

Comments on:

**“Philippines: Poverty, Employment and Remittances
– Some Stylized Facts”**

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This paper highlights some of the recent fact findings in poverty, employment as well as remittances.

Key Findings of remittances in the Philippines:

- ✓ play an important role in poverty reduction
- ✓ some evidence in spending on education and investment
- ✓ intuition for labor policy and education reforms

Poverty in the Philippines:

- ✓ reducing it takes a long term effort yet improving gradually
- ✓ is less responsive to growth compared to other Asian countries  need policy measures to support the poor
- ✓ employment opportunities in agricultural sector
- ✓ differences in regional poverty rates

Weak labor market performance in the Philippines:

- ✓ still relatively high unemployment rate
- ✓ labor issues amongst younger generations
- ✓ transition from school to jobs is a growing concern
- ✓ discrepancies in the wage settings

How OFWs and remittances contribute to the Philippines:

- ✓ increasing trends of overseas workers
- ✓ high portion of skilled workers amongst OFWs
- ✓ increase in remittance flows corresponds to that of OFWs
- ✓ helping to reduce poverty

Application and Extended studies

Policy implications:

- how reforms will enhance domestic labor market environment:
- how changes in education system bring sustainable growth: for example, higher productivity, on the job training, etc.
- further testing on the correlations of remittances
- no “free lunch”

Further Studies:

- effective poverty reduction strategies and financial development
- joint research

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**“Remittances and Financial Depth in Asian
Countries:
Impact on Financial Sectors and Policy Implications”**

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Thank you