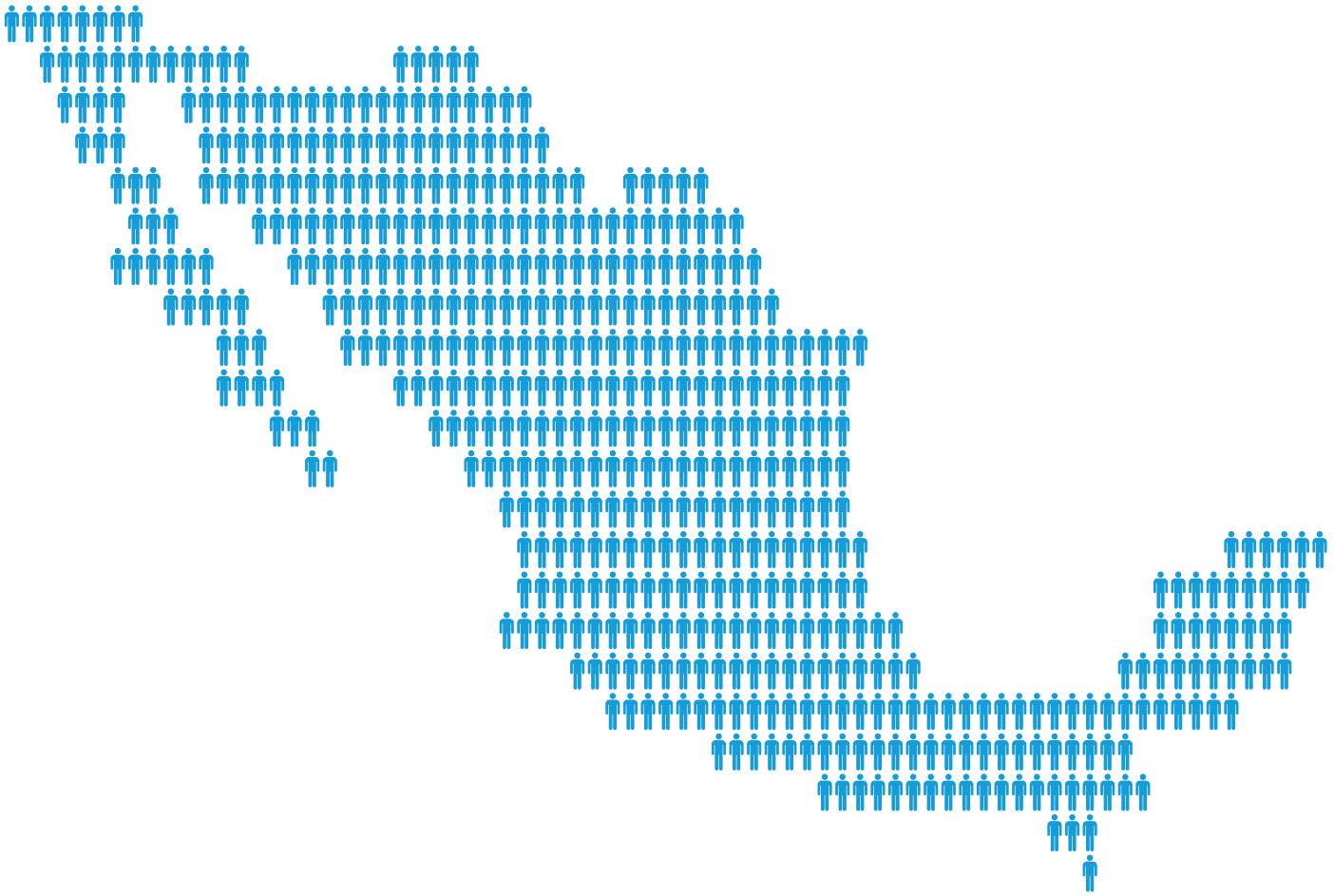
BBVA | RESEARCH

Fundación BBVA Bancomer

BBVA Bancomer

Mexico Migration Outlook

1st HALF 2016 | MEXICO UNIT



01
12.2 million Mexican immigrants in the United States in 2015: Has the period of zero net migration come to an end?

02
DACA 2012-2015: Benefits in terms of employment, social integration, educational and financial inclusion for *dreamers*, but without a path to citizenship

03
In localities with medium, high and very high migratory intensity, minors play a greater role in working life and work more hours per week

This document is a translation of ***Situación Migración México*** whose ISSN is 2007-6932

Fundación
BBVA Bancomer

BBVA Bancomer

The publication ***Mexico Migration Outlook*** is a joint project of BBVA Bancomer Foundation and Mexico Economic Research Department of BBVA Research, which seeks to provide new contributions every six months in the field of Migration studies in order to have a better understanding of this important social movement.

Index

Closing date: May 17, 2016

1. Summary

It is estimated that in 2015, 12.2 million Mexican immigrants were living in the United States: Has the period of zero net migration come to an end?

Estimates based on the Current Population Survey indicate that in 2015 the number of Mexican immigrants in the United States grew to 12.2 million, the highest ever. In recent years the economic recovery seen in the United States has brought the rate of unemployment among Mexican immigrants down to 5.7%, and some part-time jobs have been replaced by full-time ones. The main changes in Mexican migration to the United States between 2010 and 2015 have been: a) fewer new migrants, b) a notable increase in the age of the Mexican migrant population and c) a recovery in employment albeit still at low wages. In a context in which economic recovery in the United States is still not consolidating, we estimate that in the most likely scenario the number of Mexican immigrants in the United States will be fluctuating around 13 million by 2020.

Inflows to Mexico from remittances reached US$24,791.7 million in 2015, the fourth biggest ever yearly figure

Family remittances to Mexico have been running at more than US$20 billion a year since 2005, peaking at US$26,058 million in 2007. As a result of the crisis that started in 2007 in the United States, remittances diminished to just over US$21,303 million in 2010. Since then the flow has slowly recovered, but has not yet returned to the 2007 level. In 2015 these resources amounted to US$24,791.7 million, the fourth biggest ever yearly figure for this inflow to Mexico. Michoacán, Guanajuato, Jalisco, México, Puebla and Oaxaca were the six states receiving the most in remittances in both 2010 and 2015. Tijuana, Puebla and Guadalajara were the municipalities with the biggest remittance receipts in 2015. California (29.6%), Texas (14.2%) and Illinois (5.1%) were the main states in terms of sources of remittances to Mexico, accounting for nearly 50% of the total amount sent in 2015. The United States is also the main destination country for remittances out of Mexico, with US$402.9 million.

Family remittances could grow by 6.3% in 2016 to reach US$26,365 million for the full year

During 2015 remittances to Mexico grew by 4.8% relative to the previous year. During the first half of last year, remittances performed moderately, with the cumulative flow increasing by 3.8% relative to H1 2014. In the second half of the year the performed better, with high rates of YoY growth in monthly inflows, giving a 5.8% YoY increase for the half-year. During the first two months of 2016 the flow of remittances appears to have maintained last year's growing trend, increasing by 16.0% relative to the same two months of 2015. Considering the recent growing trend in remittances, the returns for the first two months of 2016 and the development of US economic fundamentals such as GDP growth and employment, our forecasts show that family remittances to Mexico could grow by 6.3% in 2016 to reach US$26,365 million for the full year. For 2017 we predict that remittances will reach US$27,839 million, representing growth of 5.6%.

Between 2012 and 2015, only 790,000 *dreamers* applied for DACA, out of an estimated potential population of 1.7 million

The Deferred Action for Childhood Arrivals (DACA) is an executive decision initiated in 2012 and promote by President Obama, granting undocumented immigrants known as *dreamers* a two-year exemption from deportation, renewable for a further two years, and the possibility of obtaining a work permit. Although the rejection rate is only 6.1% three years into the programme, between 2012 and 2015 only 790,000 young people applied for deferred action, out of the estimated 1.7 million potential beneficiaries. This low participation may be explained by: a) the limited benefits granted by the programme, b) deep-rooted fear of deportation as a result of providing biometric data and personal particulars, c) the cost of making an application (US$485) and/or d) an overestimate in the calculations of the undocumented population in the United States.

DACA: Benefits in terms of employment, social integration, educational and financial inclusion for dreamers, but without a path to citizenship

From an analysis of official data and from various studies, we find that the majority of DACA beneficiaries were born in Mexico (77.8%), 52.3% are women, 83.5% are aged 24 or less, only 10% are married or living with a partner, 31.7% live in California and 18.0% live in Texas. Three years into the programme, we find that DACA has led to various benefits, such as: possibility of joining the labour market, better paid jobs, better wages per hour worked, documents for processing ID and driving licence, possibility of gaining access to higher levels of education and support for education for which they did not previously qualify, opening first bank account and obtaining first credit card. However, DACA depends on the will of the President in office at any given time, and it does not offer a path to citizenship. The outcome of the 2016 US elections will determine the future not just of DACA but of a possible comprehensive immigration reform.

