# Economic Impact of Labor Mobility on the City of Cagayan de Oro

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Is Cagayan de Oro favored by a 'brain drain' from areas outside Mindanao, or does it experience a brain drain of its own?

Spatial Movements of professional, technical, and skilled personnel can play a vital part in the economic and social growth of the recipient locality not only by direct contributions which migrants make through their labor, but also through a general diffusion of their skills.<sup>1</sup> On the other hand, the influx of non-professional, less technical, and unskilled personnel can hamper the economic and social growth of the place of destination by lowering its general per capita level of production. To have some information on the quality of in-migrants is indispensable for economic planning on a regional or local scale.

This paper presents some preliminary results of a study on internal migration to the city of Cagayan de Oro. The aim of the study is to determine the labor quality of migrant workers to the city. It compares data on income, education, and occupation of migrants from outside Mindanao with indexes of medium income, education, and occupation for all Cagayan residents.

### The Data

The information utilized in this study was obtained from a sample survey, which had been conducted in the city in 1963 by the Research Institute for Mindanao Culture (RIMCU).<sup>2</sup> Migration data actually were a by-product of the survey, whose main aim consisted in the determination of fertility and mortality conditions existing in Cagayan. For this survey a sample of 2,074 city households had been selected and interviewed, asking either husbands or wives questions on their as well as their spouses' income, education, occupation, and place of birth. Of the 2,074 couples, or 4,148 individuals, covered by the survey, a total of 1,581 individuals had been identified as inmigrants, i.e., persons who had been

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participated in various projects of the nesearch Institute for Mindanao Culture. <sup>1</sup> W.M. Besterman, "Immigration as a Means of Obtaining Needed Skills and Stimulating Economic and Social Advancement." United Nations, World Population Conference, 1965, Vol. IV: "Migration Urbanization, Economic Development." United Nations, New York, 1967, pp. 196-98.

<sup>&</sup>lt;sup>2</sup> The 1963 Cagayan de Oro Survey was financed by the National Science Development Board and directed by Francis C. Madigan, S.J., Director of the Research Institute for Mindanao Culture.

born outside Mindanao. Out of this number of migrants a sub-sample of 540 individuals was selected by this writer, and their socio-economic data were compared with those of native Mindanaoans residing in Cagayan and included in the 1963 survey. Children of in-migrants, who had accompanied their parents to Mindanao, were excluded from the study.

Since information on migration was extracted from place-of-residence responses, no indications of the time of migration could be obtained. This represents a definite shortcoming of the data.

## Origin of Migrants

Of the 1,581 persons classified as inmigrants, 219 (5.3 per cent of the total 1963 sample population, including natives) had originated in urban locations of the Eastern Visayas. The majority of all migrants, 746, amounting to 18 per cent of the total sample population, had come from rural areas of the same region. 79, or 1.9 per cent, had been born in urban. and 184 (4.4 per cent) in rural places of the Western Visayas, 353 persons were natives of Luzon. Of these, 159 (3.8 per cent) had migrated from urban, and 184, or 4.4 per cent, from rural localities.

In accordance with general patterns of migration within the country, migration to the city showed a preponderance of rural-born persons.<sup>3</sup> 71 per cent of all migrant respondents identified in the 1963 survey had been born in rural localities. The proportion of rural migrants to Cagayan was somewhat larger among females than among males: 72.6 per cent of all women were of rural origin, compared with 70 per cent of the males.

<sup>3</sup> Elvira M. Pascual, "Internal Migration in the Philippines," in (Population Institute, University of the Philippines, *First Conference on Population*. Quezon City: University of the Philippines Press, 1966).

| Type of              |            | Number |        | 1          | Per Cent |        |
|----------------------|------------|--------|--------|------------|----------|--------|
| Type of<br>Residence | Both Sexes | Male   | Female | Both Sexes | Male     | Female |
| Total                | 1,581      | 892    | 689    | 100.0      | 100.0    | 100.0  |
| Urban                | 457        | 268    | 189    | 29.0       | 30.0     | 27.4   |
| Rural                | 1,124      | 624    | 500    | 71.0       | 70.0     | 72.6   |

Table 1: Residence Before Migration, By Type of Residence and Sex,Cagayan de Oro Poblacion, 1963.

