

Internal Migration, Remittances and Welfare Impacts: A Case Study in Dormaa Municipality, Ghana

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Abstract

Though international migration and its related remittance flows have attracted considerable attention in recent years, internal migration has been the focus of academic and policy discourse for a much longer period. Studies have shown that both internal and intra-regional migration are far more significant in terms of the numbers of people involved and the quantum of remittances involved than international migration. However, despite increasing internal migration with its associated remittances, their linkages with welfare impacts are complex and mixed. As such, the actual welfare impacts of this phenomenon have been a source of debate in the literature.

Using mixed methods, this paper examines the relationship between internal migration, remittances and welfare impacts in Dormaa Municipality in Ghana. The study draws upon 202 migrant households on a sample of 358 households screened. The study investigates migration patterns and remittance flows, uses and impacts among migrant households in the municipality. The study suggests that many of the migrants moved to another town or village in Ghana for work-related reasons, notably job transfers, work or to seek work/better work. The study also shows that there have been substantial inflows of migrant remittances to households in Dormaa Municipality. These remittances have contributed significantly to improving migrant household's access to health services and education, and have also become an important source of income for consumption smoothing. The study recommends that government should make efforts to monitor remittance flows in Ghana and also increase awareness about the importance of remittances for both national and household economies. Further, there is the need to scale up education on social attitudes and discourses about internal migration and policy initiatives in Ghana.

Keywords Internal migration, remittances, welfare, households, education, health, food.

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Introduction

Globally, migration and remittance flows have attracted considerable attention of scholars in recent years. Several studies (de Haas, 2007; UNDP, 2009; European Commission, 2012; World Bank, 2014; Randazzo and Pirancha, 2014; Dinbabo and Nyasulu, 2015) indicate that developing countries generate a huge amount of remittances and have shown optimism in the contemporary development discourse regarding poverty reduction at the household level. Migrant remittances are a source of income to most developing countries (European Commission, 2012) and have the potential to increase economic development of migrants' home countries (de Haas, 2007). Remittances are a crucial vehicle for poverty reduction in developing countries (World Bank, 2013), an important source of disposable funds for families of migrants and a potential source by which to finance development (European Commission, 2012: 8; de Haas, 2007: 1). Analysts indicate that remittances are twice the amount of the Official Development Assistance (ODA) and ten times more than the net private capital transfers to developing countries (Kapur and McHale, 2003).

Though international migration and its related remittance flows have attracted considerable attention in recent years, internal migration has been the focus of academic and policy discourse for a much longer period (see Lewis, 1954 and Todaro, 1969). According to the United Nations Development Program (UNDP, 2009), both internal and intra-regional migration are far more significant in terms of the numbers of people involved and the quantum of remittances involved. It is estimated that internal migrants outnumber international migrants by a ratio of roughly four to one (UNDP, 2009). Despite increasing internal migration with its associated remittances, the linkages between internal migration and welfare impacts are complex and mixed (Adepoju, 2005; Awumbila et al, 2014).

In Ghana, internal migration and remittances have received significant scholarship (Songsore, 2003; Opare, 2003; Awumbila, 2007; Boakye-Yiadom, 2008; Ackah and Medvedev, 2010; Awumbila et al, 2014; Awumbila et al, 2015). According to Quartey (2006: 6), migrant remittances serve as a source of income smoothing and better welfare for migrant households in Ghana. These remittances are used for both consumption and investment purposes that, in turn, have both direct and indirect effects on household welfare (Quartey, 2006: 6). Despite its significance, the relationship between internal migration and poverty outcomes has received little attention in both academic

and policy circles in terms of creating a national picture of the impacts of migrants' remittances (Dinbabo & Nyasulu, 2015; Twumasi-Ankrah, 1995; Srivastava, 2005). While some argue that this could be as a result of the paucity of data in the field (Boakye-Yaidom, 2008), others argue that the actual welfare impacts of migration are still unknown, which has been a source of debate in the literature (Awumbila et al, 2014). To Quartey (2006: 7), the relationship between migrant remittances and household welfare in Ghana has not been empirically investigated. As such, the actual developmental and welfare impacts of remittances have been a source of debate in the migration literature (Twumasi-Ankrah, 1995; Murrugarra et al, 2011).

Ghana's population is characterised by high mobility with more than 43% of all households in 2005/06 having at least one migrant (Ackah and Medvedev, 2010). Evidence from the Ghana Living Standards Survey 5 (GLSS 5) indicated that internal migration is the major form of migration in Ghana. By 2010, the proportion of the population living in urban areas was 50.9%, an increase from 43.8% in 2000 (GSS, 2012), and is projected to increase to 63% by 2025. Also, the population census indicates that about 35% of the population in Ghana are migrants or people living outside their places of birth. The recent GLSS 6 data notes that 48.6% of Ghana's population aged seven years and above were migrants (see GSS, 2014). It is worth noting that in 2005/06, 51.6% of the corresponding population were migrants, with the shares of males and females who were migrants being 49.8% and 53.2%, respectively (GSS, 2008). Thus, in comparison with the data from 2005/06, there is a slight drop in the population's share of migrants over the seven-year period from 2005/06 to 2012/13. Caldwell (1968) explained that internal migration, especially to areas where opportunities exist has become a livelihood strategy for most Ghanaians. According to Awumbila et al. (2014), rural-urban migration is a livelihood strategy adopted by many to move out of poverty in Ghana. Migrants send home remittances to their families left behind, yet the actual impacts on their welfare are not known. This article examines the relationships between internal migration, remittances and welfare impacts using a case study in Dormaa Municipality, Ghana. Structurally, this article is divided into four sections. The first section explains the theoretical framework and conceptual discussions regarding internal migration, remittances and welfare impacts. The second section reviews the appropriate literature on internal migration, remittances and welfare impacts, describing and analysing the relevant views and models that have been put across and highlighting gaps in the literature. The third section presents the methodological approaches

employed in the study and the fourth section discusses the results and provides the conclusion.