The migratory intensity of Mexican municipalities seems to be a determining factor in the decision to put minors aged between 5 and 17 to work

Based on data from the 2013 Child Labour Module of the National Occupation and Employment Survey ("ENOE" in the Spanish initials) we analyse the determining factors for child labour in Mexico. By identifying the degree of migratory intensity of the municipality where the minor lives, it is possible to estimate the effect of this characteristic of the household environment on the supply of child labour. In municipalities with medium, high and very high migratory intensity, as well as in municipalities with a high degree of social disadvantage, proportionally more children are involved in work. As for the type of occupation, we see that minors living in municipalities with high migratory intensity tend more often to take informal jobs, not to receive income for their work and to work in farming and agriculture.

In localities with medium, high and very high migratory intensity, on average minors play a greater role in working life and work more hours per week

Based on a Tobit-type econometric model, we estimate a supply function of child labour. Among the main results we find that: a) the parents' level of education is important for reducing the supply of child labour; b) in communities with a medium, high or very high degree of migratory intensity the supply of child labour increases by nearly three hours; and c) having a woman as head of the household increases the supply of child labour by three hours.

2. Situation: Mexican migrants in the US and remittances. Changes and trends 2010-2015

This article starts with an analysis of trends and recent changes in Mexicans' migration to the United States, emphasising the behaviour of various socio-demographic and work-related variables of this population from 2010 to 2015. We then go on to study trends in remittances during this period and present recent data published by Banco de México regarding the monetary inflows of this resource. Lastly, we present BBVA Research's estimates of remittances to be received in Mexico for 2016 and 2017.

2.1. Mexican immigrants in the United States 2010-2015

2.1.1. It is estimated that in 2015, 12.2 million Mexican immigrants were living in the United States: Has the period of zero net migration come to an end?

According to statistics from the Current Population Survey (CPS), in the years prior to the economic recession in the United States, the number of immigrants grew year by year to reach 39.6 million in 2008. The data show that in 2009 the number of immigrants in the US shrank as a result of the crisis; however, one year later, in 2010, there was a recovery in the flow of migrants to the US and sustained growth in the total number of immigrants, which reached nearly 44.6 million in 2015, representing 14.1% of the total population.

Table 2.1
Total population, migrants and Mexican migrants in the United States, 2005-2015 (millions)

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total population	291.2	293.8	296.8	299.1	301.5	304.3	306.1	308.8	310.8	313.1	316.2
Total number of migrants	37.4	37.9	39.5	39.6	38.9	39.9	40.5	42.2	42.3	43.1	44.6
% of total	12.8%	12.9%	13.3%	13.2%	12.9%	13.1%	13.2%	13.7%	13.6%	13.8%	14.1%
Mexican migrants	11.1	11.1	11.8	11.8	11.9	11.9	11.6	11.9	11.8	11.5	12.2
% of total	3.8%	3.8%	4.0%	4.0%	3.9%	3.9%	3.8%	3.8%	3.8%	3.7%	3.9%

Source: BBVA Research, estimates based on the CPS

Within this overall flow, the migratory pattern of those born in Mexico behaved differently: it was expected to resume its growth trend after the US economic recovery, but this did not happen (Aragonés & Salgado, 2014; Escobar Latapí, Lowell, & Martin, 2013). So it was that a growing perception came about among academics, civil society and the media that Mexican migration to the United States could not continue growing at the rates seen in the 15 years prior to the crisis, that there must be some ceiling to the flow of migrants from Mexico in the future, and that that future was possibly already very near. The mismatch between the demand for labour in the US and the supply of Mexican migrant labour force, both documented and undocumented, explains in part why the flow of migrants from Mexico to the US has not followed a growing trend as is the case with migrants of other nationalities (***Mexico Migration Outlook, July 2013***; Levine, 2015).

The term "**zero net migration**" (Alarcón, 2012; Cave, 2011; Durand, 2012; García Zamora, 2012; Passel, Cohn, & Gonzalez-Barrera, 2012) was introduced to refer to this period, which has presented the following characteristics:

a) It consists of the period from 2007 until at least 2014, in which the total number of Mexican immigrants in the United States remained relatively stable at around 11.8 million, implying that the number of Mexican migrants entering the country was similar to the number of migrants returning to Mexico each year.

b) It brought an end to a long period characterised by significant growth in the number of Mexican immigrants living in the United States, starting at the beginning of the 1980s when it was estimated that there were about 2.6 million Mexican immigrants living in the country, of whom 2 million were undocumented (Verduzco, 2000).

c) There has been a decline in the flow of new migrants to the United States, both documented and undocumented, due to the uncertain employment conditions in the country, anti-immigrant policies, the increased financial cost and the risks of migration.

d) There has been a decline in the flow of migrants returning to Mexico due to uncertainty about being able to re-enter the US, which has led many to opt for longer and/or less circular stays. "The 'they can deport me today, I'll be back tomorrow' attitude is a thing of the past" (Durand, 2011).

e) Although the flow of returning migrants has diminished, year after year the total number of Mexicans with experience of migration increases, posing public policy challenges for their reintegration in the labour market, the family, schools and the community.

Despite the foregoing arguments, supplementary data for March of the CPS, supported by the monthly estimates of the survey, indicate that in 2015 the number of Mexican immigrants in the US increased to 12.2 million. This figure is the highest ever seen in the survey's annual estimates. In recent years the economic recovery seen in the US has reduced unemployment, both in general and among Mexican migrants, to similar levels to those seen prior to the economic crisis, and in parallel there has also been a reduction in the number of Mexican immigrants with part-time jobs in favour of full-time employment.

These could be signs that the period of zero net migration is coming to an end and growth in Mexican migration to the United States is about to resume. In any case, we shall have to wait for data from subsequent studies and surveys to see how this demographic flow evolves. In this context, towards 2020 we discern three possible scenarios:

a) If a sustained recovery in economic activity takes hold in the United States, Mexican migration could resume its rapid growth trend as seen in pre-crisis times; this is the least likely scenario.

b) The demographic dynamic between the variables emigration, return and deaths of Mexican migrants from and to the United States could converge to an equilibrium that would keep the size of this population relatively stable at between 11.5 and 12.5 million unless and until there are far-reaching structural or circumstantial changes in policies and conditions in one or other country. This plausible scenario would prolong the duration of the period of zero net migration.

c) In a scenario in which the US and world economies show low or moderate rates of growth and hesitant signs of recovery, existing and new Mexican immigrants will seek to join the dynamic US labour market in competition with natives, children of immigrants, naturalised citizens and migrants from other countries. If this process of adaptation proves successful, the northward flow of Mexican migrants will recover, but at a moderate or low pace. This could be the most likely scenario; in which we estimate that the number of Mexican immigrants in the US by 2020 would fluctuate around 13 million.

2.1.2. Mexican immigrants in the United States 2010-2015: Fewer new migrants; ageing migrant population

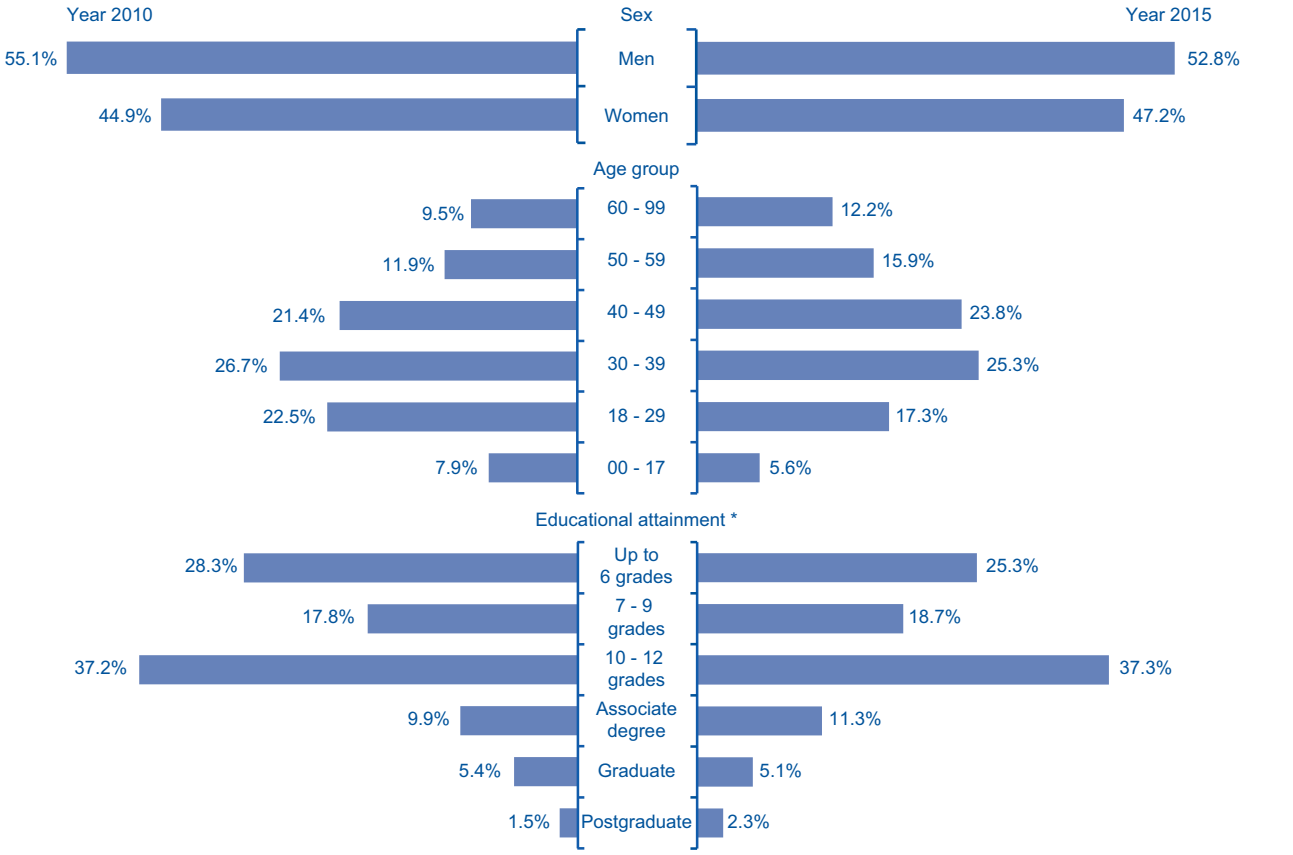
Between 2010 and 2015, changes in the socio-demographic profile of the Mexican migrant population in the United States was characterised by low levels of new migrants from and returnees to Mexico (Durand & Arias, 2014; Ley Cervantes & Peña Muñoz, 2016). Of the 12.2 million Mexican immigrants living in the US in 2015, some 960,000 had entered the country between 2010 and 2015 - just 7.9% of the total. This is fewer than a quarter of the nearly 4 million migrants who had entered in the period 2000-2009 and still lived in the US in 2015.

