarh indicating that the economic condition of the household is important determinant of educational spending across the states of India. With respect to consumer durables, the average budget share on consumer durables was 0.037 in households not receiving remittances and 0.051 in households receiving remittances. The average budget share on consumer durables in all the states and union territories except Uttaranchal, Lakshadweep and Arunachal Pradesh is higher in remittances receiving households compared to non-remittances households.

Marginal Budget Share on food, health, education and consumer durables of remittance receiving and non-remittances households in India

The marginal budget share (MBS) was estimated for each of the variable for remittance receiving and non-remittances households (Table 5). The MBS was estimated from the regression equation (1). The MBS on food of non-remittances households was 0.549 compared to 0.531 for remittances households in India. In other words, the MBS among remittances receiving households is about 4% lower than non-remittances households. This pattern was observed among the states of India and the difference was large in Chandigarh. With respect to health expenditure, among the states, Barring Karnataka and Uttaranchal, the MBS on food of remittances receiving households is lower than that of non-remittances households. This indicates that the economic condition of remittances receiving households is better off than that of non-remittances households. With respect to health, results are robust and holds true for all state and union territories of India. At national level, the marginal budget share of remittances

receiving households is 40% higher than that of non-remittances households. Among the states, it varies from 20% in Bihar, 22% in Uttar Pradesh and 134% in Chandigarh. This indicates that remittances helps the household to spend more on health and this holds true for all states of India. Even in the state of Kerala, the MBS of remittances receiving households is about 47% higher than that of non-remittances households. With respect to education, the pattern is similar but at lower magnitude. At the national level, the MBS of remittances receiving households is 6% lower than that of non-remittances households. It varies from 1% in Gujarat to 29% in Jharkhand. In the poor states of Uttar Pradesh and Bihar, the MBS of remittances receiving households is higher by 17% and 20% respectively than the non-remittances households. However there are 9 states and union-territories where the MBS on education of remittances receiving households is lower than that of non-remittances households. With respect to consumer durables, the pattern is similar to health. At the national level, the MBS of remittances receiving households is 25% more than that of non-remittances households. It varies from 47% in Chandigarh to 9% in Lakshadweep. In the poor performing state of Uttar Pradesh and Bihar, the MBS on consumer durables of remittances households is 20% and 19% more than that of non-remittances households. These analyses confirmed that the MBS of remittances households in India on health, education and consumer durables are higher than that of non-remittances households.

Determinants of remittances

To understand the factors that are central in receiving remittances, we have run a binary logistic regression analyses with remittances receiving household as 1 and non-remittances household as 0. The odds ratio of the logistic regression is plotted in Fig 2. We found that rich households, households are more likely to receive remittances. The odds of receiving remittances increase

with economic status of the household. The odds of receiving remittances are higher for eastern region compared to western region. Female headed households and households residing in urban areas are more likely to receive remittances.

Conclusion

Studies from many Asian and African countries established the use of remittances, both on human and physical capital. However, there is no nationally representative study in India that examined the use of remittances in improving the overall well-being of households. This is possibly due to the paucity of unit level data on the volume and use of remittances in India. The unit data of the National Sample Survey, 2007-08 provides us an opportunity to understand the economic well-being and household spending behavior of remittances and non-remittances households in India. Using the unit data of over 125,000 households, we have compared the economic well-being and marginal spending behavior of remittances and non-remittances households. Given the diversity and the level of development, we have carried out detailed state level analyses. We have the following findings.

First, remittances receiving households are economically better off than non-remittances households. This holds true for most of the states and by controlling for education. This is further supported by the fact that at the margin, the remittances receiving households in India spends at least 4% less on food expenditure than non-remittances households. Second, the average quantum of remittances varies by the level of development in the states. We found large variation in the average remittances received among the states of India. This is possibly because a large

proportion of the remittances are flowing within the state. Third, though remittances are largely spent on food expenditure in India, a significant share is also spent on formation of human capital such as health and education. At the margin, households receiving remittances spend 28% more on health compared to non-remittances households. This is robust and holds for all states and union-territories of India. In case of education, it is lower but positive for many of the states. Particularly, in the poor performing state of Uttar Pradesh, Bihar, Madhya Pradesh, at the margin the remittances receiving households spent at least 20% more on education than non-remittances households. This is a positive sign as remittances helps in forming human capital at least in relatively poorer states. Fourth, at the margin, remittances receiving households spend more on consumer durables than non-remittances households. This also holds true for all states of India.

