

## Evaluation of the Impacts of Foreign Remittances on Socio-Economic Conditions of Recipients Household in District Chitral

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### Abstract

The study was undertaken in district Chitral to examine the socio-economic impacts of foreign remittances on recipients household. Primary data was collected through well-structured questionnaire from 60 randomly selected respondents. Both descriptive and inferential statistics were undertaken for the analysis of data. The result concluded a positive significant impact of foreign remittances on recipient household education expenditure, recipient household health expenditure and recipient household income. It was noted that immigrants were migrated due to their poor economic condition. It was also observed that due to lack of education and training, 70% of immigrants were doing labor and were earning less.

### Keywords

remittances immigrants;  
unemployment; education;  
health income



## I. Introduction

Remittances have both micro and macroeconomic impact on the economic system. They make a large sum of the total reserves of a state. Pakistan is a country with relatively slow progress in economic indicators and that is the reason of massive unemployment in the country. Qayyum and Siddiqui (2007) stated that the large scale unemployment increases to the number of people who are always in need of some opportunity to earn their livelihood. But due to the slow rate of economic growth these people are either under paid or are unable to find a source of living (Ullah and Malik, 2020). In such a situation when some foreign countries offer them opportunities to work in those countries they consider it as a good opportunity. Remittances not only add to the means of individual earning but they have a very large role to play in the whole economic system of the country. Adam (1998) Concluded that in Pakistan where other economic indicators are showing very slower progress, remittances are a major source of maintaining the foreign reserves at a considerable level. Remittances play a very important role in socioeconomic development of people throughout the developing world (Rahmatirad, 2020). Emigration of people from underdeveloped and developing countries to rich ones helps them in improving their financial situation by providing the rich ones with man power at the same time. Remittances help millions of families around the by improving their lifestyle. The addition of remittances to other traditional sources of income has cause a positive change in all walks of life. Remittances have helped the families to avail better facilities of health, invest in education of younger generation and in opting for healthy life needs. Remittances have played a major role in poverty reduction in the area (Ratha, 2013).

The study was carried out with special reference to a low income and backward area of district Chitral in Pakistan. Muhammad (1990) concluded that due to the joint family system prevalent in the area, immigration has a broad impact on the uplifting of living standard of large number of people. Lack of educational, health and other facilities force young people to go abroad to improve their life conditions. Literacy level in the area is very low which leads to high unemployment rate. People immigrate to various countries depending on various factors. Most of the people immigrate to countries where already their relatives reside. The difference in currency value also plays a major role. The remittances received are utilized mostly in daily expenses, education and health. Earlier to migration the people are either unemployed or work for a very small amount of money. Due to remittances the number of school going children has considerably increased. The cultural trends in study area allow the remittances to provide support to a wide range of families. Families are connected with each other in a number of ways and the improvement in economic condition of one family has a positive impact on the other (Nazaruddin, T., Sulaiman, & Hasan Basri, 2019).

Foreign remittance also plays a significant role in foreign exchange earnings for any country (Israel, 2020). Although Pakistan received significant amount of remittances during the past four of five decade but the flow was not constant. Remittances have a positive role to play in improving economic indicators positively by reducing fiscal deficit, improving the balance of payment position and reducing dependence on external borrowing (Muhammad and Shah, 2015). Remittances also play a major role in the economic stability of the country. Taylor (1999) documented that in such economies where the inflation remains high for most of the time due to unhealthy economic practices, remittances are the only source of economic stability. As most of the emigrants belong to the poor section of society so it helps such countries from breaking down due to financial stress.

The rationale for the study is; huge numbers of people from area are abroad since decades. They are sending remittances for the uplift of their families. It was pertinent to conduct a study, either the remittances has brought any change in the socio-economic status of people or otherwise. The study concluded with positive significant impact of remittances on socio-economic condition of residence.

## **II. Review of Literature**

Yang (2006) found that the remittances have a positive development effect. It can help to develop education, well health, housing and household healthiness and promote future human capital improvement and further found that they often lessen the poverty by supportive family financial plan and basic consumption.

Iqbal (2013) studied the effect of foreign remittances on household poverty in Pakistan by using Propensity score matching method (PSM). Data from of the year 2007-08 was taken from economic survey of Pakistan. It was concluded that the remittances increase the per capita income by 45% and 64% in rural and urban household respectively as compare to the household not receiving .remittances. It was found that remittances increase the per capita income and decrease the poverty level of rural and urban area.