Theoretical Framework and Conceptual Discussions

The Push-Pull Theory

The push-pull theory of migration was postulated by Ravenstein (1889) in his work, 'The Laws of Migration.' The theory combined individual rational choice theory, Newtonian physics and other rural-urban and developmental perspectives to draw empirical generalisations on the flow of human beings between places (Dinbabo and Nyasulu, 2015: 33). de Haas (cited in Dinbabo and Nyasulu, 2015: 33) provides a summary of these seven laws as follows: "(1) most migration occurs within a short distance; (2) the majority of migration movements are from agricultural to industrial regions; (3) expansion of most bigger town centres is as a result of migration rather than natural growth; (4) migration develops in tandem with industrial, commercial and transportation expansion; (5) every migration flow produces a counter-flow; (6) most women undertake short distance migration while the majority of men indulge in international migration; (7) economic causes are at the centre of most migration flows."

This theory has been applied to the study of migration based on what 'pushes' migrants from the place of origin and what attracts or 'pulls' them to their place of destination. This theory postulates that the decision to move results based on these two opposing forces. According to King, 2012 (cited in Dinbabo and Nyasulu, 2015: 33), economic and socio-political factors present in both the source and destination countries explain the push-pull migration theory. Thus, factors such as "poverty, unemployment, political repression, poverty, etc... drive out ('push') people out of their home [source] countries". As pointed out by Awumbila et al. (2008: 20), "unfavourable conditions in one place 'push' people out and favourable conditions in an external location 'pull' them in." Critics of the theory argue that the push-pull theory is "barely a theory, it is more a grouping of factors affecting migration, without considering the exact causal mechanisms" (Hagen-Zanker, 2008: 9). Samers (2010: 55-56) describes these factors as "economically deterministic," "methodologically individualist" and "dreadfully antiquated." In addition, they do more or less address internal migration rather than international migration.

New Economics of Labour of Migration Theory (NELM)

The NELM connotes two main perspectives. First is the recognition “that migration decisions (who goes, where to go, for how long, to do what, etc...) are not individual decisions but joint decisions taken within the ambit of the household, and for different members of the household.” Thus, de Haas (2010: 16) regards the “family or the household as the most appropriate decision-making unit.” The basic assumption here is that the households or the family members together with the individuals collectively make decisions regarding migration. According to Massey et al. (1998: 21) the scale of the decision-making unit, sometimes, moves beyond the micro-environment into the meso scale of extended families and wider communal groups. The second part, according to King (2012: 23) is “that rational-choice decision-making is not only about wage and income maximisation but is also about income diversification and risk aversion.” Taking the two perspectives into consideration, the theory brings in the new idea that remittances serve as a major motivating factor for migration. That is, the families and household members are in “an appropriate position to control risks to their economic well-being by diversifying their income-earning and livelihood resources into a ‘portfolio’ of different activities, spreading their labour resources over space and time” (King, 2012: 23).

Conceptualising Migration, Remittances and Welfare

Migration, remittances and welfare are complex and context-specific. Therefore, it is crucial to explain the relevant terms used in this study to give insight to the readers regarding the specific concepts discussed. It is also paramount that measurements of the three concepts are clearly defined to allow for the analysis of the study.

Migration

Migration may be defined as a change in the usual place of residence that entails the crossing of an administrative boundary. The study adopts Awumbila et al.’s (2014: 8) definition of a migrant as “someone who has moved and settled in an area for at least six months.”

Remittances

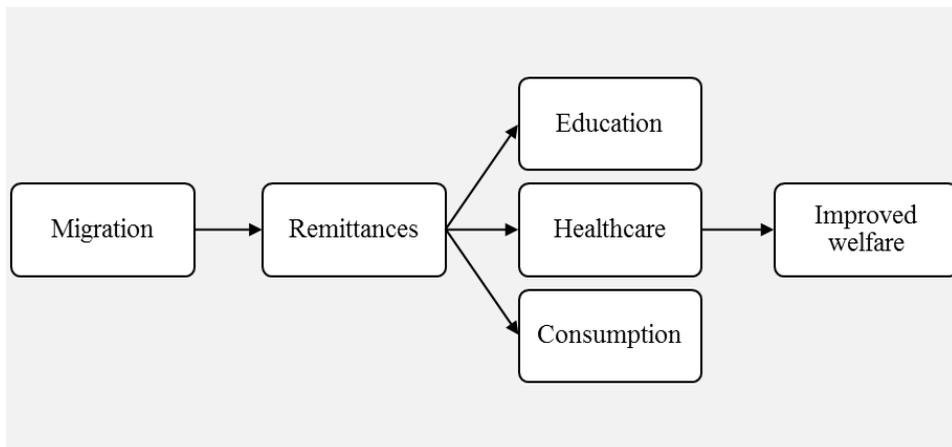
In the literature, remittances are variously defined. However, in this study, Tewolde’s (2005 cited in Oluwafemi and Ayandibu, 2014: 312) definition is adopted, which states that “remittances are financial and non-financial

materials that migrants receive while working overseas and sent back to their households in their countries of origin.”

Measurement of welfare

In this study, welfare is defined based on an individual’s subjective well-being, that is, the condition of faring or doing well (Sumner, 1996). By this definition, welfare impacts of remittances will be measured by the subjective well-being of migrant households. Thus, households’ subjective well-being due to remittance impacts will be analysed by finding out whether they have improved access to education, health and consumption (food) after the migration of a household member. When a household responds that based on the remittances they receive, they have an improved access to either education, health or consumption (food), then remittances are considered to have positive impacts on households, and vice versa. The following figure shows the proposed model for testing the aforementioned relationship.

Figure 1: Hypothetical model: the relationship between migration, remittances and welfare.



Source: Author’s own compilation

From the above, it is assumed that migrants’ remittances sent to their household members left behind are used to care for the educational needs of their wards, to seek/pay for healthcare and to use for consumption purposes, particularly to purchase food. It is assumed that remittances used for these purposes will result in improved well-being.