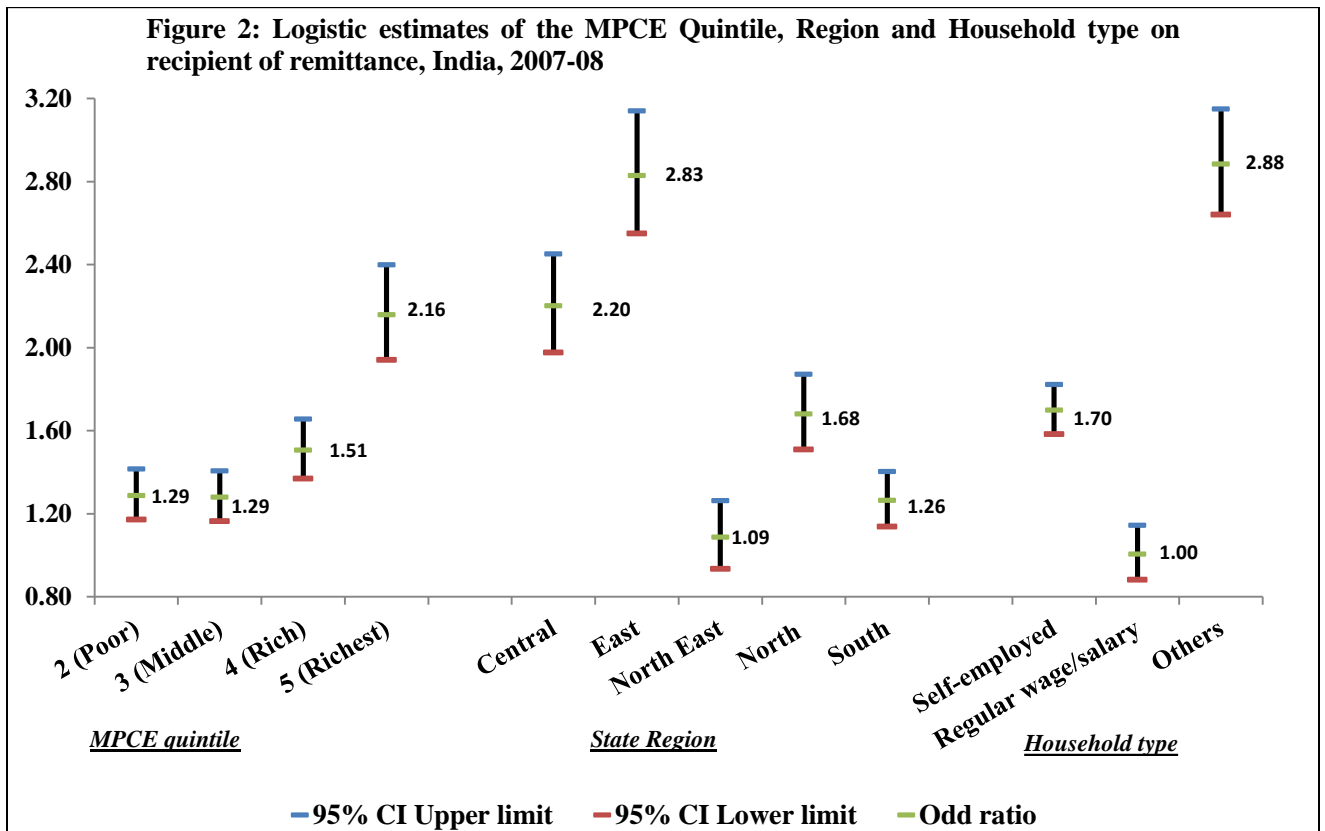
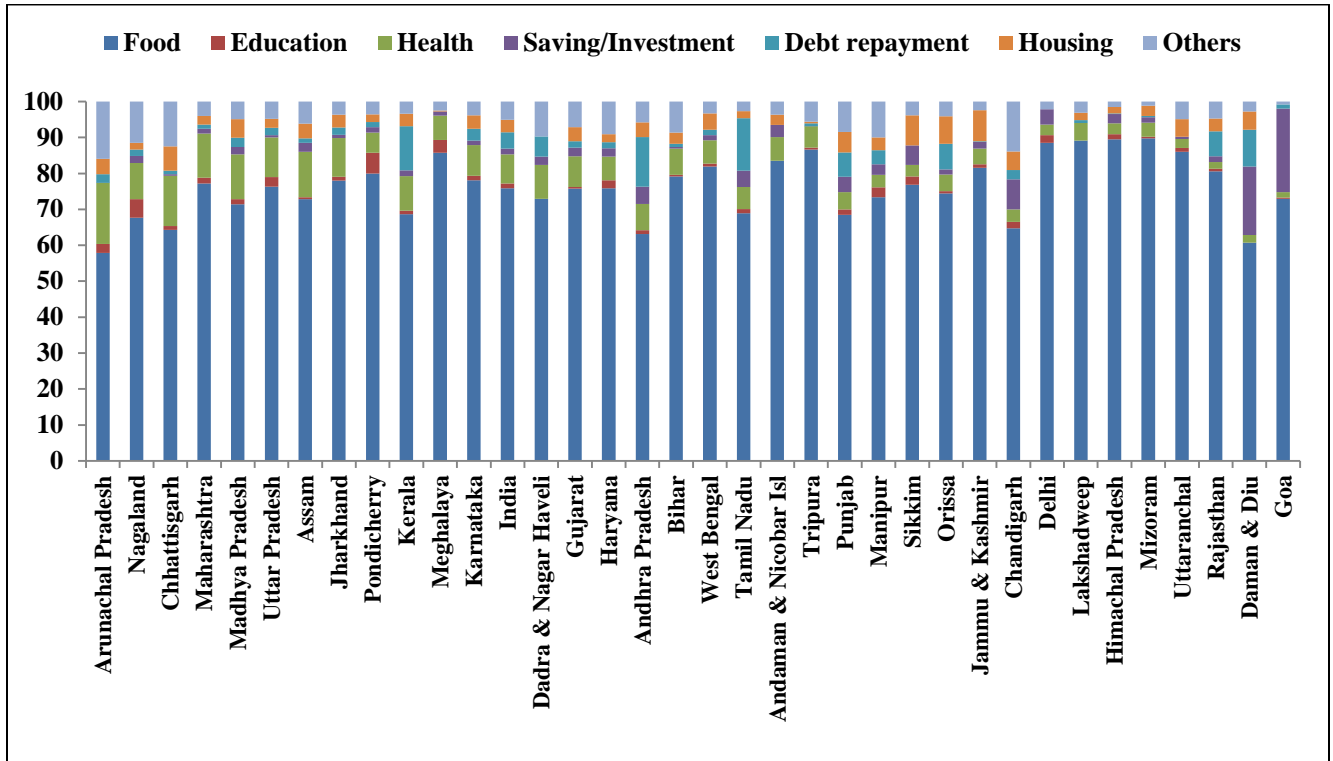
These findings confirmed that the remittances receiving households are economically better off than non-remittances households and hence remittance plays an important role in the process of economic development in India through the investment in building human and physical capital. We suggest to carry out more disaggregated analyses on remittances received from within and outside the states of India.