The data in Figure 2.1 clearly show the ageing of the Mexican migrant population in the US. The 0-39 age group has declined in proportion, while the 40 or over group has increased. The 50-59 age group in the Mexican migrant population increased from 11.9% to 15.9% between 2010 and 2015; while the proportion of 60 or over grew from 9.5% to 12.2%. This ageing of the Mexican immigrant population is mainly due to people migrating, making their lives and growing old in the US; and to a lesser extent to the arrival of elderly family members brought by their children to bring families back together (Li Ng & Nava Bolaños, 2014).

In the same period there was a decline in the number of single-and-never-married people, a phenomenon probably linked to the increase in age of this group; at the same time, we see an increase in the proportion of female migrants, from 44.9% to 47.2%. Data from the Survey on Migration on Mexico's Northern Border (EMIF Norte) also confirm that in the past 15 years the proportion of women in migratory flows to the United States has increased (Ley Cervantes & Peña Muñoz, 2016).

CPS data show that there have been no significant changes in levels of schooling of Mexican immigrants in the United States. In 2015 we saw a slight decline in the proportion of children with nine grades of schooling or fewer, equivalent to a level of studies up to junior-high school and an increase in the number of people with associate and postgraduate studies. As regards the US states where Mexican immigrants live, between 2010 and 2015 we see a substantial decrease in the percentage share of California, from 39.9% to 34.0%, while the biggest increases are seen in Texas, Arizona, Florida and Colorado.

Figure 2.1
Socio-demographic characteristics of Mexican migrants in the United States, 2010 and 2015 (%)



Source: BBVA Research, estimates based on the CPS
Note: * Schooling is calculated for persons aged 25 or more.

Table 2.2
Characteristics of Mexican migrants in the United States, 2010 and 2015 (%)

	2010	2015		2010	2015
Year of arrival in the US	**100.0%**	**100.0%**	**State of residence**	**100.0%**	**100.0%**
Before 1980	15.4%	13.6%	California	39.9%	34.0%
1980-1989	19.4%	16.6%	Texas	20.0%	21.1%
1990-1999	31.5%	29.6%	Arizona	5.1%	6.0%
2000-2009	33.7%	32.4%	Illinois	5.4%	5.7%
2010-2015	0.0%	7.9%	Florida	2.1%	2.8%
			Colorado	1.7%	2.7%
US citizenship	**100.0%**	**100.0%**	Georgia	2.1%	2.5%
With citizenship	25.8%	29.2%	Washington	1.9%	2.4%
Without citizenship	74.2%	70.9%	North Carolina	2.2%	2.0%
			Nevada	1.7%	1.9%
Marital status *	**100.0%**	**100.0%**	New York	1.8%	1.9%
Married	61.2%	63.3%	Indiana	0.8%	1.3%
Widower	2.9%	3.3%	New Jersey	1.6%	1.2%
Divorced	5.5%	6.3%	Oregon	1.3%	1.2%
Separated	4.3%	5.0%	Oklahoma	0.6%	1.1%
Single, never married	26.1%	22.0%	New Mexico	1.0%	1.1%
			Others	11.0%	11.3%

Source: BBVA Research, estimates based on the CPS
Note: * Marital status is calculated for people aged 18 and more.

2.1.3. Recovery of the US labour market: More Mexican immigrants in work, but still with low wages

Estimates based on the CPS indicate that the unemployment rate among Mexican immigrants in the US was 5.7% in 2015, slightly higher than the overall unemployment rate of 5.3% but significantly lower than that of Mexican immigrants in 2010 following the economic crisis (12.6%). This indicates that there has been a recovery in jobs for Mexican immigrants in line with the improved economic and employment conditions observed in the US. The reduction in the number of part-time jobs and increase in the working day are also evidence of the recovery in employment of Mexican immigrants (***Mexico Migration Outlook, November 2012***). Between 2010 and 2015 the proportion of Mexican immigrant workers with fewer than 35 hours work a week fell from 19.4% to 14.7%, while that of those with 45 hours or more increased from 11.2% to 14.7%.

In 2015 Mexican immigrant workers in the United States were mainly concentrated in construction (17.9%), leisure and hospitality (14.2%), manufacturing (13.5%) and professional and business services (13.1%). In comparing this breakdown with that of 2010, we see that the distribution among the various economic activities has remained similar; the most notable changes are the increase in the relative proportion of jobs in construction and in professional and business services. Thus in 2014 and 2015 the construction sector once again positions itself as the main destination of Mexican immigrants' labour force in the US, albeit still far below the 24.7% reached in 2007. This reduced participation in the construction sector following the crisis is seen in all groups of immigrants, particularly those without documents (Passel & Cohn, 2015).

Mexican immigrants in the US were one of the groups with the biggest increases in annual wages between 2010 and 2015, remuneration increasing by 14.7% in real terms; while that of other groups of migrants increased by 4.9% and that of natives by 0.6% in the same period. Nonetheless, Mexican immigrants' wages remain one of the lowest at US$32,000 p.a., 36.2% less than natives and 39.0% less than the average of other immigrants. The low level of education of the Mexican Immigrant population is one of the main variables explaining this difference in average wages received.

Table 2.3
Work characteristics of Mexicans in the United States, 2010 and 2015

	2010	2015		2010	2015
Mexican migrants age 15 and over (thousands)	**11,225**	**11,824**	**Sector of activity (%)**	**100.0%**	**100.0%**
Economically Active Population	7,745	8,047	Construction	16.6%	17.9%
Population in employment	6,769	7,592	Leisure and hospitality	16.6%	14.2%
Unemployed	976	455	Manufacturing	13.8%	13.5%
Economically Inactive Population	3,480	3,776	Professional and business services	12.2%	13.1%
			Wholesale and retail trade	11.5%	11.4%
Rate of participation in workforce	**69.0%**	**68.1%**	Educational and health services	9.2%	8.2%
Unemployment rate	**12.6%**	**5.7%**	Other services, excl. government	6.2%	6.4%
			Agriculture, forestry, fishing and hunting	5.5%	5.8%
Annual wages, main job (Constant 2015 US$)			Transportation and utilities	4.0%	4.5%
			Financial activities	1.9%	2.2%
Natives	49,065	49,363	Public administration	1.1%	1.3%
Mexican migrants	27,469	31,516	Mining	0.5%	0.9%
Other migrants	49,226	51,632	Information	0.9%	0.6%
Hours worked per week in main job (%)	**100.0%**	**100.0%**			
34 or fewer	19.4%	14.7%			
35 to 44	69.4%	70.7%			
45 or more	11.2%	14.7%			

Source: BBVA Research, estimates based on the CPS

2.2. Remittances to Mexico 2010-2015

Mexico is a country with a long tradition of emigration. United Nations figures show it as the country with the second biggest number of emigrants in the world, with 12.3 million. Thus, according to BBVA Research estimates based on the Current Population Survey (CPS), in 2015 there were approximately 36.9 million people of Mexican origin in the United States, of whom 12.2 were immigrants, the remainder being second and third generation, i.e. descended from Mexican immigrants. This means that around 10% of all people born in Mexico now live in the US.