Marwan et al. (2013) studied the relationship of Remittance, Aid, and Export with Growth by using the Johansen Co integration technique with in the Augmented Solow-Model Approach for Sudan for the periods of year 1977-2010. They find out long run positive relationship among growth, export and remittance helping the export directed growth and remittance directed growth hypothesis for Sudan.

Latif and Ashraf (2013) used descriptive statistic and regression model to study the socio economic effect of remittances on recipient households for the district Sialkot using

primary data. They have found that the people migrate to other countries due to low economic condition. The remittances receiving families spent more portion of their remittances income on eating, structure of houses and purchase of luxuries but small portion of income used on productive investment. They suggested to develop a policy to encourage the migrants' family to use the remittances in productive way such as establishment of small industrial unit, small business etc. The unemployed children of migrant must be encouraged to join such center to utilize their talent and earn their revenue.

Amjad et al. (2012) studied the effect of remittances on Pakistan economy and observed tenfold rise between the periods 2001-2012 from US \$1 billion in 2001 to US\$ 12 billion in 2012. They mentioned some possible reason for the increase in remittances like increasing number of Pakistani labor in foreign, change in remittances from formal to informal Channel, change in the skill of our labor etc.

Amakom and Ilheoma (2014) studied the effect of foreign remittances on health and education of sub Saharan African countries. They used two simultaneous equation model estimated using the two-stage –least square (2SLS) technique to find the endogeneity between remittances and health and education. And found that there is positive relationship between remittances and health and education, and 10% increase in remittances can increase primary and secondary school outcomes 4.2 %and 8.8% respectively and health by 1.2%.

Larsson and Angmann (2014) examined the impact of remittances on wider phase of growth by the human growth key as dependent variable. The result shows that there is a progressive association between the remittances and the level of human growth in unindustrialized states.

Yameogo (2014) used Latent classes' model to assess the effect of foreign remittances on households' expenditures using 2010 cross sectional data from Burkina Faso. Household expenditure was modeled using the Almost Ideal Demand System (AIDS). The Latent class model was used to evaluate eight different expenditure equation i.e. food, education, communication, health facilities, durable good housing, fuel for cooking. The result showed that the household size, schooling, the age of the household head, access to electricity, residence in urban areas and foreign remittances contribute to explain household expenditure behavior.

Khan (2015) used multiple regression analysis to study the impact of international remittances in household income and investment in two selected villages of district Peshawar. He found that the transfer revenue and refugee education were important donor of house hold income and share .Sex and stage of household head was insignificant donor to household investment but gender of family head was important donor to household share. Further found that the family spent the received remittances on investment goods like education, healthiness, payment of dues, building of new communities, buying plot, share in new and old family business and saving.

### **III. Research Methodology**

#### **3.1 Universe of the Study**

Universe refers to the geographical area from which the data is collected for the purpose of generalizing the study or to describe the particular phenomenon. So the conducted study considered the Socio-economic impact of foreign remittances on recipient households in three selected villages (Brep, Kargin and Chapari) of District Chitral, Khyber Pakhtunkhwa.

### 3.2 Sampling

The sample size of the population was kept 60, for which initially three villages i.e. Brep, Kargin and Chapari were conveniently selected (because the exact population for most villages being lacking so the researcher opted to select the villages conveniently whose recipient households were known and accessible) and then through stratified random sampling, recipient household were included in the sample through the following formula:

$$n_i = \frac{N_i}{N} \times n$$

- $n_i$  = sample size of a single village to be selected  
 $N_i$  = Population of the recipient households in a single selected village  
 $N$  = Total population of recipient households  
 $n$  = Sample Size.

**Table 1.** Sampled household's distribution in the study area

S. No	Villages	Recipient Household No	Samples Selected
1.	Brep	56	31
2.	Kargin	30	17
3.	Chapari	20	12
Total	03	120	60

Source: Author, 2018

Sample size =  $n = n_1 + n_2 + n_3 = 31 + 17 + 12 = 60$

### 3.3 Analytical Technique

Data for the study was collected through well-structured questionnaire. For analyzing the data Paired T-test, Ordinary Least Square (OLS) econometric estimation and descriptive statistics technique were used to estimate the impact of foreign remittances on education, health and income. Statistical Packages for Social Sciences (SPSS) and MS Excel will be used for the estimation of econometric models.