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Figure 1: Per-cent distribution on use of remittances in states of India, 2001



Note: 1(Poorest), Western regions and laborer households are the reference categories for MPC

Table 1: Characteristics of the remittance receiving and not receiving households, India, 2007-08

Characteristics of the household	Households receiving remittance	Households not receiving remittance	Difference	t-statistics/chi-square
Mean age of the household head*	50	44	6	-69
Mean Yearly Remittances *	24115	NA	NA	NA
Annual Per-capita Consumption Expenditure *	10164	10044	120	-17
Mean Household size*	5	5	0	13
Percentage of female headed households [#]	37.8	9.3	28.5	12000
Percentage of households with children less than 14 years [#]	64.4	65.2	-0.8	474
Percentage of households with persons 60 years & above [#]	36.8	25.0	11.8	2100
Religion[#]				
Percentage of Hindu	80.1	83.8	-3.7	
Percentage of Muslims	14.8	10.9	3.9	3
Percentage of others	5.1	5.3	0.2	
Social group[#]				
Percentage of SC	17.2	19.9	-2.7	149
Percentage of ST	4.7	9.4	-4.7	
Percentage of OBC	47.5	40.7	6.8	
Percentage of other	30.7	30.1	0.6	
Educational level of head of the household[#]				
Percentage not literate	45.8	34.7	11.1	322
Percentage literate up to primary	25.2	26	-0.8	
Secondary	12	15.3	-3.3	
Higher secondary & above	17	24.1	-7.1	
Type of household[#]				
Percentage labourer	20.3	32.1	-11.8	7800
Percentage self-employed	49.4	45.4	4	
Percentage with regular wage/salary	3.5	12.5	-9	
Percentage others	26.7	10.1	16.6	
Place of residence[#]				
Rural	67.5	61.6	5.9	351
Urban	32.5	38.5	-6	
Number of households	29963	95615		125578
* : t- statistics, # : chi-square statistics				

Table 2: Mean MPCE, mean remittances (in rupees) and remittance as percentage of household consumer expenditure of remittance receiving and not receiving households in states of India, 2007-08

States/Union Territories/India	Mean MPCE of Households in rupees	Mean MPCE of non-remittances households in rupees	Absolute differences in mean MPCE of remittances and non-remittances households	t-statistics	Mean remittances of remittances receiving households	Remittances as percentage of household consumption expenditure (annual) of remittances receiving households
Chandigarh	4264	2412	1852	-3.3	269985	152.13
Goa	2020	1152	868	-5.8	197581	184.69
Pondicherry	1676	1030	646	-4	56896	65.01
Punjab	1691	1209	482	-9.1	90031	87.50
Delhi	2014	1574	440	-4.1	56782	51.93
Dadra & Nagar Ha	1208	857	352	-3.3	36451	65.71
West Bengal	1022	760	262	-6.7	16845	40.88
Andhra Pradesh	1117	872	245	-10.6	30231	63.90
Haryana	1257	1046	211	-5.3	48716	62.36
Tripura	1022	819	202	-11.2	24489	46.57
Kerala	1356	1186	170	-4	52114	76.82
Jammu & Kashmir	1108	944	163	-13	53408	60.38
Tamil Nadu	1095	932	163	-4	30851	70.81
Gujarat	1157	994	163	-7	20314	38.12
Mizoram	1380	1226	155	-0.1	30659	34.02
Meghalaya	1016	909	107	-2.8	30883	47.30
Uttaranchal	993	889	104	2.3	23315	44.95
Jharkhand	747	648	99	-9.5	25707	53.95
Orissa	698	604	94	-5.7	16095	42.05
Madhya Pradesh	743	655	88	-10.3	13962	31.79
Nagaland	1422	1338	84	-2.2	14535	19.18
Rajasthan	864	828	37	-2.2	32111	55.03
Arunachal Pradesh	870	836	34	1.1	16164	28.35
Himachal Pradesh	1104	1079	25	1.5	24223	42.64
Bihar	588	564	24	-6.7	17395	43.73
Chhattisgarh	622	606	16	-4.2	9391	25.19
Manipur	816	803	13	-6.4	34912	66.68
Assam	809	801	8	-2.7	14389	30.51
Daman & Diu	1606	1599	7	-2.9	78891	91.85
Sikkim	921	922	-1	1	25214	49.84
Maharashtra	1048	1051	-3	-1.4	18037	31.07
Andaman & Nicobar	1353	1365	-11	0.2	30714	43.30
Karnataka	912	925	-13	1.7	21332	38.93
Uttar Pradesh	635	672	-37	-8	17135	35.19
Lakshadweep	1048	1288	-240	1.8	32970	38.70
India	847	837	10	-17.2	24115	45.89

Table 3: Mean MPCE (in rupees) among remittances receiving and remittances not-receiving households by educational level of head of households and states in India, 2008