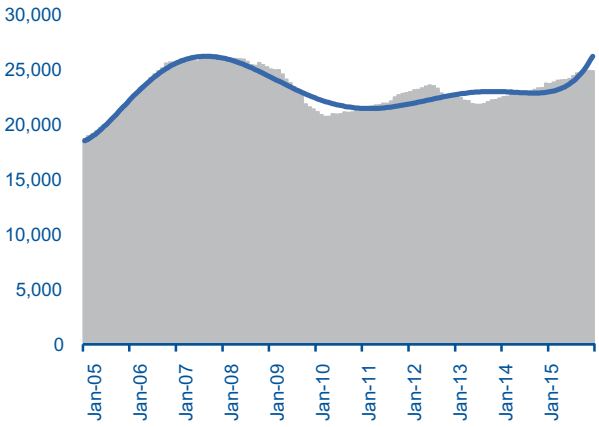
Because of the magnitude of the migratory phenomenon between Mexico and the United States, together with the fact that the majority of people migrating do so in search of work, remittances (meaning transfers in cash or in kind from abroad to individuals or households in the country of origin) take on considerable importance. This annual flow of currency is of great importance, since it is comparable in magnitude to other major sources of currency for the country such as Foreign Direct Investment and income from oil exports; for example in 2015 remittances to Mexico, at US$24,791.7 million, exceeded the value of oil exports, which amounted to US$18,524.4 million.

2.2.1. A general overview of remittances to Mexico

Family remittances to Mexico have been running at more than US$20 billion a year since 2005, peaking at US$26,059 million in 2007. As a result of the crisis that started in 2007 in the United States, remittances diminished to just over US$21,304 million in 2010. Since then remittances to Mexico have slowly recovered, but have not yet returned to the 2007 level. In 2015 these resources amounted to US$24,791.7 million, the fourth biggest ever yearly figure for this inflow to Mexico.

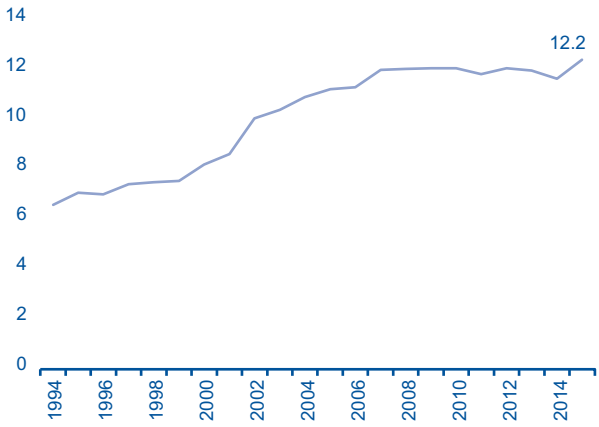
The number of Mexican immigrants in the United States is a major determining factor explaining the volume and dynamics of the flow of remittances to Mexico. From 2008 to 2014 the number of Mexican immigrants in the US held steady at an average of 11.8 million. However, according to a recent study by the Pew Research Center (PRC), from 2009 to 2014 the number of Mexicans emigrating to the United States was for the first time fewer (by 140,000) than the number of returning migrants, which seems to be evidence of a shift in the migratory dynamics between the two countries, raising the question as to whether it will have a significant effect on remittances in the short and/or long term.

Figure 2.2
Cumulative 12-month flow of remittances to Mexico (US$ millions)



Source. BBVA Research with Banco de México data

Figure 2.3
Mexican migrants in the United States (millions)



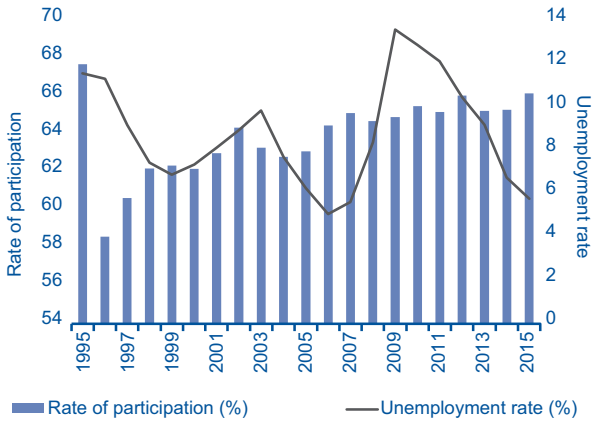
Source: BBVA Research, estimates based on the CPS

Despite this apparent change in the migratory dynamic, various studies point to other factors apart from the number of migrants as determinant for the sending of remittances, such as employment, costs of sending, the exchange rate, etc. In the case of Mexico there is strong statistical evidence to show that the behaviour of remittances is mainly explained by two variables: 1) the employment of Mexican immigrants in the US (in the long term) and 2) movements in the exchange rate (in the short term) (***Economic Watch, BBVA Research, 2012***).

According to this argument, the fall in annual flows of remittances from 2007 to 2010 was due mainly to the economic crisis in the US, which led to increased levels of unemployment in the immigrant population. The unemployment rate for Mexican immigrants in the US increased gradually from 2007 to reach 13.3% in 2009. Since then unemployment among Mexican immigrants has declined gradually to reach 5.7% in 2015, comparable to the levels recorded in the pre-crisis period, which might have encouraged the sending of remittances since 2011.

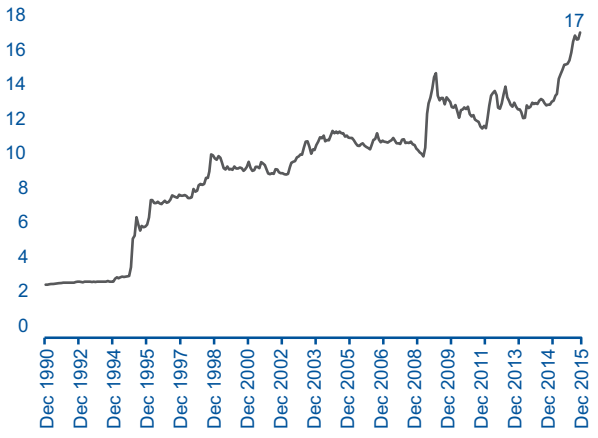
On the other hand, despite the fact that the exchange rate showed a high degree of volatility during 2015, reaching all-time highs towards the end of the year and the beginning of 2016, associated with the effects of the fall in oil prices, between 2009 and 2014 it held steady at around 13.3 pesos to the dollar, having little effect on remittances. However, the appreciation of the dollar in 2015 acted as an incentive to send remittances.

Figure 2.4
Rate of participation in the labour market and unemployment rate of Mexican immigrants in the US (%)



Source: BBVA Research, estimates based on the CPS

Figure 2.5
Monthly average exchange rate (pesos to the dollar)



Source: BBVA Research with Banco de México data

2.2.2. A comparison between remittances in 2010 and 2015

Family remittances to Mexico increased at an annual average rate of 3.1% between 2010 and 2015, from US$21,303.9 million to US$24,791.7 million. Most of these funds are sent by electronic transfer. In 2010, 96.6% were sent by this means, and in 2015 US$24,145.5 million were sent through this channel, equivalent to 97.4% of total remittances, growing at an annual average rate of 3.2%.

Table 2.4
Family remittances to Mexico by method of sending 2010-2015 (US$ millions, thousands of transactions and %)

Method of sending	2010	Dist. %	2015	Dist. %	Inc. annual ave. %
Total remittances	**21,303.9**	**100.0%**	**24,791.7**	**100.0%**	**3.1%**
Money orders	389.7	1.8%	162.2	0.7%	-16.1%
Personal checks	0.0	0.0%	0.0	0.0%	-
Electronic transfers	20,583.3	96.6%	24,145.5	97.4%	3.2%
Cash and kind	330.9	1.6%	484.0	2.0%	7.9%
Total transactions	**67,535.6**	**100.0%**	**84,706.5**	**100.0%**	**4.6%**
Money Orders	816.1	1.2%	303.4	0.4%	-18.0%
Personal checks	0.0	0.0%	0.0	0.0%	-
Electronic transfers	65,930.0	97.6%	83,146.1	98.1%	4.7%
Cash and kind	789.4	1.2%	1,282.4	1.5%	10.2%
Average remittance	**314.9**		**292.5**		**-1.5%**

Source: BBVA Research with Banco de México data

As for the distribution of remittances by Mexican state, no changes are seen in the main receiving states and those with the smallest shares. Michoacán, Guanajuato, Jalisco, México, Puebla and Oaxaca were the six main recipient states in both 2010 and 2015, with a combined share of 45.3% in 2015, slightly less than in 2010 when they accounted for 47.8% of the total. On the other hand, Baja California Sur, Campeche, Quintana Roo, Tabasco, Yucatán and Colima remained the states with the smallest shares in the receipt of remittances, together accounting for 2.9% of the total in 2015.