### 3.4 Model Description

For completing the objectives of the conducted study the following mathematical model was used.

$$Y = f(X_1, X_2, X_3, X_4, D)$$

Where:

$Y$  = (Income) total income level of recipient household including remittances (in rupees) per annum.

$X_1$  = (Remittances) Money received by recipient households from overseas per annum.

$X_2$  = (M.edu) Education level of immigrants.

$X_3$  = (Age) Age of emigrant in years.

$X_4$  = (Size) Immigrants' family sizes

$D_i$  = (Gender) Gender of household head ( $D_i=1$ , if the family head is male, 0, otherwise)

**a. The econometric model used for estimating the socio economic role of remittances on recipient household income is given as;**

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 D + \epsilon_i$$

$E$  = (error term) those entire variables which affect the model but not included in the model

$\beta_0$  = Intercept of the model

$\beta_1, \beta_2, \beta_3, \beta_4$  Are Parameters of the Independent variables (Remittances, Age, Gender, Size)

**b. Model used for estimating the role of remittances on recipient households 'health:**

$H=f(X_1, X_2, X_3, D)$

The econometric model used as:

$$H = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 D + \varepsilon$$

Where:

H = (Health) Expenditure on Health facilities availed of recipient household

X1= (Remittances) Money received by recipient house hold from overseas per annum. X2

Age of emigrant in years.

X3 = (Size) Immigrants' family's size

D = (Gender) Gender of household head. (D1=1, if the family head is male

Otherwise D1=1

E= (Error term) all those variable which affect the dependent variable but not included in model

$\beta_0$  = Intercept of the model

$\beta_1, \beta_2, \beta_3, \beta_4$  Are Parameters of the Independent variables (Remittances, Age, Gender, Size,)

**c. Model used for estimating the role of remittances on recipient households' expenditure on education:**

$Edu=f(X_1, X_2, X_3, X_4, D)$

The econometric model used as:

$$Edu = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 D + \varepsilon$$

Where:

Edu = (Education) Expenditure on education of recipient households

X1 = (Remittances) Money received by recipient house hold from overseas per annum

X2 = (Age) Age of emigrant in years.

X3 = (Size) Immigrants' family size.

X4 = (Migrant Education) Migrant's education to be measured in year

D = (Gender) Gender of household head. (D1=1, if the family head is male Otherwise D1=1

$\varepsilon$  = (Error term) All those variables which effect dependent variable but not included in model

$\beta_0$  = Intercept of the model

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$  Are Parameters of the Independent variables (Remittances, Age, Gender, M.edu, Size,).

## IV. Results and Discussions

### 4.1 Gender of Household Head

Table 2 mentioned below shows the gender of immigrant household head, the findings of the table showed that 90 % household head were male and remaining 10 % household head were female.

**Table 2.** Gender of Immigrant household head

Gender of household head	Frequency	Percentage (%)
Male	54	90
Female	6	10
Total	60	100

Source: Author, 2018

#### 4.2 Family Type

The table 3 below shows that 57 (95%) of the immigrants families out of 60 were living under joint family system and only 3 (5%) out of 60 immigrants families were living under nuclear family system. The researcher study found that mostly immigrant's families were living in joint family system in three villages of district Chiral.

**Table 3.** Family type

Family Type	Number	Percentage
Joint	57	95
Nuclear	3	5
Total	60	100

Source; Author, 2018

#### 4.3 Respondents Relationship with Immigrants

Table 4 mentioned below shows the relationship of respondents with immigrants. The findings of the study shows that 42 % immigrants were father of the respondents, 38 % were brothers, 10 % were sisters and only 2 % were sons of the immigrants.

**Table 4.** Household head's relationship with immigrants

Relationship with Immigrant	Frequency	%
Father	25	42
Brother	23	38
Uncle	1	2
Sister	6	10
Son	5	8
Total	60	100

Source: Author, 2018

#### 4.4 Emigrants Age

The result showed that the people working abroad were mostly young and found that 75 % immigrant's fall in the age group (17-40 years). Only 25% immigrants were in age group 41-65 years. There were no immigrants of age more than 65 years and less than 17 years.