States/Union Territories/India	Remittances receiving households				Non- remittances households			
	Non-literate	Literate and up to primary	Upper primary/secondary	Higher secondary and above	Non-literate	Literate and up to primary	Upper primary/s econdary	Higher secondary and above
Jammu & Kashmir	907	1136	1115	1485	786	893	949	1219
Himachal Pradesh	866	1014	1191	1471	770	893	1025	1527
Punjab	1277	1543	1715	2260	891	996	1237	1710
Chandigarh	2723	3809	2978	4458	768	1035	1266	3776
Uttaranchal	1039	841	907	1120	726	740	838	1277
Haryana	1094	1250	1097	1581	831	975	1044	1351
Delhi	1319	788	1206	2763	988	1117	1166	1979
Rajasthan	777	903	910	1273	678	756	897	1275
Uttar Pradesh	571	626	682	861	564	619	651	940
Bihar	523	616	666	825	473	544	594	792
Sikkim	855	808	1209	1335	689	778	1015	1444
Arunachal Pradesh	775	732	864	1150	708	709	880	1181
Nagaland	1202	1190	1289	1855	1070	1126	1175	1623
Manipur	741	658	828	971	691	747	760	922
Mizoram	795	1182	1330	1957	704	1019	1249	1666
Tripura	807	847	1302	1504	639	690	921	1511
Meghalaya	669	921	1150	1397	735	817	972	1404
Assam	606	733	966	1180	615	704	914	1148
West Bengal	581	751	912	3265	528	627	811	1438
Jharkhand	573	656	829	1413	527	532	650	1036
Orissa	558	614	724	1329	430	528	609	1256
Chhattisgarh	527	577	697	914	484	530	702	1049
Madhya Pradesh	554	690	894	1249	517	604	663	1043
Gujarat	786	1139	1218	1722	720	845	1036	1503
Daman & Diu	1161	1208	2134	2126	1100	1300	1465	1900
Dadra & Nagar Haveli	725	880	1687	2407	586	657	885	1486
Maharashtra	725	865	1094	1875	682	771	916	1613
Andhra Pradesh	731	1016	1007	2394	638	774	862	1560
Karnataka	688	849	974	1764	584	737	942	1770
Goa	1380	1632	1288	2720	739	856	996	1935
Lakshadweep	887	994	1223	1626	1097	1135	1118	1722
Kerala	852	1048	1401	2196	776	939	1148	1954
Tamil Nadu	691	838	1258	1913	644	744	864	1504
Pondicherry	1004	1169	1290	2711	672	845	985	1428
Andaman & Nicobar	887	1620	1229	1999	933	1114	1316	2099
India	633	794	947	1488	602	707	836	1371

Table 4: Average budget share on food, health, education and consumer durables among remittances receiving and not-receiving households in India, 2008-09