Overview of Existing Literature on Internal Migration, Remittances and Welfare Impacts

Migration and Remittances

Though difficult to estimate as large amounts of remittances are channelled informally, migrant remittances represent the largest positive impact of migration on migrants' sending communities (Taylor, 1999: 67). Micro-level studies indicate that informal transfers of remittances are substantial. However, empirical evidence of the impact of remittance on poverty/welfare seems inconclusive. Although some studies have argued that remittances are used for consumption expenditure (Adams, 2005; Quartey, 2006), evidence from other studies suggests that remittances are used for human capital building (Adams, 2006; World Bank, 2013). Also, remittance flows are crucial for both migrants and the household members left behind, as research has indicated that remittance flows are "part of familial inter temporal contracts between the migrant and the remittance receivers (see Guzman et al, 2007: 126). This assertion is in line with the NELM theory that postulates that migration is a decision taken by both the migrant and the household and that migrant remittances are sent to families left behind.

Studies have found that migrants have different preferences with regards to how remittances are put to use. In Mexico, de la Cruz's (1995) study found that the remittances of male migrants are geared towards personal investments in land, housing, agricultural production and cattle. In a similar study, the International Organization for Migration (IOM, 2007), found that a substantial number of women in Moldova remit funds to pay for education, health, furniture and loans whereas male migrants prefer to direct their remittances to investment in housing, cars and consumer durables.

Studies in Mali have shown that remittances are used to cover basic food and cash needs and pay for irrigation in agriculture (Findley and Sow, 1993). Households receiving remittances in Ethiopia and Sri Lanka invest more heavily in child education than non-remittance receiving households (Seife and Susan, 2005). A cross-country comparison of six sub-Saharan African nations shows a strong and positive correlation between the average number of household members with a secondary education and receipt of international remittances from outside of the continent (World Bank, 2013).

In Senegal, Randazzo and Pirancha (2014) found productive use of remittances among those receiving international remittances. The study found

that those receiving international remittances spend, on average, less on food and more on durables goods, education and investments, signalling a productive use of remittances. In four selected West African countries – Cameroon, Cape Verde, Nigeria and Senegal – Adarkwa (2015) found that inflow of remittances to Senegal and Nigeria impact positively on these countries' gross domestic product, but impact negatively on the GDP of Cape Verde and Cameroon. Also, using data from 1980 to 2013 to analyse the determinants of remittances to Nigeria, Laniran and Adeniyi (2015) found remittance flows to Nigeria as pro-cyclical in nature rather than countercyclical.

Through the review of literature on international migration and remittances, Adams (2011) observed that the impact of international migration on health and education in developing countries is mixed. He observed that while most studies find that international migration and remittances improve infant mortality and child health, by raising household incomes and increasing the health knowledge of mothers, others find the impact of migration and remittances on school enrolment and achievement to be more controversial. On the one hand, international remittances raise school retention rates. On the other hand, studies find that international migration has a negative effect on school attendance rates for teenage boys and girls because of the absence of parents due to migration. Other reviews by Siddique (2012) found that contrary to the popular belief that migrant families spend disproportionate amounts of remittances on daily consumption, findings show that education and health receive very high priority. For instance, various studies showed that remittances from international migration are disproportionately spent on education and health, rather than on everyday consumption.

In Ghana, remittances are spent on household consumption, education, debt repayment, financing of projects and investment in small-businesses (Quartey and Blankson, 2004). Both Quartey (2006) and Owiafe's (2008) respective studies on remittances and household welfare in Ghana found that remittance flows are counter-cyclical in nature; in that they increase in times of economic distress and work as a consumption smoothing mechanism and an informal stabilisation fund. Analysing remittance use using GLSS 4, Guzman et al. (2007) found that female-headed households receiving remittances from within Ghana have larger expenditure shares for health and education, while those receiving remittances from abroad have higher expenditure shares for health and spend significantly less on food and more on consumer and durable goods and housing.

Migration and Welfare Impacts

The world over, migration is increasingly recognised as enhancing the well-being of migrants and their households. Balbo and Marconi (2005) explain that as a result of increasing economic and social inequalities, migrating is becoming an integral component of family and community strategies to improve the living conditions of those who migrate as well as those who remain. According to Awumbila et al. (2014), parents encourage the migration of their sons and daughters to the cities in order to enhance the financial situation of the family at the origin through remittances. In this way, it can be said that the young migrants serve as insurers for their households (Siddiqui, 2012). Internal remittances received play a very crucial role in improving welfare and reducing poverty in Ghana (Castaldo et al, 2012). Kwankye and Anarfi (2011) also explain that the remittances sent home by migrants can help minimise the effects of economic shocks on household welfare.

However, studies on internal migration are mixed in terms of welfare impacts in Ghana. For example, Beals et al (1976) and Caldwell (1968), found a negative effect of origin locality's income on rural urban migration but a positive effect of a household's own income on the probability to migrate (see references in Ackah and Medvedev, 2010). Litchfield and Waddington (2003), also using GLSS rounds 3 and 4, found that migrant households have statistically significantly higher standards of living than non-migrant households in terms of consumption expenditure. However, in terms of non-monetary welfare indicators, the difference was not statistically significant. In another study, Ackah and Medvedev (2010) found that internal migration turns out to only be beneficial for a subset of Ghanaian households who send migrants to urban rather than rural areas. Despite this, the study found evidence that households with migrants tend to be better off than similar households without migrants. Ackah and Medvedev's (2010) study relied mostly on quantitative data without examining the subjective assessment by the migrants themselves. This study overcomes this shortfall by allowing for subjective assessment by the migrants themselves.