Table 2.5
Distribution of remittances by state 2010-2015 (US$ millions and %)

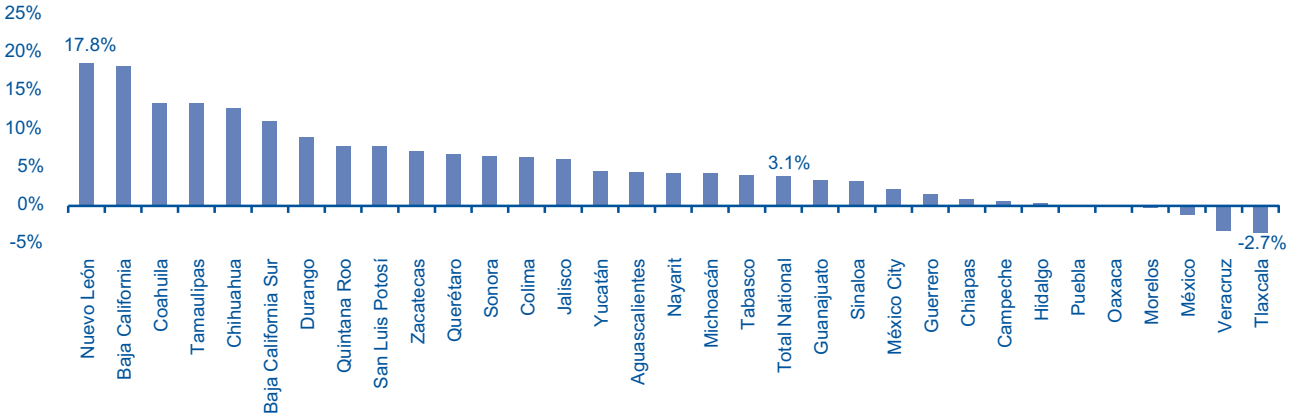
State	2010	Dist. %	2015	Dist. %	Change	Positions
National total	**21,303.9**	**100.0%**	**24,791.7**	**100.0%**		
Michoacán	2,144.5	10.1%	2,532.7	10.2%	Unchanged —	0
Guanajuato	1,981.3	9.3%	2,264.1	9.1%	Unchanged —	0
Jalisco	1,755.6	8.2%	2,219.2	9.0%	Unchanged —	0
State of Mexico	1,637.6	7.7%	1,561.6	6.3%	Unchanged —	0
Puebla	1,371.2	6.4%	1,371.7	5.5%	Unchanged —	0
Oaxaca	1,296.5	6.1%	1,289.7	5.2%	Unchanged —	0
Guerrero	1,201.5	5.6%	1,278.1	5.2%	Up ▲	1
Mexico City	999.3	4.7%	1,090.6	4.4%	Up ▲	1
Veracruz	1,237.4	5.8%	1,086.4	4.4%	Down ▼	-2
San Luis Potosí	629.5	3.0%	849.7	3.4%	Up ▲	1
Zacatecas	581.7	2.7%	767.5	3.1%	Up ▲	1
Hidalgo	715.5	3.4%	725.7	2.9%	Down ▼	-2
Baja California	348.0	1.6%	681.4	2.7%	Up ▲	7
Tamaulipas	402.3	1.9%	665.2	2.7%	Up ▲	2
Nuevo León	284.0	1.3%	644.6	2.6%	Up ▲	9
Chihuahua	397.8	1.9%	643.7	2.6%	Up ▲	1
Chiapas	574.5	2.7%	593.7	2.4%	Down ▼	-4
Morelos	554.9	2.6%	551.2	2.2%	Down ▼	-4
Durango	379.1	1.8%	533.7	2.2%	Down ▼	-1
Sinaloa	470.2	2.2%	533.4	2.2%	Down ▼	-5
Querétaro	354.5	1.7%	460.2	1.9%	Down ▼	-2
Nayarit	337.4	1.6%	399.8	1.6%	Down ▼	-1
Coahuila	234.0	1.1%	387.2	1.6%	Up ▲	3
Sonora	292.0	1.4%	375.9	1.5%	Down ▼	-1
Aguascalientes	293.9	1.4%	350.0	1.4%	Down ▼	-3
Tlaxcala	258.5	1.2%	224.9	0.9%	Down ▼	-1
Colima	171.5	0.8%	219.3	0.9%	Unchanged —	0
Yucatán	112.7	0.5%	134.7	0.5%	Unchanged —	0
Tabasco	111.3	0.5%	130.2	0.5%	Unchanged —	0
Quintana Roo	86.8	0.4%	117.5	0.5%	Unchanged —	0
Campeche	55.1	0.3%	56.5	0.2%	Unchanged —	0
Baja California Sur	33.7	0.2%	51.3	0.2%	Unchanged —	0

Source: In-house based on Banco de México figures

The biggest changes were seen in the states with intermediate shares in the distribution of remittances. The states of Nuevo León (9 places), Baja California (7 places) and Coahuila (3 places) were those with the biggest increases in their shares relative to 2010, while Sinaloa (-5 places), Chiapas (-4 places) and Morelos (-4 places) slipped down the ranking of shares in remittances in 2015.

The states showing the greatest dynamics in the receipt of remittances between 2010 and 2015 were Nuevo León, Baja California and Coahuila, with annual average growth rates of over 10%. In general, we can see that the change in distribution of remittances to Mexico in terms of states follows the dynamic they experienced between 2010 and 2015.

Figure 2.6
Average annual increase in remittances by state 2010-2015 (%)



Source: BBVA Research with Banco de México data

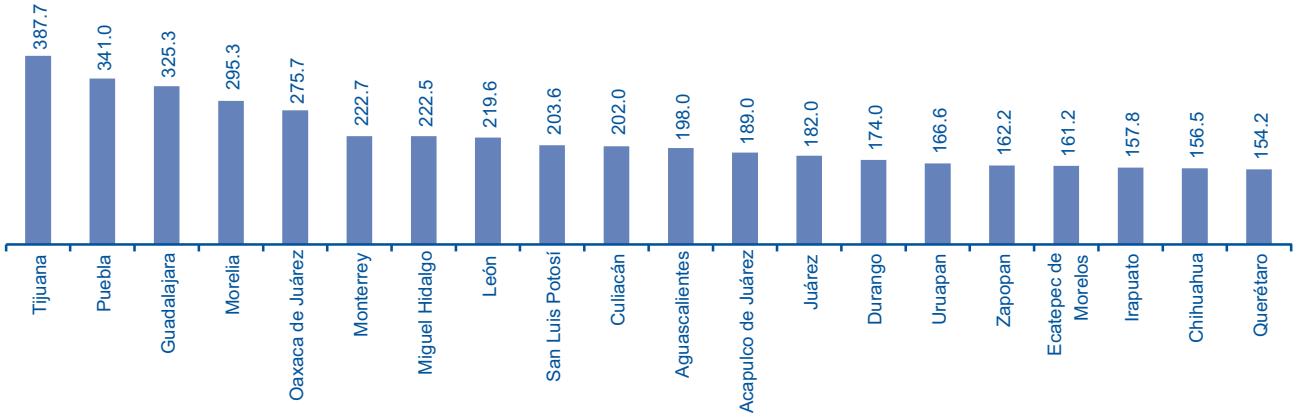
2.2.3. Innovations introduced in measuring remittances: municipality level, US state of origin, country of origin and destination country

Remittances by municipality

One of the main innovations in the measurement of remittances to Mexico is their recording at municipality level. This disaggregation allows us to identify the most important municipalities in the receipt of remittances as well as other characteristics such as concentration within states and changes in patterns of receipt of remittances.

Tijuana, Puebla and Guadalajara were the main recipients of remittances in 2015 at municipality level, these three cities concentrating just over US$1.05 billion, equivalent to 4.3% of the total received in 2015 and evidence of the degree of concentration of remittances to Mexico. In addition to the foregoing, the data show that 771 municipalities did not receive any remittances in 2015, whereas 1,717 did. Of the municipalities receiving remittances, just 118, 6.9%, accounted for more than 50% of the total amount in 2015.

Figure 2.7
The 20 main municipalities receiving remittances in 2015 (US$ millions)

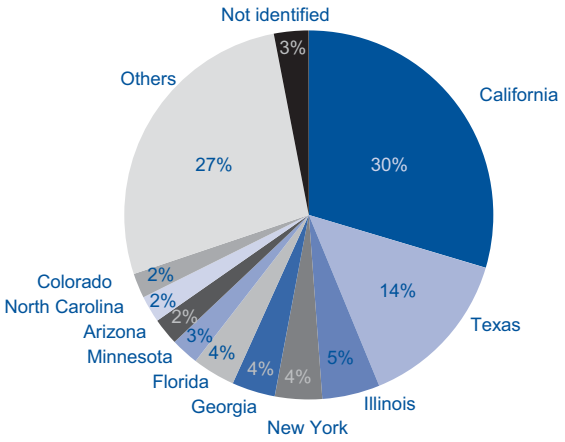


Source: BBVA Research with Banco de México data

Remittances by US state of origin

In 2015 Mexico received a total of US$23,683.8 million in remittances from the United States. This represented 96.6% of total remittances for the year, reflecting the fact that the majority of Mexican emigrants are there. Similarly the breakdown of remittances by US state of origin reflects the distribution of Mexican immigrants in the country. California (29.6%), Texas (14.2%) and Illinois (5.1%) were the main states in terms of sources of remittances to Mexico, accounting for nearly 50% of the total amount sent in 2015.