States/ India	Non-remittances households					Remittances households				
	Percapita food expenditure	Percapita health expenditure	Percapita educational expenditure	Percapita expenditure on consumer durables	Others	Percapita food expenditure	Percapita health expenditure	Percapita educational expenditure	Percapita expenditure on consumer durables	Others
Andaman & Nicobar	0.481	0.034	0.061	0.067	0.357	0.519	0.031	0.048	0.087	0.314
Andhra Pradesh	0.493	0.065	0.093	0.034	0.315	0.426	0.120	0.107	0.061	0.285
Arunachal Pradesh	0.577	0.056	0.048	0.039	0.280	0.561	0.061	0.055	0.038	0.286
Assam	0.644	0.039	0.036	0.026	0.256	0.616	0.053	0.041	0.033	0.257
Bihar	0.623	0.035	0.047	0.030	0.266	0.608	0.042	0.049	0.040	0.262
Chandigarh	0.360	0.042	0.196	0.037	0.365	0.302	0.051	0.123	0.051	0.473
Chhattisgarh	0.550	0.050	0.042	0.045	0.313	0.538	0.065	0.042	0.058	0.297
Dadra & Nagar Ha	0.496	0.027	0.040	0.043	0.394	0.415	0.029	0.067	0.044	0.444
Daman & Diu	0.462	0.030	0.058	0.046	0.403	0.482	0.041	0.033	0.047	0.396
Delhi	0.418	0.027	0.099	0.025	0.431	0.380	0.065	0.075	0.036	0.445
Goa	0.472	0.033	0.031	0.073	0.391	0.369	0.048	0.078	0.112	0.393
Gujarat	0.500	0.057	0.058	0.054	0.330	0.486	0.081	0.066	0.056	0.312
Haryana	0.512	0.056	0.088	0.051	0.293	0.480	0.065	0.113	0.045	0.295
Himachal Pradesh	0.483	0.065	0.095	0.059	0.298	0.490	0.077	0.068	0.074	0.291
Jammu & Kashmir	0.548	0.040	0.086	0.044	0.281	0.526	0.029	0.107	0.066	0.271
Jharkhand	0.601	0.035	0.058	0.024	0.282	0.577	0.039	0.060	0.028	0.296
Karnataka	0.462	0.042	0.105	0.027	0.364	0.469	0.075	0.072	0.059	0.324
Kerala	0.439	0.113	0.074	0.153	0.221	0.399	0.156	0.063	0.166	0.216
Lakshadweep	0.534	0.092	0.017	0.065	0.292	0.553	0.075	0.009	0.051	0.311
Madhya Pradesh	0.532	0.053	0.063	0.038	0.314	0.505	0.066	0.068	0.054	0.307
Maharashtra	0.442	0.078	0.092	0.041	0.347	0.451	0.111	0.077	0.054	0.308
Manipur	0.556	0.036	0.105	0.020	0.283	0.557	0.036	0.094	0.027	0.286
Meghalaya	0.570	0.023	0.061	0.027	0.319	0.549	0.028	0.064	0.030	0.328
Mizoram	0.550	0.025	0.056	0.041	0.327	0.538	0.027	0.051	0.042	0.342
Nagaland	0.564	0.015	0.077	0.030	0.314	0.565	0.016	0.081	0.033	0.306
Orissa	0.571	0.056	0.089	0.040	0.245	0.553	0.084	0.062	0.050	0.252
Pondicherry	0.441	0.033	0.139	0.032	0.355	0.341	0.094	0.067	0.101	0.396
Punjab	0.445	0.076	0.131	0.046	0.302	0.390	0.106	0.118	0.076	0.309
Rajasthan	0.540	0.048	0.070	0.029	0.313	0.553	0.056	0.067	0.033	0.290
Sikkim	0.531	0.017	0.071	0.021	0.360	0.548	0.019	0.066	0.031	0.336
Tamil Nadu	0.450	0.063	0.104	0.035	0.349	0.434	0.089	0.119	0.047	0.312
Tripura	0.623	0.074	0.080	0.017	0.207	0.582	0.090	0.088	0.025	0.215
Uttar Pradesh	0.553	0.070	0.066	0.030	0.281	0.559	0.083	0.057	0.034	0.267
Uttaranchal	0.535	0.079	0.069	0.039	0.277	0.481	0.197	0.069	0.035	0.218
West Bengal	0.559	0.068	0.073	0.024	0.277	0.525	0.091	0.060	0.055	0.269
India	0.510	0.061	0.079	0.037	0.312	0.510	0.088	0.068	0.051	0.283

Table 5: Marginal Budget Share of remittances receiving and not-receiving households in states of India, 2008