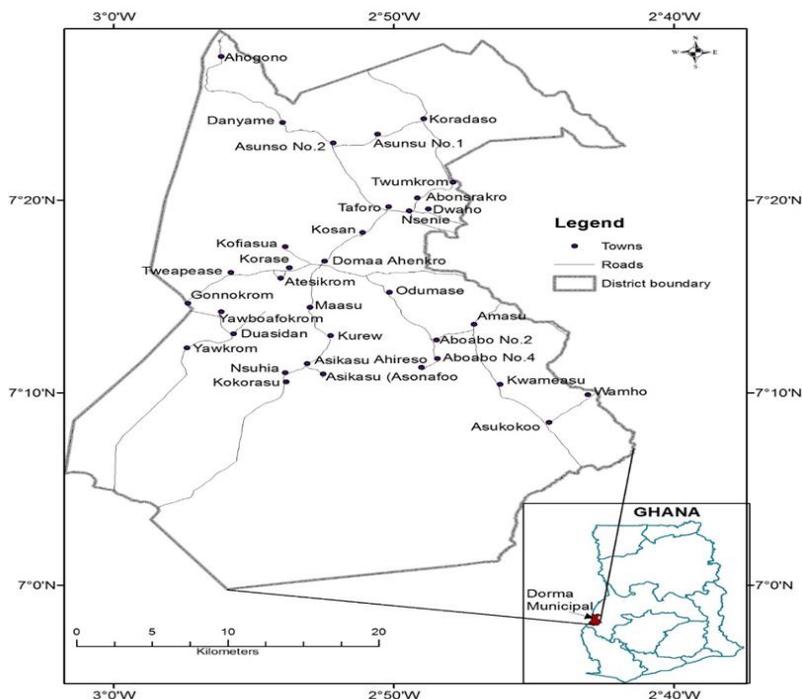
In other situations, migration does not increase welfare gains when compared with non-migrant households. Research by Awumbila et al (2015) in five regions of Ghana examining the relationships between internal/intraregional migration and poverty outcomes found no difference between the income or wealth status of non-migrant-sending households and migrant-sending households, which contradicts the general view that poor households are less

likely to migrate than wealthy households. However, the authors admitted in their work that the study results reflect a weakness in their data in capturing income and assets at the time of migration.

Research Methodology

The study employed mixed methods combining both qualitative and quantitative methods to gain deeper understanding of internal migration and remittances. The study predominantly targeted migrant households in the study area. The study adopted a two-staged stratified sampling technique. A screener survey was used to select households with and without migrants. In all, 358 households were screened. At the second stage, a random sampling technique was used to select 202 households that constituted the main respondents for the survey. Household heads were interviewed using both a semi-structured questionnaire and in-depth interviews. The quantitative data was analysed using STATA, whereas the qualitative data was recorded electronically, transcribed and uploaded onto NVIVO for analysis.

Figure 2: Map of Dormaa Municipality



Source: Centre for Remote Sensing and Geographical Information System, Legon (2016).

Results and Discussions

Factors Determining Migration in Dormaa Municipality

The economic theories on migration posit that, generally, migration (aside from forced migration) is an economic phenomenon; that is wage differentials, economic disparities, and unemployment differentials (Hannan, 1970; Todaro, 1969; Harris and Todaro, 1970). Others maintain that migration potential and migration decisions are dependent on push and pull factors. The rudimentary idea of the push-pull analysis is that “certain adverse factors (inherent in areas of origin) tend to ‘push’ people away, whilst other favourable factors (associated with areas of destination) tend to ‘pull’ potential migrants from their areas of origin to the destination regions” (Boakye-Yiadom, 2008: 77). In this regard, unemployment and lack of infrastructure, among other factors, are deemed unfavourable and push local dwellers from their communities. On the other hand, incentives for moving to the destination areas may be better employment opportunities, easier access to social services or adequate infrastructure (Boakye-Yiadom, 2008). The study findings show the relevance of push-pull factors in explaining migration. The survey results revealed that the main reason why people migrate is to seek work or better jobs (71.2%). That is, lack of jobs in the Dormaa Municipality ‘pushed’ the majority of the migrants to other areas. This is consistent with other studies (Awumbila et al, 2014; DMA, 2013; Twumasi-Ankrah, 1995) and explains the factors leading to out-migration. Every three out of four male migrants travelled to look for a new or better job compared to about 65.1% of their female counterparts. About 18.3% of the migrants also travelled as a result of job transfer, whereas 10.4% travelled to further their education. Relatively, many more female migrants travelled as a result of a job transfer (22.1%) or to pursue higher education (12.8%) compared to their male counterparts (15.5% and 8.6%, respectively). These findings show that the propensity to migrate in Dormaa Municipality, as in other areas, is a result of the search for perceived or real opportunities in the cities (Ajaero and Onokala, 2013).

Decision to Migrate in Dormaa Municipality

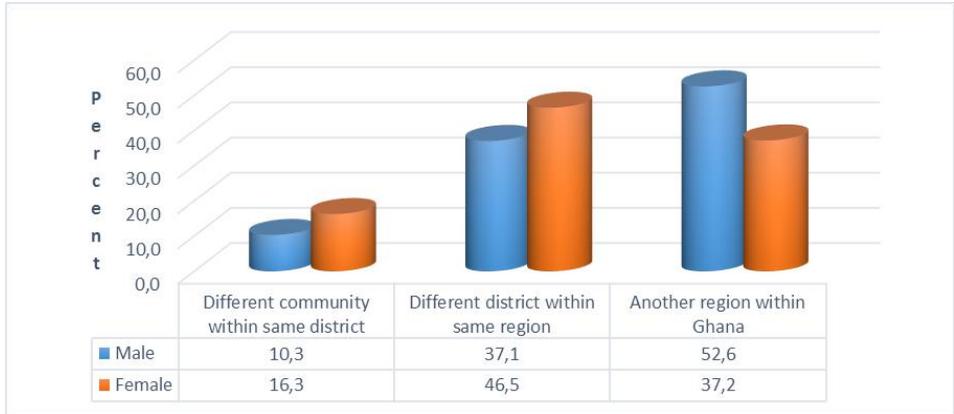
Until recently, migration literature has traditionally treated migration as an individual decision that is motivated by mainly economic considerations. However, this unitary view has been consistently challenged. It is now

assumed that the decision to migrate is a collective decision taken by the entire household (Boakye-Yiadom, 2008: 78). Migration has become a livelihood mechanism for diversifying income and to insure the entire household (including the migrants) against risks and uncertainty (Awumbila et al, 2014; Ackah and Medvedev, 2010; Boakye-Yiadom, 2008). The study revealed that the migrants themselves were the main people who made the decisions to migrate (55%). Respondents cite other people such as spouses (27.2%), parents and siblings (7.4% each), and guardians (3%) to have been involved in the migration decision-making process, lending support to the collective decision making within households. As expected, many more male migrants (57.8%) made decisions concerning their migration than female migrants (51.2%). This may be explained by patriarchal norms in traditional Ghanaian societies that see men as superior to women (Nukunya, 2003). On the other hand, husbands and parents influenced the migration decisions of female relatives more (30.2% and 10.5%) than their male relatives (25% and 5.2%) respectively.