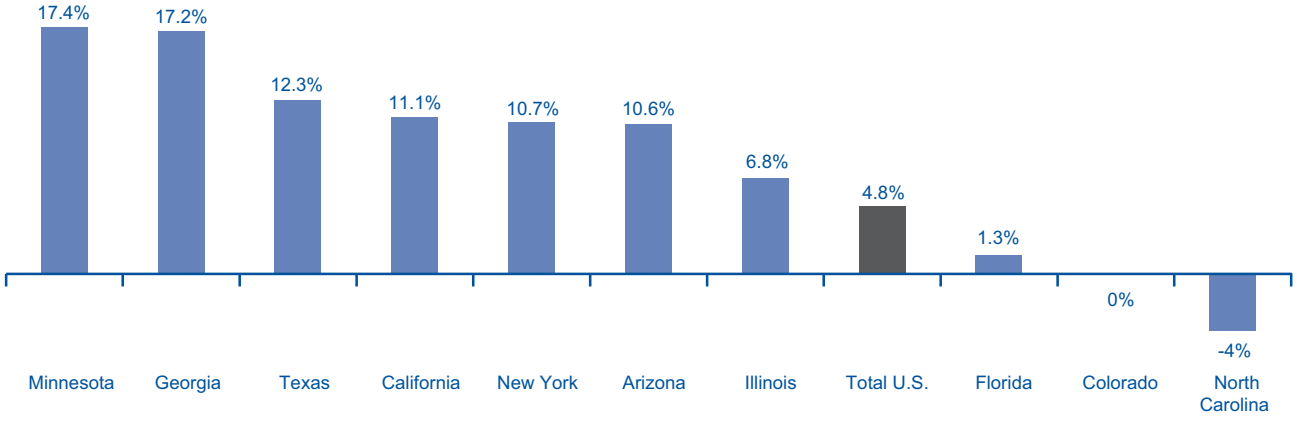
Figure 2.8
Main US states of origin of remittances in 2015 (%)



Source: BBVA Research with Banco de México data

The states with the biggest shares in the sending of remittances also showed above average performance, but grew by less than other states with smaller shares such as Minnesota and Georgia with average annual growth rates of more than 17% between 2013 and 2015.

Figure 2.9
Average annual increase in remittances to Mexico from the US, main states 2013-2015 (%)



Source: BBVA Research with Banco de México data

Remittances by country of origin

The United States, with US$23,683.8 million in 2015, is the main country of origin of remittances received by Mexico, with 95.5% of the total. The remaining 2.4%, equivalent to US$589.4 million, is also highly concentrated. Canada is the second most important country of origin of remittances to Mexico, with barely US$254.4 million in 2015.

Table 2.6
Remittances to Mexico by country of origin, 2013-2015 (US$ millions)

Country	2013	Dist. %	2014	Dist. %	2015	Dist %
Total	**22,302.8**	**100.0%**	**23,647.3**	**100.0%**	**24,791.7**	**100.0%**
United States	21,579.8	96.8%	22,799.8	96.4%	23,683.8	95.5%
Other countries	411.9	1.8%	349.6	1.5%	518.6	2.1%
Not identified	311.0	1.4%	497.8	2.1%	497.8	2.0%
			Countries other than the US			
Canada	230.1	55.9%	172.3	49.3%	254.4	43.2%
Guatemala	38.4	9.3%	33.8	9.7%	28.4	4.8%
Colombia	6.6	1.6%	3.0	0.9%	28.1	4.8%
Spain	18.5	4.5%	16.5	4.7%	26.5	4.5%
El Salvador	27.7	6.7%	35.8	10.2%	25.0	4.2%
Chile	3.6	0.9%	2.7	0.8%	20.2	3.4%
Ecuador	6.4	1.6%	7.8	2.2%	19.2	3.3%
Dominican Republic	1.7	0.4%	1.2	0.3%	19.2	3.3%
Honduras	19.8	4.8%	25.7	7.4%	17.4	3.0%
United Kingdom	5.2	1.3%	6.2	1.8%	16.5	2.8%
Others	53.9	13.1%	44.5	12.7%	134.5	22.8%

Source: BBVA Research with Banco de México data

Remittances by destination country

In 2015 US$810.6 million was remitted from Mexico to other countries. The United States was the main destination country for remittances from Mexico, with US$402.9 million, equivalent to nearly half of all remittances from Mexico. Colombia and China were in second and third place with much smaller amounts below US$90 million.

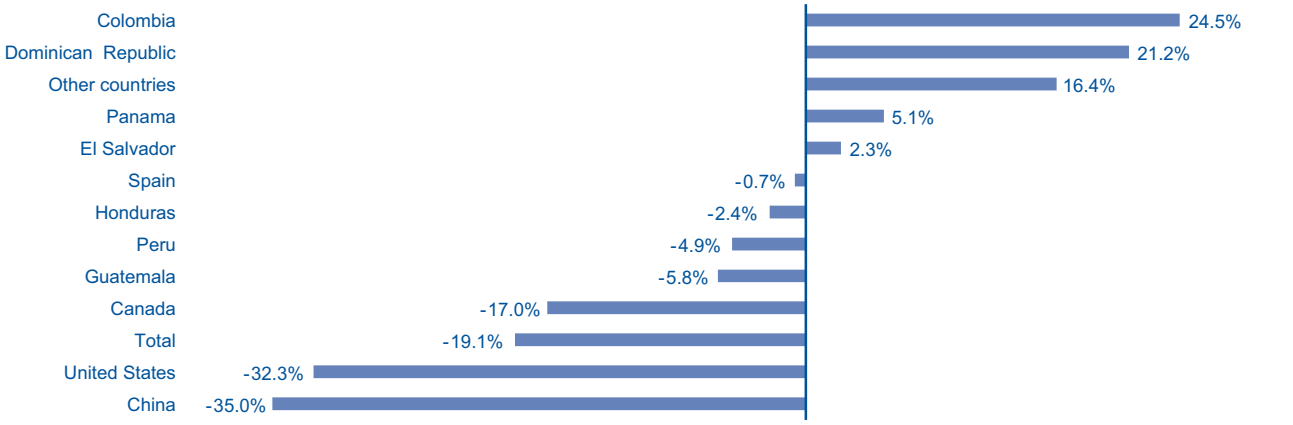
Table 2.7
Annual flow of family remittances from Mexico by destination country, 2013-2015 (US$ millions and %)

Destination country	2013	Share %	2014	Share %	2015	Share %
Total	**867.0**	**100.0%**	**1001.8**	**100.0%**	**810.6**	**100.0%**
United States	421.0	48.6%	595.2	59.4%	402.9	49.7%
Colombia	61.8	7.1%	68.9	6.9%	85.8	10.6%
China	129.6	14.9%	114.7	11.4%	74.5	9.2%
Guatemala	27.3	3.2%	36.8	3.7%	34.7	4.3%
Peru	32.0	3.7%	33.0	3.3%	31.4	3.9%
Honduras	20.0	2.3%	24.7	2.5%	24.1	3.0%
Spain	20.4	2.4%	10.6	1.1%	10.5	1.3%
Canada	12.5	1.4%	11.5	1.2%	9.6	1.2%
Dominican Republic	16.3	1.9%	7.0	0.7%	8.5	1.0%
Panama	9.2	1.1%	7.7	0.8%	8.0	1.0%
El Salvador	7.3	0.8%	7.3	0.7%	7.5	0.9%
Other countries	106.5	12.3%	80.3	8.0%	93.5	11.5%
Not identified	3.0	0.3%	4.2	0.4%	19.7	2.4%

Source: BBVA Research with Banco de México data

Remittances from Mexico also showed a significant fall in 2015, equivalent to 19.1% relative to the amount sent out in 2014. The destination countries with the biggest decreases were China (35.0%) and the United States (32.3%). In contrast there were countries to which the flow of remittances from Mexico increased, as in the case of Colombia (24.5%) and the Dominican Republic (21.2%).

Figure 2.10
Main destination countries for remittances from Mexico 2014-2015 (% change)



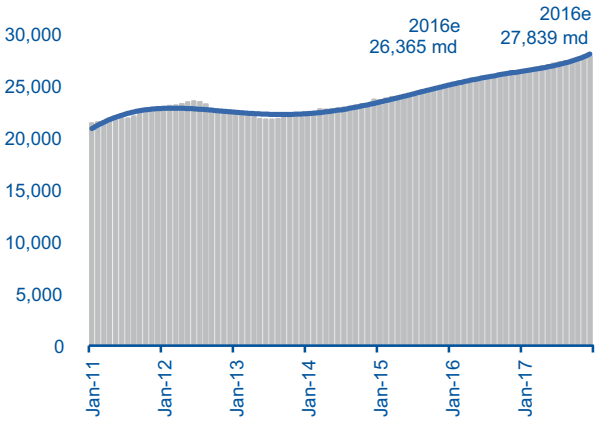
Source: BBVA Research with Banco de México data

2.3. Forecast remittances 2016-2017

During 2015 remittances to Mexico reached US$24,791.7 million, with an annual growth rate of 4.8%. This flow of funds into Mexico performed unevenly over the course of 2015. During the first half of last year, remittances performed moderately, with the cumulative flow increasing by 3.8% relative to H1 2014. In the second half of the year the performed better, with high rates of YoY growth in monthly inflows, giving a 5.8% YoY increase for the half-year. During the first two months of 2016 the flow of remittances appears to have maintained last year's growing trend, increasing by 16.0% relative to the same two months of 2015.