### Education

In general, migrants exhibited approximately the same levels of education as Mindanao natives. Somewhat larger differences appeared only on the collegiate and post-graduate levels, where migrants excelled over natives. For both, the entire sample as well as the migrant sub-sample, a higher proportion of males than females had completed education going beyond grade school. The only exception appeared on the high school level for all Cagayan residents: More girls than boys had obtained a two-year high-school education. (cf. Table 2)

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# Table 2: Percentage Distribution of Total Sample and MigrantSub-Sample Populations, By Sex and Grades of SchoolCompleted, Cagayan de Oro Poblacion, 1963.

|                            |               | Entire Sampl | e .    | Migrant Sub-sample |        |        |  |
|----------------------------|---------------|--------------|--------|--------------------|--------|--------|--|
| Highest Grade<br>Completed | Both<br>Sexes | Male         | Female | Both<br>Sexes      | Male   | Female |  |
| Total                      | 100.00        | 100.00       | 100.00 | 100.00             | 100.00 | 100.00 |  |
|                            | (4148)        | (2074)       | (2074) | (540)              | (304)  | (236)  |  |
| Grade School               | :             |              |        |                    |        |        |  |
| No Grade                   | 2.60          | 2.60         | 2.60   | 2.41               | 1.97   | 2.97   |  |
| 1 - 4                      | 12.66         | 10.17        | 15.14  | 12.59              | 11.84  | 13.56  |  |
| 5 - 7                      | 26.30         | 22.90        | 29.70  | 26.48              | 21.71  | 32.63  |  |
| High School:               |               |              |        |                    |        |        |  |
| <u>1</u> - 2               | 14.78         | 13.60        | 15.96  | 11.11              | 11.51  | 10.59  |  |
| 3 - 4                      | 16.37         | 18.13        | 14.61  | 16.30              | 17.76  | 14.41  |  |
| College:                   |               |              |        |                    |        |        |  |
| 1 - 2                      | 8.99          | 9.16         | 8.82   | 7.96               | 8.55   | 7.20   |  |
| 3 - 4                      | 14.39         | 16.78        | 12.01  | 16.85              | 17.76  | 15.68  |  |
| Post Graduate              | e:            |              |        |                    |        |        |  |
| 1 - 2                      | 0.77          | 1.11         | 0.43   | 1.67               | 1.97   | 1.27   |  |
| 3 - 4                      | 2.51          | 4.53         | 0.48   | 3.70               | 5.26   | 1.69   |  |
| No Response:               | 0.63          | 1.01         | 0.24   | 0.93               | 1.64   | 0.00   |  |

# Table 3: Percentage Distribution of Entire Sample and Migrant Sub-sample Populations, By Occupation of Husband, Cagayan de Oro Poblacion, 1963

| Occupation                               | Entire | Sample  | Migrant Sub-Sample |         |  |
|--|--------|---------|--------------------|---------|--|
| of Husband                               | Number | Percent | Number             | Percent |  |
| Total                                    | 2,074  | 100.00  | 304                | 100.00  |  |
| Manual Labor                             | 397    | 19.14   | 63                 | 20.72   |  |
| Partly Skilled                           | 920    | 44.36   | 98                 | 32.24   |  |
| Skilled                                  | 364    | 17.55   | 74                 | 24.34   |  |
| Intermediate                             | 114    | 5.50    | 22                 | 7.24    |  |
| Professional                             | 191    | 9.21    | 30                 | 9.87    |  |
| Unemployed, Manual<br>Unemployed, Partly | 27     | 1.30    | 4                  | 1.32    |  |
| Skilled                                  | 46     | 2.22    | 11                 | 3.62    |  |
| Unemployed, Skilled                      | 10     | 0.48    | 2                  | 0.66    |  |
| No Response                              | 5      | 0.24    | • • <b>0</b> •     | 0.00    |  |

### Occupation

Differences in educational attainment between migrants and natives of Mindanao residing in Cagayan (to be called Cagayanos hereafter), pointed out above, would lead one to except some differences between migrants and natives in occupational status.<sup>4</sup>

Table 3 shows that the migrant male population, when compared with Cagayanos, contained a higher proportion of manual, skilled, intermediate, and profes-

<sup>1</sup>Warren S. Thompson, *Population Problems* (New York: McGraw-Hill Book Company Inc., 1953), p. 305. sional workers. Only in the category of partly-skilled workers did Cagayanos outweight the migrants.

As far as occupation of wives is concerned, Table 4 indicates that the percentage of married women devoting their entire time to household chores was higher among migrants than native wives. That there exists a tendency for native wives to work for pay more often and more extensively than do wives of migrants is confirmed by the fact that more native than migrant women were full-time employees (23.39 vs. 17.79 per cent). One explanation for this discrepancy in em-

| Table 4: | Percentage   | Distribution | of  | Entire   | Sample           | and  | Migrants |
|----------|--------------|--------------|-----|----------|------------------|------|----------|
|          | Sub-Sample 1 | Populations, | By  | Occupa   | tion of <b>V</b> | Wife |          |
|          | Cagay        | yan de Oro   | Pol | olacion, | 1963             |      |          |