Migrant Destination Communities

Migrants are rational economic agents moving to areas that maximise their incomes and overall well-being (Harris and Todaro, 1970). According to DMA (2013), the main destination areas for out-migrants in the municipality are overseas, Accra, Kumasi, Sunyani and the cocoa growing areas of Sefwi. In order to know where these migrants move to other than overseas, the respondents were asked to indicate where their household members are. The respondents indicated that their household members (migrants) have moved to other regions including the Brong Ahafo Region within Ghana (46%), different districts within the Brong Ahafo Region (41.1%) and other communities within the same district (12.9%). Over half of the male migrants had a migration destination outside of their region of origin (52.6%), compared to 37.2% of the female migrants. The greatest proportion of the female migrants, on the other hand, moved to other districts within the same region (46.5%), compared to 37.1% of the male migrants (see Figure 6). The survey results also show that young migrants tend to move more to other communities within the district – 20-29 years (28.6%), 30-39 years (9.9%), and 40-49 years (9.3%) – whilst none of those aged 50 years and above migrated to a different community within the same district. However, older migrants moved to other districts within the same region and other regions in Ghana.

Figure 3: Destination of migrants by gender



Source: Author, fieldwork, 2015

Migrants Economic Activities in Destination Areas

Migrants are engaged in a variety of activities in their destination areas, particularly in the informal sector. Ratha et al (2011) explain that most poor internal and international migrants move to the urban centres to work in the informal sector. Awumbila et al (2014) found that in Ghana, migrants living in slum areas in Accra are involved in income generating activities that are highly gendered.

Table 1: Main economic activity of migrants at destination

Economic Activity	Male		Female		Overall	
	N	%	N	%	N	%
Paid labour	19	16.4	10	11.6	29	14.4
Service worker	13	11.2	12	14	25	12.4
Own business	18	15.5	6	7	24	11.9
Technician and professionals	13	11.2	10	11.6	23	11.4
Sales worker	16	13.8	7	8.1	23	11.4
Own farm worker	6	5.2	17	19.8	23	11.4
Domestic worker	8	6.9	15	17.4	23	11.4
Transport operator	16	13.8	3	3.5	19	9.4
Skilled construction worker	2	1.7	5	5.8	7	3.5

Manager	5	4.3	1	1.2	6	3
Total	116	100	86	100	202	100

Source: Author, fieldwork, 2015

Thus, while women were mainly working as petty traders, food vendors, catering (chop bar) assistants, shop assistants, hairdressers, head portage (Kayayei) or plaiting hair, men were working as artisans, labourers in the construction sector, operators of motorbikes as taxis (okada) and other trades (Awumbila et al, 2014: 23). As shown in Table 1 above and in consonance with Awumbila et al (2014), this study found that in general, each of the migrants had a gendered economic activity that he/she was performing.

Migration and Remittance Flow in Dormaa Municipality

Studies have found that a significant proportion of migrants, both internal and international, send remittances or transfers back to their families at their places of origin, either in the form of cash or goods (Castaldo et al, 2012: 16). In studying remittances, both financial and non-financial remittances are important to the development of Ghana (Quartey, 2006). Remittances are important in that they are associated with greater human development outcomes on health, education and gender equality (World Bank, 2013) and contribute to poverty reduction in home countries because of heavy cash flows (UN, 2002). Remittances sent by migrants to their families and relatives in their originating communities are an important means to maintain ties with family members (Akyeampong, 2000).

The survey revealed that about 63.9% of the households received money from migrants. A slightly higher proportion of the female migrants (65.1%) sent money to their households than the male migrants (62.9%). This finding is not surprising as Abdul-Korah (2011) examined the gendered patterns of remitting by Dagaaba migrants using an historical lens and found that female migrants send money home more regularly and for longer periods of time than male migrants.

In terms of receiving remittances, the analysis revealed that many more male respondents (69.2%) received remittances in the form of cash than female respondents (58.2%). In the literature, issues of receiving remittances based on gender are mixed. Whereas some studies found females perceived as more trustworthy to receive money, others see males as those to whom money should be entrusted for the purposes of effecting projects. When a male

respondent was asked why his sister always sends money to him but not to his other female siblings, this was his response:

“For me, men can monitor projects. If you ask a woman to build a house, these masons will dupe them. But they dare not try this on men” (TP, 2015).

The study further revealed that the minimum amount of money received through remittances was GH¢90 whereas the maximum was GH¢2,500. The mean amount received was GH¢631.86 with a standard deviation of 522.39. Female migrants remitted higher amounts of money than male migrants: GH¢643.57 with a standard deviation of 482.60 and 622.88 with a standard deviation of GH¢554.10, respectively. Most migrants remit money to households upon request (55.8%) whilst a significant proportion also remitted money to their households on a regular basis each month (36.4%).

Very few studies have paid attention to remittance flows from internal migrants. This, according to the World Bank (2011), is a result of not being able to capture domestic transactions in the balance of payments by the central banks. Also, it could be as a result of the informal channels used to send remittances, which make it difficult to capture them in official estimates. The study revealed that the dominant method migrants used to send money to their households was through mobile money (50.8%). Other informal channels such as migrants bringing the money home themselves (21.9%), friends or other persons returning home with the money (14.1%) and informal money transfers (8.6%) were also prevalent. Western Union Money Transfer (4.7%) was also amongst the means migrants used to send money to their households. These findings indicate that despite the fact that most migrants send remittances, very few of them use formal channels. As such, internal remittance flows are difficult to capture in official government records.