**Table 5.** Immigrants distribution by age in sampled house

Immigrants age interval	Frequency	Percentage
6-16	0	0
17-40	45	75
41-65	15	25
>65	0	0
Total	60	100

Source: Author, 2018

#### 4.5 Education Level of Migrants

Education level of immigrant significantly touches the regular revenue of the immigrants waged overseas. It was found that most of the individuals travelled abroad after matriculation. The finding of the study shows that 50% people migrated abroad after matriculation, 22% after intermediate, 18% after Meddle and 10% after graduation. Immigrants with higher education level sent more remittances than lower ones.

**Table 6.** Education Level of Immigrants

Immigrants Education level	Immigrants	
	Frequency	Percentage
Meddle	11	18
Matric	30	50
Intermediate	13	22
Bachelor	4	7
Master	2	3
Other	0	0
Total	60	100

Source: Author, 2018

#### 4.6 Relative Abroad

Presence of relative abroad is a big source of visa for immigrants. The findings of the study shows that 95% of immigrants have relative which are living abroad while only 5% immigrants have went in foreign countries by themselves on study visa.

**Table 7.** Relative Abroad

Relative abroad	Frequency	Percentage
Yes	57	95
No	3	5
Total	60	100

Field survey, July 2015

#### 4.7 Immigrants Training

Training can play an important role in earning; a skill full person can earn more than unskilled person. The table below shows that only 30 % of the immigrants were trained and the remaining 70 % were untrained therefore sent minimum remittances than trained immigrants.

**Table 8.** Immigrants Training

Training Received	Overseas Workers	
	Frequency	Percentage
Yes	18	30
No	42	70
Total	60	100

Source: Author, 2018

#### 4.8 Motivation for Works Abroad

Motivation is important factor behind immigration process. Mostly people migrate due to unemployment in the study area, the findings of the study shows that 50% of the people migrate abroad because of unemployment, 45% due to poor economic condition and only 5 % of the sample due to competition with others.

**Table 9.** Motivation for immigration abroad

Motivations	Frequency	Percentage
Unemployment	30	50
Poor Economic Condition	27	45

Competition	3	5
Other	0	0
Total	60	100

Source: Author, 2018

#### 4.9 Country of Migration

Country plays an important role because of laboring situation, variances in currency values and rules for foreign employees. The findings of the study shows that majority of immigrants were migrated to UAE that is 80% , Seven (7%) were living in Malaysia, 3% in Africa, 2% in Canada and 8% immigrants were living in other countries including America, Afghanistan, Italy, Tajikistan etc.

**Table 10.** Country of Migration

S. No	Name of the Country	Frequency	Percentage
1	UAE	48	80
2	Malaysia	4	7
3	Africa	2	3
4	Canada	1	2
5	Other	5	8
	Total	60	100

Source: Author, 2018

#### 4.10 Utilization of Remittances

Utilization of Remittances plays an important role in socio economic condition of any country. It boosts up the economy if the received remittances utilize in for the well-being for the recipients households. It was found through field survey that the investment and consuming behavior of the recipient household increase in respect of different item. The table below shows that 81.7% of people were using it in daily consumption (food, health, education, festivals, utility bills, clothing etc.) 10% invested in old businesses, 5% invested in new business and 3.3% save it for future needs.

**Table 11.** Utilization of Remittances

Utilization Pattern	Frequency	Percentage
Utilization for daily expenses like food, health, education, utility bills, festivals etc.	49	81.7
Investment in Old Business	6	10
Investment in new business	3	5
Saving for future needs	2	3.3
Total	60	100

Source: Author, 2018

#### 4.11 Pre immigration Income of Immigrants

Before migration large numbers of immigrants were jobless and some were working for a small amount of money. The findings of the study shows that 93 % of the sample household annual income was below Rs. 50,000 per annum, 5% respondent was between Rs. 50,000-75,000 per annum and 2% were between Rs. 75,000 – 100,000. None of the respondent had income more than Rs. 100,000.



