

Office of Sen. Manny Villar

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Middle East unrest to impact adversely on PH economy – Villar

The government should start stitching up economic safety nets for the thousands of overseas Filipino workers (OFWs) in the Middle East who will be forcibly repatriated as the regional conflagration escalates, Sen. Manny Villar said yesterday.

Villar said the immediate economic impact of sending home Middle East-based OFWs would be felt in the employment front since they will instantly bloat the jobless statistics.

"The government must be ready with job programs to assimilate homebound OFWs willing to get employment at once," he said.

Villar said TESDA could step in to take lead in providing skill training programs to provide job opportunities for returning OFWs.

He said consumer spending, which was currently riding on the spending appetite of OFW families, will likewise slowdown as more OFWs from Middle East come home.

"The psychological effect to other OFWs and their families not directly affected by the Middle East turmoil would also drive them to be conservative on their spending and ultimately hurt businesses," Villar said.

He said aside from shattered dreams, one big casualty of the Middle East unrest is the expected dwindling of US dollar remittances from OFWs in the region that is being rocked by pro-democracy rallies that is threatening to engulf the entire Arab bloc.

Villar said the Middle East alone is home to more than two million dollar-remitting OFWs, whose monthly remittance could drastically dwindle if the unrest continues.

"The pro-democracy movements in the Middle East are spreading like wildfires and caught in the middle are our OFWs," Villar said.

Villar said OFWs in Bahrain, Yemen, Iran and Libya are now facing bleak employment future because of the protest rallies in its capital cities.

There are more than 31,000 OFWs in Bahrain, 1,500 employed OFWs in Yemen, 26,000 OFWs in Libya, and about 1,000 Filipino workers in Iran.

The senator said he would dread the day when the civil uprising spills over to neighboring Saudi Arabia, which is the biggest employer of OFWs reaching 1.5 million and collectively remitting some \$1.3 billion annually.

According to Villar, the latest order of the government to freeze deployment to Bahrain, Yemen and Libya would further hurt the potential growth in OFW remittances from the region.

He said the government may have to kiss goodbye another banner year of OFW remittances this year because of the Middle East situation.

Villar, who chairs the Senate trade panel, said last year's \$18.76 billion record remittances turned in by OFWs around the globe may now be a difficult to beat or replicate.

“Unless the unrest simmers down soon, the government may have to look for another economic booster other than the dollars sent by OFWs,” he said.

The senator, citing estimates by foreign banks, said even the projected OFW remittances of \$20.5 billion this year is a pipe dream.

Villar earlier called on government to assess the economic impact of the Middle East turmoil to local oil prices and welfare of OFWs in affected capital cities. (end)