Other Forms of Remittances in Dormaa Municipality

As noted by Quartey (2006), migrants send non-financial remittances such as food, clothing and mobile phones to their households in Ghana. According to Primavera (2005), non-financial remittances could come in the form of foodstuffs for consumption or items that can be sold or used by relations at the place of origin. In relation to this, the study found that apart from money transfers, other non-cash items were received by some of the households. Nearly 63.4% received food and other goods from migrants. Also, two-thirds of the female migrants sent food and other goods to their households

compared to about 61.2% of the male migrants. The main items that the households received from migrants in the last 12 months as indicated in Figure 3 below are clothing (20.3%), mobile phones (12.5%), household utensils (10.9%), food (10.2%) and jewellery (9.4%). Some differences were observed between items sent by male migrants and their female counterparts. Clothing was the most dominant item sent by both sexes, male (22.5%) and female (17.5%). However, female migrants were much more likely to send mobile phones (15.8%) and food items (12.3%) to their households than the male migrants (9.9% and 8.5%, respectively).

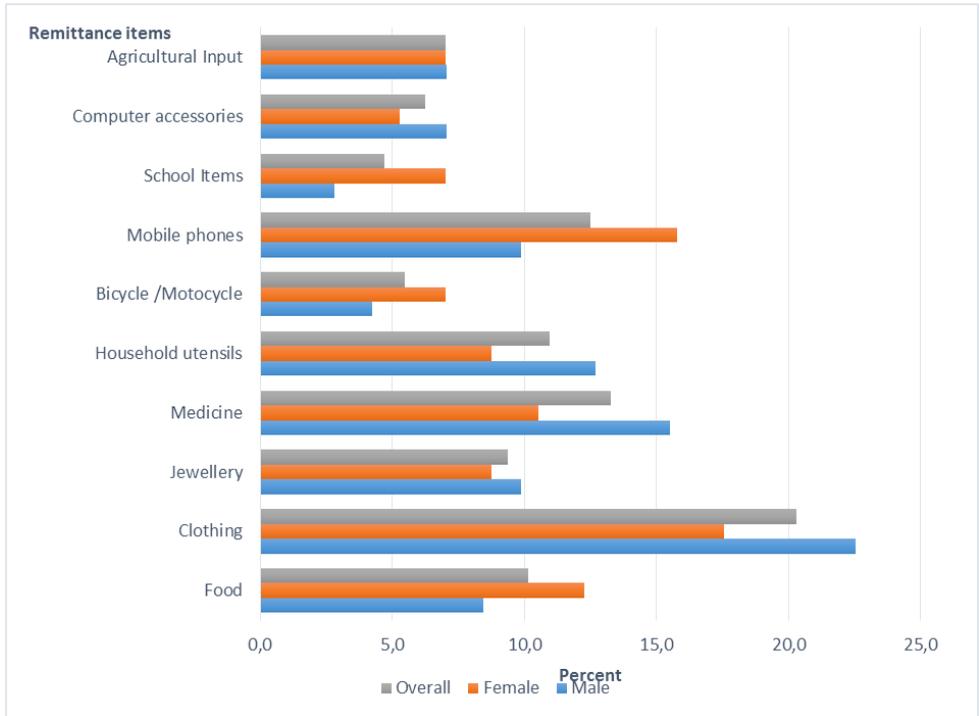
Another interesting finding is that people who migrated farther away from their households were less likely to send food and other goods to the household than those who were nearer. About 69.2% of those who migrated to other communities within the same district sent food and other goods to the household, compared to 66.3% and 60.4% of people who migrated to other districts within the same region and other regions in Ghana, respectively. This is not surprising, as perishable food items cannot be sent over a long distance.

About 27.7% of all households in the survey did not receive either cash or non-cash items. This finding could be the result of migrants being students. The households rather send money to the migrants as explained by one respondent when asked why they did not receive remittances from their migrants:

“Oh she is a student. You know students don’t work. She is there to study. We rather send her money and food every two months” (MK, 2015).

However, the study found that nearly 55.9% received both cash and non-cash items as remittances. This is an indication that remittances are sent in both cash and goods in Ghana (Quartey, 2006).

Figure 4: Items received by households from migrants by gender



Source: Author, fieldwork, 2015

Remittances and Welfare Impacts in Dormaa Municipality

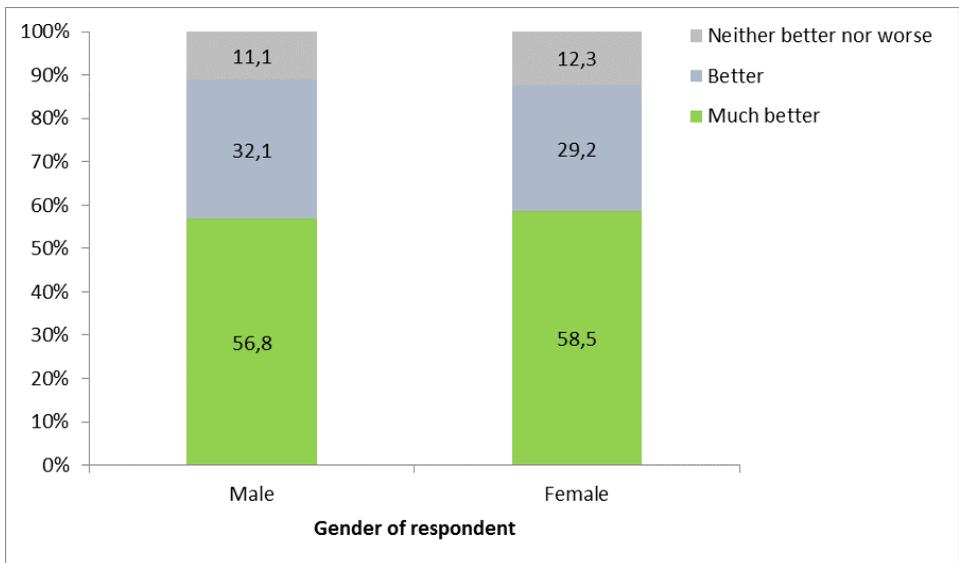
The positive association between migration and improvement in welfare has largely been conceived through the concept of remittances (Awumbila et al, 2014: 29). It is generally assumed that remittances can contribute positively to poverty reduction by “providing migrant-sending households the resources to smoothen consumption and invest in productive ventures” (Awumbila et al, 2014: 29). It is also crucial to avert future eventualities, particularly financial losses. As explained by Hulme et al. (2001) cited in Quartey and Blankson (2004: 10), remittances when properly managed could serve as a form of premium payment for future risks to reduce vulnerability to financial shocks and to gain access to entitlements such as education and health that contribute to livelihood security and sustainability. Remittances are put to various uses. According to Quartey and Blankson (2004), remittances are mostly invested