**Table 12.** Pre immigration Income of Immigrants

<b>Income Level</b>	<b>Frequency</b>	<b>Percentage</b>
Below 50000	56	93
50000-75000	3	5
75000-100000	1	2
100000-125000	0	0
125000-150000	0	0
Total	60	100

Source: Author, 2018

#### 4.12 Post Immigration Income of Immigrants

After immigration the income of the recipient's household increase significantly. It was found that 37% of the respondent household annual income falls between Rs. 300000 - 499999, 35% samples household income fall in range Rs. 100000 – 299999, 13% household annual income were lies Rs. 500000-699999 and the annual income of 8% respondent were between Rs. 700000-899999, only 2% respondents income were between Rs. 900000 - 1099999 and 5% respondent income were more than Rs. 1100000 Pakistani rupees.

**Table 13.** Post Immigration Income of Immigrants

<b>Income Level</b>	<b>Frequency</b>	<b>Percentage</b>
100000-299999	21	35
300000-499999	22	37
500000-699999	8	13
700000-899999	5	8
900000-1099999	1	2
Above 1100000	3	5
Total	60	100

Source: Author, 2018

#### 4.13 Annual Saving by the Emigrants Households

Saving play an important role in socio-economic development of any country. The results concluded that 55% immigrants saving level annually was between Rs. 51000-100000, 22% immigrants saving level was between Rs. 110000-200000, 15% immigrants saving level was falling between Rs. 10000-50000, 3% immigrant were used to save Rs. 310000 to 400000 and 3% above Rs. 400000.

**Table 14.** Annual Saving by the Emigrants Households

<b>Saving Level</b>	<b>Frequency</b>	<b>Percentage</b>
10000-50000	9	15
51000-100000	33	55
110000-200000	13	22
210000-300000	1	2
310000-400000	2	3
Above 400000	2	3
Total	60	100

Source: Author, 2018

#### 4.14 T-Statistics

##### Possessing vehicles and home compliances (Before and after receiving remittances)

T-test is used to show the comparison for possessing vehicle and home compliances before and after receiving remittances. The result shows a significant difference exists before and after receiving foreign remittances.

**Table 15.** Possessing Vehicles and Home Compliances (Before and after)

Paired Differences	Mean	Standard deviation	Standard Error	t-ratio	p-value
Vehicles (Pre and Post)	-.916	-.530	.068	-13.3	.000
Home Compliances (Pre and Post)	-3.85	1.139	0.15	-24.3	.000

Source: Author, 2018

#### 4.15 Regression Analysis

##### a. Estimation of the Model determining the role of foreign remittances on recipients total income

The result of the regression model showed the impact of foreign remittances on education expenditure i.e. Number of family members attaining school, number of family members attending college, number of family members availing higher education are given the table below.

**Table 16.** Determinants of household expenditure on education PRs. (in lac)

Variable	Coefficient	Standard Error	T ratio	P value
Remittance	.354	.080	4.404	.000
Age	2434.268	1356.844	4.404	.000
Family Size	10741.770	2702.735	3.974	.000
M.Edu	38806.621	6782.306	5.722	.000
Constant	-511134.013	123146.820	-4.151	.000

R<sup>2</sup>=0.509  
F statistic = 13.227 (p value= 0.000)

Source: *Field Survey, 2015*

The practical product of the model used for defining the impact of foreign remittances on household education expenditure shows that the education expenditure of the recipient household is positively impacted by foreign remittances, family size, immigrant education, and age of the immigrant. Expenditure on education of sample household increase 38806.621 lac if migrant education increased by one year. And expenditure on Education of household increase 10741.770 lac if one member increase in the respondent family. And Education expenditure increase 2434.268 lac if the age of the immigrants is increase by one year.

The value of t- ratio shows that foreign remittances, Family size and migrant education and age of the immigrants have significant effect on household education expenditure, these entire variable are highly significant. The value of coefficient of determination R square shows that 55.1 % of the variation in the house hold education expenditure is explained by foreign remittance, Migrant Education, age of the immigrants, and family size, and remaining 44.9 % is explained by error term (all those variable which impact the model but not included in the model).The F tactics=23.22 and p=0.000 shows that the overall model is highly significant.

### b. Estimation of the model determining the role of foreign remittances on recipients total income

The result of the model shows the role of foreign remittances on household total income i.e. living standard, housing, facilities availed, No. of electronic devices like TV, refrigerators, phones etc. Access to luxuries i.e. no. of vehicles and bikes etc. Investment in new and new business, saving etc. are given in table below.