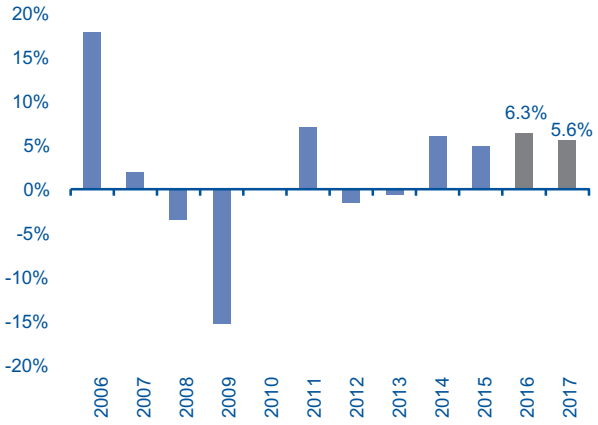
Considering the recent growing trend in remittances, the data for the first two months of 2016 and the evolvement of US economic fundamentals such as GDP growth and employment, our forecasts show that family remittances could grow by 6.3% in 2016 to reach US$26,365 million for the full year. For 2017 we predict that remittances will reach US$27,839 million, representing growth of 5.6%.

Figure 2.11
Cumulative 12-month flow of remittances to Mexico (US$ millions)



Source: BBVA Research with Banco de México data

Figure 2.12
Growth rate of the annual flow of remittances to Mexico (%)

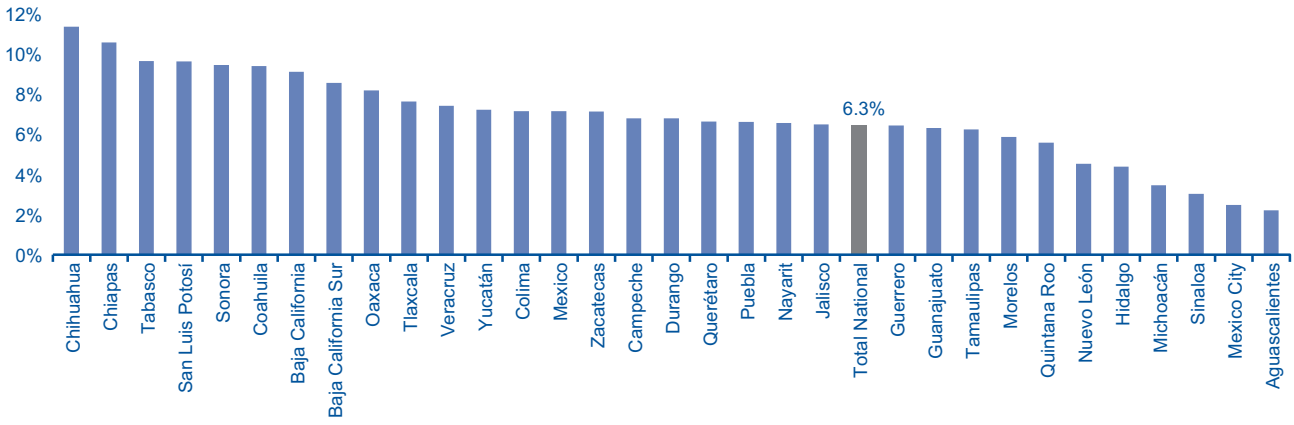


Source: BBVA Research with Banco de México data

Our estimates of the flow of remittances by state show that the states that could see the highest rates of growth in 2016 are Chihuahua (11.2%), Chiapas (10.4%) and Tabasco (9.5%), while in absolute terms the biggest inflows for the full year would go to Michoacán (US$2,617.7 million), Guanajuato (US$2,404.4 million) and Jalisco (US$2,360.9 million).

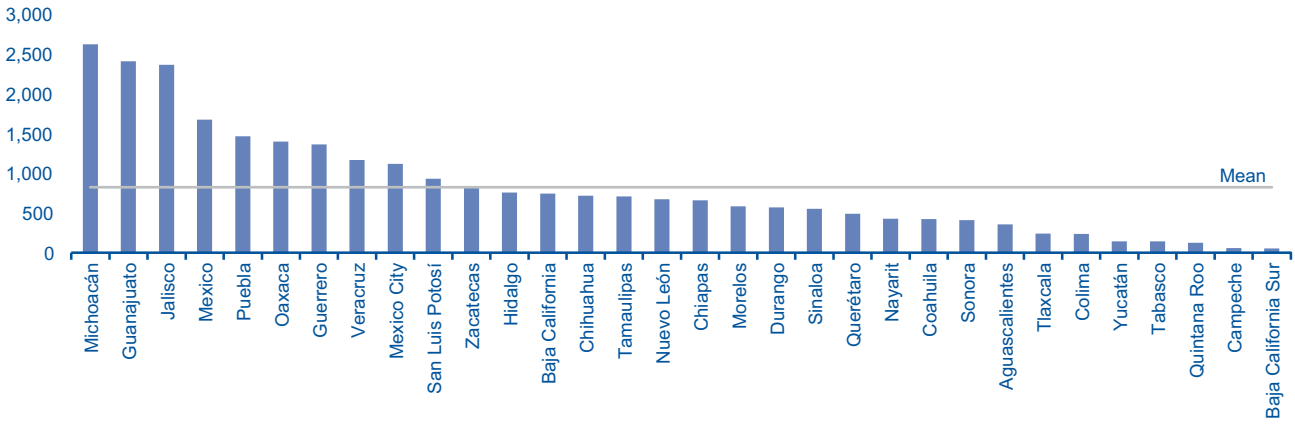
The states likely to show the lowest growth rates are Sinaloa (2.9%), Mexico City (2.4%) and Aguascalientes (2.1%), while in absolute terms Quintana Roo (US$123.9 million), Campeche (US$60.2 million) and Baja California Sur (US$55.6 million) would be those with the smallest volumes of total remittances for the year.

Figure 2.13
Estimated family remittances to Mexico by State, 2016e (Change % US$ millions)



e: BBVA Research estimate.
Source: BBVA Research estimate based on Banco de México figures

Figure 2.14
Estimated family remittances to Mexico by State, 2016e (US$ millions)



e: BBVA Research estimate.
Source: BBVA Research estimate based on Banco de México figures

References

Alarcón, R. (2012). *El debate sobre la migración cero. Letras Migratorias Newsletter*. Mexico City: CONAPO.

Aragonés, A. M., & Salgado, U. (2014). Nuevo patrón migratorio bajo el contexto de la crisis. In A. M. Aragonés (Ed.), *Crisis económica y migración* (pp. 237-270). Mexico City: UNAM-IIE.

Cave, D. (2011, July 6). Better lives for Mexican cut allure of going North. *The New York Times*. Recovered from http://www.nytimes.com/interactive/2011/07/06/world/americas/immigration.html

Durand, J. (2011, July 17). Migración a la baja. *La Jornada*. Recovered from http://www.jornada.unam.mx/2011/07/17/opinion/019a2pol

Durand, J. (2012, August 12). Nueva etapa migratoria. *La Jornada*. Recovered from http://www.jornada.unam.mx/2012/08/12/opinion/022a2pol

Durand, J., & Arias, P. (2014). Escenarios locales del colapso migratorio. Indicios desde los Altos de Jalisco. *Papeles de Población*, 20(81), 165-192.

Escobar Latapí, A., Lowell, L., & Martin, S. (2013). *Diálogo Binacional sobre Migrantes Mexicanos en Estados Unidos y México. Reporte final*. CIESAS - Georgetown University.

García Zamora, R. (2012). Cero migración: Declive de la migración internacional y el reto del empleo nacional. *Migraciones Internacionales*, 6(4 Jul-Dec), 273-284.

Levine, E. (2015). ¿Por qué disminuyó la migración México-Estados Unidos a partir de 2008? *Problemas del Desarrollo*, 46(182), 9-40. http://doi.org/10.1016/j.rpd.2015.02.001

Ley Cervantes, M., & Peña Muñoz, J. (2016). *20 temas actuales y relevantes sobre la migración en México*. Tijuana, BC: El Colegio de la Frontera Norte.