in consumption, health care, education and housing. This part of the analysis examines migrant households' access to health, education and food as a result of having a migrant.

Remittances and Access to Health Services

Remittances are crucial and can serve as an insurance policy against risks. As a form of insurance, the study revealed that overall about 57.5% of the households which received remittances indicated that they were much better able to afford to pay for health services.

Figure 5: Households' improvement in ability to pay for health services after migration



Source: Author, fieldwork, 2015

This is not surprising as studies have shown that migrant remittances can contribute to better health outcomes by allowing household members to access health care services and enabling them to increase information about health practices. As shown in Figure 4 above, the analysis further observed a slight difference between male and female respondents with respect to improvement in their conditions regarding the affordability of health services (88.9% and 87.7%, respectively).

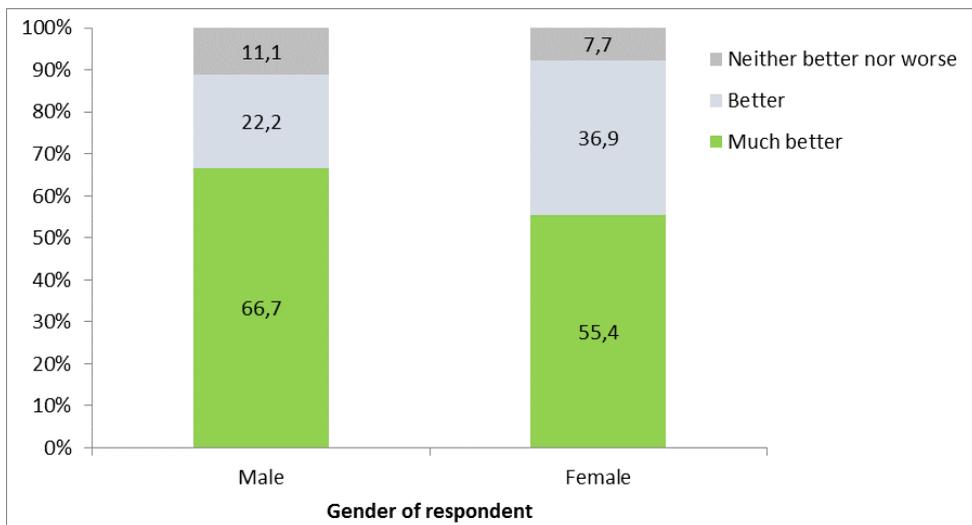
At a significant level of 5%, a chi-square test shows that there is no statistically significant association between households' improvement in ability to pay for health services after migration of household member by sex of the respondent ($p = 0.924$). That is, in general, the respondents, irrespective of their sexes, see improvement in their ability to pay for health services.

Though migrants' remittances are critical for health care services, improved access to healthcare as indicated by the household could also be an indication of the importance respondents attach to the National Health Insurance Scheme, a social intervention programme aimed at helping the poor and rich have equal access to quality health care in Ghana (Yeboah, 2013).

Remittances and Access to Consumption (Food)

The study revealed that every two out of three male respondents were much better regarding their ability to afford to buy food in their household after a household member migrated and sent remittances home. A relatively lower proportion of female respondents found their household in this situation (55.4%). However, overall, more households of female respondents had a general improvement in their ability to afford food after a household member migrated than households of male respondents (92.3% and 88.9%, respectively), as indicated in Figure 5 below.

Furthermore, about 91.7% of households who had children of migrants living with them reported a general improvement in the affordability of food compared to 86.5% of households that had no child of the migrant living with them. This is an indication that migrants tend to send remittances for consumption purposes if they have children left behind with relatives. However, a chi-square test of significance indicates that there is no statistically significant difference in household improvement in ability to pay for food after migration according to the sex of the respondent ($p=0.143$). The findings above resonate with findings by Quartey and Blankson (2004), Quartey (2006) and Castaldo et al (2012) that remittances in Ghana helped smooth the household consumption.

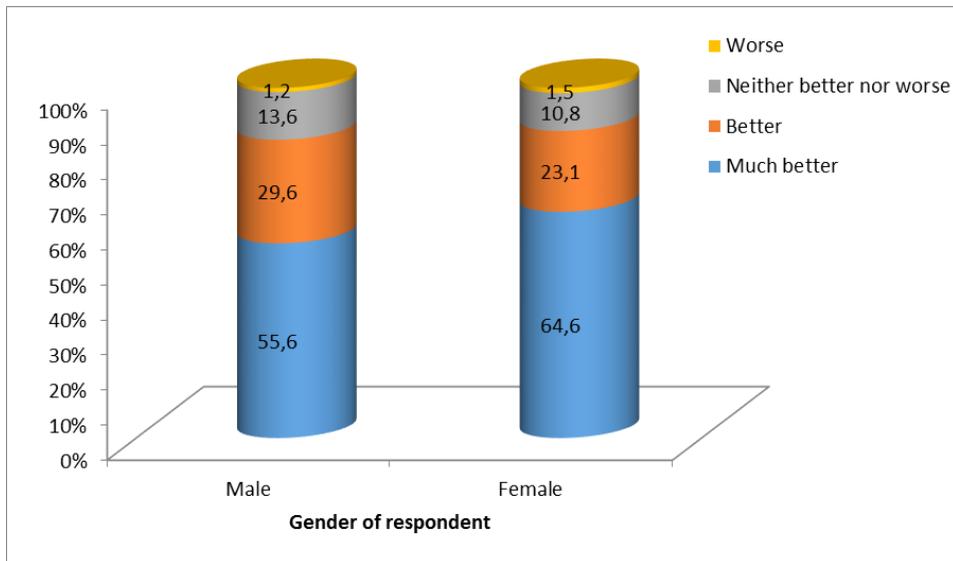
Figure 6: Households' improvement in ability to pay for food after migration