States/India	Food		Health		Education		Consumer Durables		Differences in marginal budget share of remittances and non-remittances households			
	Non-remit household	Remit households	Non-remit household	Remit households	Non-remit household	Remit households	Non-remit household	Remit households	Food	Health	Education	Consumer Durables
Andaman & Nicobar	0.478	0.466	0.067	0.098	0.084	0.081	0.041	0.053	-2.51	31.81	-4.32	23.30
Andhra Pradesh	0.554	0.521	0.051	0.080	0.059	0.064	0.029	0.043	-6.30	36.13	7.79	31.63
Arunachal Pradesh	0.538	0.534	0.053	0.065	0.065	0.068	0.032	0.039	-0.69	17.99	4.20	17.18
Assam	0.544	0.531	0.055	0.075	0.062	0.063	0.031	0.040	-2.50	26.61	2.68	23.03
Bihar	0.608	0.589	0.044	0.053	0.042	0.050	0.024	0.030	-3.20	16.69	16.86	18.80
Chandigarh	0.384	0.260	0.074	0.172	0.118	0.128	0.053	0.102	-47.30	57.29	7.28	47.46
Chhattisgarh	0.586	0.567	0.044	0.056	0.048	0.056	0.025	0.033	-3.36	20.13	14.85	22.61
Dadra & Nagar Ha	0.506	0.445	0.057	0.097	0.078	0.085	0.035	0.053	-13.57	41.18	8.12	34.25
Daman & Diu	0.458	0.410	0.069	0.115	0.093	0.097	0.043	0.064	-11.65	39.64	3.76	32.05
Delhi	0.437	0.373	0.060	0.124	0.098	0.103	0.040	0.071	-17.21	51.45	4.26	43.65
Goa	0.509	0.442	0.058	0.097	0.072	0.089	0.033	0.053	-15.14	39.81	19.79	38.79
Gujarat	0.520	0.499	0.057	0.086	0.069	0.070	0.033	0.046	-4.14	34.06	1.33	29.23
Haryana	0.519	0.480	0.061	0.096	0.069	0.078	0.034	0.052	-8.10	36.49	11.17	34.23
Himachal Pradesh	0.510	0.508	0.065	0.089	0.073	0.068	0.038	0.048	-0.36	26.54	-7.09	21.97
Jammu & Kashmir	0.529	0.468	0.060	0.098	0.065	0.080	0.032	0.052	-13.12	38.09	19.33	38.59
Jharkhand	0.586	0.542	0.046	0.065	0.049	0.064	0.026	0.036	-8.01	28.20	22.57	28.43
Karnataka	0.541	0.543	0.051	0.069	0.063	0.060	0.030	0.037	0.36	25.38	-5.38	18.71
Kerala	0.498	0.470	0.066	0.099	0.077	0.077	0.038	0.053	-5.89	33.09	0.18	27.25
Lakshadweep	0.469	0.485	0.068	0.086	0.083	0.078	0.039	0.043	3.31	21.93	-6.95	9.26
Madhya Pradesh	0.583	0.555	0.046	0.062	0.049	0.058	0.025	0.034	-5.02	26.20	16.07	26.20
Maharashtra	0.518	0.516	0.055	0.079	0.070	0.066	0.033	0.043	-0.33	30.34	-6.46	23.58
Manipur	0.562	0.540	0.054	0.067	0.055	0.063	0.027	0.034	-4.23	20.09	13.43	20.23
Meghalaya	0.541	0.515	0.059	0.077	0.063	0.072	0.033	0.043	-5.22	23.80	11.90	24.17
Mizoram	0.472	0.470	0.066	0.089	0.083	0.082	0.039	0.049	-0.29	25.17	-2.10	19.02
Nagaland	0.485	0.475	0.071	0.102	0.081	0.075	0.043	0.055	-2.31	30.09	-7.38	23.00
Orissa	0.597	0.568	0.043	0.060	0.046	0.054	0.025	0.033	-5.01	28.23	15.30	24.10
Pondicherry	0.506	0.438	0.054	0.099	0.073	0.088	0.031	0.054	-15.72	45.47	17.13	43.15
Punjab	0.493	0.449	0.066	0.112	0.076	0.083	0.038	0.060	-9.74	41.17	7.56	37.17
Rajasthan	0.555	0.541	0.055	0.072	0.058	0.063	0.030	0.039	-2.51	23.40	8.80	22.34
Sikkim	0.542	0.532	0.058	0.080	0.065	0.064	0.033	0.043	-1.98	27.19	-1.73	22.83
Tamil Nadu	0.540	0.515	0.050	0.074	0.063	0.067	0.028	0.040	-4.83	32.08	6.37	28.41
Tripura	0.567	0.517	0.054	0.081	0.055	0.068	0.029	0.043	-9.64	33.19	19.58	32.84
Uttar Pradesh	0.586	0.566	0.049	0.061	0.048	0.056	0.026	0.033	-3.44	19.77	14.63	20.70
Uttaranchal	0.523	0.528	0.057	0.074	0.069	0.067	0.033	0.041	0.91	22.34	-4.05	20.88
West Bengal	0.566	0.542	0.048	0.069	0.054	0.060	0.027	0.037	-4.37	29.39	9.78	27.74
India	0.549	0.531	0.053	0.074	0.060	0.064	0.030	0.040	-3.47	28.44	5.97	25.19