|  | Enti   | re Sample | Migrant Sub-Sample |         |
|--|--------|-----------|--------------------|---------|
| Occupation of Wife                         | Number | Percent   | Number             | Percent |
| Total                                      | 2,074  | 100.00    | 236                | 100.00  |
| Housewife                                  | 1,480  | 70.35     | 177                | 75.00   |
| Part-time Manual Work <sup>a</sup>         | 28     | 1.35      | 7                  | 2.97    |
| Part-time Partly Skilled Work <sup>b</sup> | 42     | 2.03      | 7                  | 2.97    |
| Part-time Skilled Work <sup>e</sup>        | 36     | 1.74      | 0                  | 0.00    |
| Part-time Intermediate Work <sup>d</sup>   | 3      | 0.14      | 3                  | 1.27    |
| Full-time Manual Work <sup>a</sup>         | 57     | 2.75      | 1                  | 0.42    |
| Full-time Partly Skilled Work <sup>b</sup> | 210    | 10.13     | 15                 | 6.36    |
| Full-time Skilled Work <sup>e</sup>        | 190    | 9.16      | 20                 | 8.47    |
| Full-time Intermediate                     |        |           |                    |         |
| Occupational Work <sup>d</sup>             | 5      | 0.24      | 3                  | 1.27    |
| Full-time or Part-time                     |        |           |                    |         |
| Professional, Top or High                  |        |           |                    |         |
| Business, etc. <sup>e</sup>                | 23     | 1.11      | 3                  | 1.27    |

<sup>a</sup> Manual: Domestic servants, Lavanderas, Hospital Attendants, etc.

<sup>b</sup> Partly-skilled: Store clerks, Sari-Sari Stores Operators, Hospital technicians (low grade), Waitresses, Typists.

° Skilled: Seamstresses, Beauty Parlor Technicians, Nurses, Teachers (without M.A.), skilled Hospital Technicians, music teachers.

<sup>d</sup> Intermediate: Teachers (with M.A.), Special Nurses, Hospital technicians (upper grade), Music Teachers (upper grade), Administrators in Educational Institutions.

<sup>e</sup> Profession: Doctors, Lawyers, Engineers, High Government Officials, Executives of Large Business Establishments.

ployment patterns of natives and migrants may be found in the higher income, which the generally better trained migrant husbands can command, and which relieves their wives of the burden to help supplement the family budget. A second reason may be the lack of suitable employment opportunities for the better educated migrant women. Table 4 shows that even though there are less full-time employees among migrant women, the proportion working in jobs requiring extensive education and training is larger among migrant women than among their native counterparts.

### Family Income

A final index used in this study to assess labor-force quality was annual family income at the time interview. Other factors being equal, it should be expected that migrants with above-average educational and occupational qualities should receive annual incomes above the average value for Cagayan. On the other hand, migrants with abilities and skills below the average level of the general population of Cagayan should be expected to receive below-average annual incomes.

Table 5 presents the results of the 1963 Cagayan survey. In general, migrant families were receiving higher incomes in 1963 than did native families. The percentage of families with annual incomes of  $\mathbb{P}9,800$  or more was 26.72 per cent for migrant families, in contrast to 21.65 per cent for native families. While there was hardly any difference between migrants and Cagayanos in the income groups receiving  $\mathbb{P}10,000$  or more, differences in the middle income brackets ( $\mathbb{P}9,800$ -10,199) accounted for most of the discrepancies reflected in the median income of both groups,

| Table 5: | Percentage Distribution of Entire Sample and Migrant |  |
|----------|--|--|
|          | Sub-Sample, By Annual Family Income,                 |  |
|          | Cagayan de Oro Poblacion, 1963                       |  |

|                  | Entire Sample |         | Migrant Sub-Sample |         |  |
|------------------|---------------|---------|--------------------|---------|--|
|                  | Number        | Percent | Number             | Percent |  |
| Total            | 2,074         | 100.00  | . 401              | 100.00  |  |
| 0 - 1,499        | 757           | 36.50   | 42                 | 35.37   |  |
| 1,500 - 2,399    | 423           | 20.40   | 78                 | 19.44   |  |
| 2,400 - 3,299    | 271           | 13.06   | 43                 | 10.73   |  |
| 3,300 - 4,799    | . 174         | 8.39    | 31                 | 7.74    |  |
| 4,800 - 6,599    | 152           | 7.33 .  | 40                 | 9.98    |  |
| 6,600 - 8,399    | 73            | 3.52    | 19                 | 4.74    |  |
| 8,400 -10,199    | 47            | 2.27    | 12                 | 3.00    |  |
| 10,200 -11,999   | 16            | 0.77    | . 3                | 0.76    |  |
| 12,000 and Above | 151           | 7.28    | 32                 | 7.63    |  |
| No response      | 10            | 0.48    | 2                  | 0.51    |  |
| MEDIAN INCOME    | ₽1,22         |         | ₽1,260             | )       |  |

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# Conclusion

One tentative conclusion which can be drawn from the data is that Cagayan de Oro, like Manila and probably other cities of the Philippines, is draining its hinterlands of available talents. That the surrounding areas of Cagayan de Oro are experiencing a real brain drain, and that the city is not just the recipient of surplus population from areas plagued by population pressure, is obvious from the above-city averages of migrants in respect to education, occupation, and family income, regardless of whether the migrants have originated in urban or rural places. Since the city is to function as organizer and catalyzer of business, commerce, and production for all of its hinterland, the process of selective migration to the city is a necessary prerequisite enabling the city to successfully discharge this function.

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