Source: Author, fieldwork, 2015

Remittances and Access to Education

While some studies have argued that remittances are used for consumption expenditure (Adams, 2005; Quartey, 2006), evidence from other studies suggests that remittances are used for human capital building (Adams, 2006). Thus, remittances may be used to finance schooling of children, which could lead to the reduction of child labour and school drop-outs. Nevertheless, paucity of household survey data on remittances and educational outcome means little is known about the empirical evidence of the impact of remittances on educational outcomes in Ghana and Dormaa in particular. However, studies indicate that remittance-receiving households in Ghana invest more in education than other households (Quartey, 2008). The findings from this study, as indicated in Figure 6 below, show that the proportion of households with female migrants (64.6%) who reported a much better improvement in their ability to pay for education outnumbered those with male migrants (55.6%). These findings give an idea about the gendered patterns of remittance use among migrant households in Ghana. Also, this is the only indicator where respondents noted a worse experience in their ability to pay for education.

Figure 7: Households' improvement in ability to pay for education after migration



Source: Author, fieldwork, 2015

Despite the fact that more females reported improvement in their ability to pay for school than males, a chi-square test of significance did not reveal any statistically significant differences in one's ability to pay for education than the other at a p-value of 0.722. Only households who lived with children of migrants reported a worse position in their ability to pay for education (1.8%). In these cases, the reason for this is that the migrant rarely sends money home to pay for fees:

“For 2 years now I haven't heard from him. He doesn't call, he doesn't visit us neither does he sends money to us. I personally pay for his children's school fees. In fact it's becoming difficult for me” (TL, 2015).

Despite such cases, the general picture indicates positive associations between having a migrant and access to education in Dormaa Municipality. Thus, remittances received by migrant households make a direct contribution to increasing household members' abilities to pay for education.

Summary and Conclusion

The foremost contribution of the study to knowledge was ascertaining how remittances derived from internal migration could impact or improve welfare of the migrant households receiving remittances in Dormaa Municipality, Ghana. Using welfare indicators such as education, health and consumption (food), the study interrogated the impact of migrants' remittances on their households' welfare and also addressed their policy implications.

The findings from the study indicate that migration is an enduring aspect of life in Dormaa Municipality. The propensity to migrate emanates from push-pull factors. Thus, lack of jobs and unreliable agriculture, amongst other factors, push migrants away from the municipality to other areas. The availability of jobs and other life-enhancing activities pulls migrants into these areas. However, the decision to migrate is taken by the migrants and their immediate households as an 'insurance' received in the form of remittances. Again, it is essential to emphasise that the results of both the quantitative and qualitative analysis indicate that remittances improve households' access to health, consumption and education. The study findings are consistent with other studies that show that internal remittances do have a positive impact on receiving households in terms of repayment of debts, improved access to consumption, better education and investment in enterprise (Afsar, 2003; Dayal and Karan, 2003; Ellis, 2003). The analysis further elaborates on the fact that even if not reducing poverty, migration is an important coping strategy and remittances smooth incomes (Mosse et al, 2002 cited in Castaldo et al, 2012: 20). Migrants' remittances play a crucial role in improving the well-being of migrant households left behind. As King (2012: 2) points out and as found in the study, remittances from migrants are used to hedge against other activities failing, to cover the basic costs of everyday life (food, clothing, education and health), or to invest in some new project such as a house, land or small business.

Recommendations

This study's findings raise a number of policy issues related to internal migration, remittances and welfare in Ghana.

The need for policies to address challenges faced by internal migrants: First, the findings show that many of the people who move out of the municipality are driven by lack of jobs, which is a result of spatial inequalities in development in Ghana (Songsore, 2009). The implication of this is that current

policies and programs aimed at discouraging internal migration, particularly to the urban centres, are bound to fail unless spatial inequalities in development are addressed (Awumbila et al, 2014). Therefore, it is imperative for the government to look at the potential that internal migration presents for the majority of the rural migrants to move out of poverty and fashion out policies that will minimise the risks faced by these migrants.

The need for migrants' remittance management: The study findings also highlight the need for remittance management in Ghana for national development. The development of migrant sending areas can generally be achieved through remittances and investments by migrants when remittances are properly managed. As Ajaero and Onokala (2013) argue, migrants' remittances and the income multipliers they create are critical resources for the sustenance strategies of receiving households as well as agents of regional and national development. The study findings indicate that a greater share of remittances is sent through informal channels, which implies that people engaging in this practice evade taxes. It is imperative for Ghana Revenue Authorities to devise strategies to check and formalise the operations of informal money transfer agents in order to be able to tax them so that Dormaa Municipality in particular and Ghana as a whole will benefit fully from remittances.

The need for remittances policy: The findings again highlight the need to initiate policies on remittance management in Ghana through collaboration with banks and other private agencies. This could be achieved by introducing new schemes for migrant workers and family members by banks and other financial institutions, by building strong partnerships between money transfer operators/banks/micro-finance institutions on the sending side and the receiving side. This will create opportunities for both remitters/senders and receivers to be banked. This requires the establishment of a remittance management wing in different banks under the supervision and guidance of the Bank of Ghana.

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