**Table 17.** Determinants of Household Total Income PRs. (Lac)

Variable	Coefficient	Standard Error	T ratio	P value
Remittances	.904	.148	6.103	.000
Family Size	12150.5	4974.636	2.442	.018
M.Edu	40282.0	12483.469	3.227	.002
Gender	40966.5	76921.472	.533	.597
Age	-1927	2497.398	-.772	.444
Constant	-310321.959	226663.238	-1.369	.000

R<sup>2</sup>=.491, F statistics.=12.405 (p value= 0.000)

The practical product of the model used for determining the impact of foreign remittances on total income shows that total income of the recipient household is positively impacted by foreign remittances, family size, immigrant education and gender of household head, Total income of household is negatively impacted by the age of the immigrant. Total income of household increase 40966.5 lac if the household head is male, total income increase by 40282 lac if migrant education increases by one year. And total income of household increase 12150.5 lac if one member increases in the respondent family. The negative coefficient of the age of the remittances shows that the total income is decrease by 1927 lac if the age of the immigrants is increase by one year.

The t- ratio shows that foreign remittances, Family size and migrant education have significant effect on household Total Income as these variables are significant at 5 %, while at the same probability gender, and age of immigrant have insignificant impact on respondents total income and these variable turn to be insignificant.

The value of coefficient of determination R square shows that 53.5 % of the variation in the house hold Total Income is explained by foreign remittance, Migrant Education, gender of the household head, and family size and remaining percentage variation is explained by error term. The F tactics=12.405 and p=0.000 shows that the overall model is significant.

### c. Estimation of the Model determining the role of foreign remittances on Recipients Health Expenditure

The findings of the model shows the role of foreign remittances in household health expenditure that is excess to basic health facilities, standard of health and consciousness about health which are shown below.

**Table 18.** Determinants of recipient Expenditure on Health

Variable	Coefficient	Standard Error	T ratio	P value
Remittances	.025	.009	2.671	.010
Family Size	167.170	561.212	.298	.767
Gender	6245.771	4714.216	1.325	.191
Age	147.249	144.069	1.022	.311
total income	.015	.007	2.178	.034
Constant	71114.880	8907.517	7.984	.000

R Square=.408 Adjusted R Square=.353 F Statistics=7.440(p value=.000)

The practical product of the model used for determining the impact of remittances on health displays that health of the recipient household is positively impacted by foreign remittances, family size, gender of household head, age of the immigrants, and total income of recipient household head. Expenditure on health increase 6245.771 lac if the household head is male, and expenditure on health increase by 0.015 lac if total income increase 1 percent. And expenditure on health increases 147.249 lac if the age of immigrant increases 1 year. And expenditure on health increases 167.170 lac if one person increases in the family.

The t- ratio shows that foreign remittances and total income have significant effect on recipients' household health expenditure as these variables are significant at 5 %, while at the same probability family size, gender, and age of immigrant have insignificant impact on respondents' health expenditure and these variable turn to be insignificant. The value of coefficient of determination R square shows that 40.4 % of the variation in the house hold health expenditure is explained by foreign remittance, income, gender of the household head, and family size and remaining variation is explained by error term. The F value shows the overall significance of the model that is highly significant.

## V. Conclusion

The purpose of the conducted study is to find out the relationship between foreign remittances and Education and health expenditure and total income of the recipient household in district Chitral KPK. On the basis of the findings of the conducted study it is found that remittances received by the immigrant's household play a vital role in household income, health and education expenditures. The motivation is that foreign remittances increase the income and expenditure in education, health, repayment of debt, purchasing of plots, construction of houses and shops, investment in old and new business, saving of the immigrants, expenditure on clothing, food, purchasing of home compliances and vehicles etc.

The observed results of the model for education showed that all the independents variable like foreign remittances, family size, immigrant's education and age of migrants have positive relation with education expenditure of the recipients household. Similarly the results of the model used for the household income presented that household total income is positively impacted by foreign remittances, family size, immigrants' education and gender of household head and negative impact by the age of immigrants. It means if the age of immigrants increase the investment income level of the recipient decrease. There is significant impact of Family size and migrants' education on household total income, but gender and age of immigrants have insignificant impact on recipient total income. The result of the model for household health expenditure shows that there is positive relation of foreign remittances, family size, gender of household, age of immigrants, and total income of household with health expenditure of recipient household. The t-test showed that there is significant impact of health expenditure with foreign remittances and total income, and have insignificant impact with family size, gender of household, and age of immigrants.

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