Li Ng, J. J., & Nava Bolaños, I. (2014). Los adultos mayores migrantes mexicanos en Estados Unidos. In *La situación demográfica de México 2014* (pp. 201-219). México: CONAPO. Recovered from http://www.conapo.gob.mx/work/models/CONAPO/Resource/2422/1/images/La_Situacion_Demografica_de_Mexico_2014.pdf

Passel, J., & Cohn, D. (2015). *Share of unauthorized immigrant workers in production, construction jobs falls since 2007*. Washington, DC: Pew Research Center.

Passel, J., Cohn, D., & Gonzalez-Barrera, A. (2012). *Net migration from Mexico falls to zero - and perhaps less*. Washington, DC: Pew Research Center.

Verduzco, G. (2000). La migración mexicana a Estados Unidos. Estructuración de una selectividad histórica. In R. Tuirán (Ed.), *Migración México-Estados Unidos: Continuidad y cambio*. (pp. 12-32). Cd. de México: CONAPO.

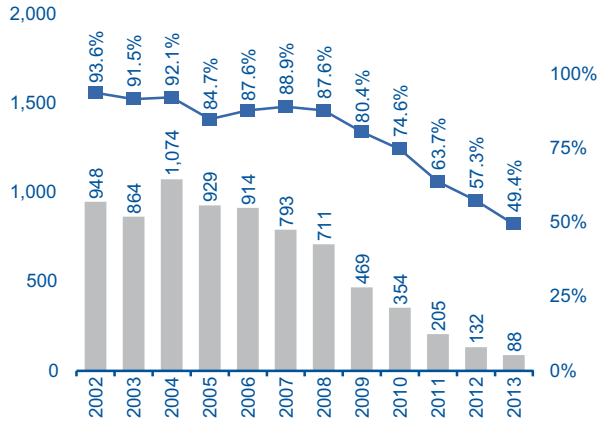
3. Deferred Action for Childhood Arrivals (DACA), 2012-2015

3.1. Background

The period covered by the two Obama administrations has been characterised by an increase in the number of deportations of immigrants from the interior of the United States (Fundación BBVA Bancomer, BBVA Research, & CONAPO, 2015). Unlike previous periods when the majority of deportations and most of the efforts of the immigration authorities were concentrated in the work of the Border Patrol along the border with Mexico, during Obama's presidency we have seen a significant increase in search, detention and deportation actions directed at undocumented immigrants in the interior of the United States,[1] who are characterised in general by being more settled and integrated in the US.

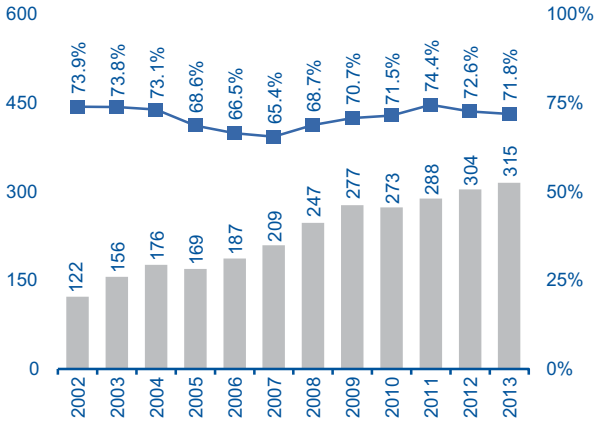
The deportation of these migrants, who in many cases had family and children with US nationality, involved splitting up families and increasing the fear in their workplaces and communities of possible migrant "round-ups" or "raids". "Every deportation involves a separation, and every separation is accompanied by a family tragedy" (Meza González, 2014). These deportations affected hundreds of thousands of undocumented immigrants with long-standing roots in the US, mainly Hispanics and in particular those of Mexican origin (Durand, 2013). Thus in various states and cities of the United States we saw demonstrations in favour of halting the deportation of immigrants and passing comprehensive immigration reforms allowing the approximately 12 million undocumented immigrants in the country to regularise their situation (Calderón Chelius, 2013).

Figure 3.1
Mexican migrants returned by the US immigration authorities (thousands and % of total returned)



Note: "Returned" means found not to be admissible and either joining a voluntary repatriation programme or being repatriated without an expulsion order.
Source: BBVA Research based on the Yearbook of Immigration Statistics, 2002-2013

Figure 3.2
Mexican migrants removed by the US immigration authorities (thousands and % of total removed)



Note: "Removed" means repatriated on the basis of a deportation order.
Source: BBVA Research based on the Yearbook of Immigration Statistics, 2002-2013

[1] Meza González (2014) carries out a comparative analysis of the dynamics of people returned and removed by the US immigration authorities during the Obama administration.

Among the protesters was a special group known as dreamers[2], which included university students, graduates and even postgraduates, in other words individuals who are well aware of the social and political environment in which they move and of their rights. During the first Obama administration, and more notably in the presidential election campaign of 2012, various groups of dreamers, as well as other groups and organisations sympathetic to the cause held public demonstrations and made appeals in the media and on the social networks asking the president to halt the separation of families and the deportation of these young people (Collingwood, Gross, & Pedraza, 2014; Durand, 2012; Le, 2011; Maestas, 2012; Preston, 2012). Also, even among factions opposed to comprehensive immigration reform there were discussions about supporting these young people, since the skills they had acquired through education and their age could make them useful contributors to the development of the United States.

3.2. Start and implementation of DACA

It is possible that the aforementioned factors contributed to some extent to President Obama's announcing on 15 June 2012 in a press conference that his administration would implement new immigration policies aimed at benefiting undocumented young people who had been brought to the US as children and who had a certain level of education, particularly the group referred to as the dreamers (The White House, 2012a; DHS, 2012). Through the Department of Homeland Security (DHS) the prosecutorial discretion would be exercised and there would be an immediate halt to searches for and deportations of these young people. In this way, if a comprehensive immigration reform were to be passed by Congress, these young people would be able to regularise their immigrant status and subsequently aspire to obtaining US citizenship if they so wished.

On 15 August 2012 (The White House, 2012b) the DHS started accepting applications for the consideration of Deferred Action for Childhood Arrivals (DACA), which can grant undocumented immigrants meeting the established criteria a document exempting them from deportation or, where deportation proceedings are under way, suspending them. Moreover it offers the possibility of obtaining a work permit for the US for the period of validity of the deferred action. This migratory relief has a validity of two years and can be renewed for a further two-year period. However, DACA is not a right or a law, but an executive action exercising the prosecutorial discretion of the immigration authority, and as such does not confer "legal" immigration status or a path to obtaining citizenship.

An individual can apply for DACA if he or she:

1. arrived in the US before reaching his or her 16th birthday;
2. was under the age of 31 on 15 June 2012;
3. has continuously resided in the US since 15 June 2007 up to the time of applying;
4. was physically present in the US on 15 June 2012, and at the time of applying for consideration of deferred action.
5. had no lawful status on 15 June 2012 (includes those who have never had lawful status and those who have had it but it had expired before 15 June 2012).
6. is currently in school, has graduated or obtained a certificate of completion from high school, has obtained a general education development (GED) certificate, or is an honourably discharged veteran of the Coast Guard or Armed Forces of the United States;

[2] The term dreamers is used generally to refer to undocumented immigrants who were brought to the US as children by their parents or other relative and have lived and/or studied much of their lives in the US. In Latin American countries the English word or the Spanish or Portuguese translations soñadores or sonhadores (which of course miss the punning reference to the act) are used interchangeably to refer to this group of people. The term is also seen as a direct allusion to the "American dream". The name of the proposed Development, Relief and Education for Alien Minors Act (DREAM Act) was carefully chosen so that its acronym would refer to the American dream and to this group of people. Thus another connotation of the term dreamers is a reference to those who might benefit if the act were passed.

7. has not been convicted of a felony, significant misdemeanour or three or more other misdemeanours, and does not otherwise pose a threat to national security or public safety. (USCIS, 2015).

Persons wishing to request consideration for DACA must provide documentary evidence allowing the immigration authority to check that all the aforementioned requirements are met. They must complete the DACA request form (form I-821D) and, if applying for a work permit, form I-765 and worksheet I-765WS. The forms and documentary evidence must then be sent by post to the United States Citizenship and Immigrations Services (USCIS) together with payment of US$465 (US$380 for the handling cost plus US$85 for the biometric services for taking fingerprints and photographs).

Once the USCIS has checked to see that the application is complete, it will inform the applicant of the date and time for going to provide biometric data. If the request for DACA is approved, form I-797, notification of action, is sent by post to the applicants indicating the start and end dates of the deferred action, which has a duration of two years. If a work permit is also authorised, resolution I-766 is sent separately to the applicant. With these documents, and depending on the legislation of each state, dreamers can also apply for a driving licence and a state ID card.

For renewals of DACA, the USCIS encourages people to apply between 120 and 150 days prior to the expiry of the deferred action so as to be sure of obtaining the relevant documents in good time. The USCIS started receiving applications for renewals in 2014. Applicant must complete the same forms as for the initial application and pay the same fees again. Unless there has been a change of address or other changes in the applicant's situation, the DACA renewal process does not require any documentary evidence in addition to that provided with the initial application. Renewal of DACA confers migratory relief and extension of the work permit for another two years.

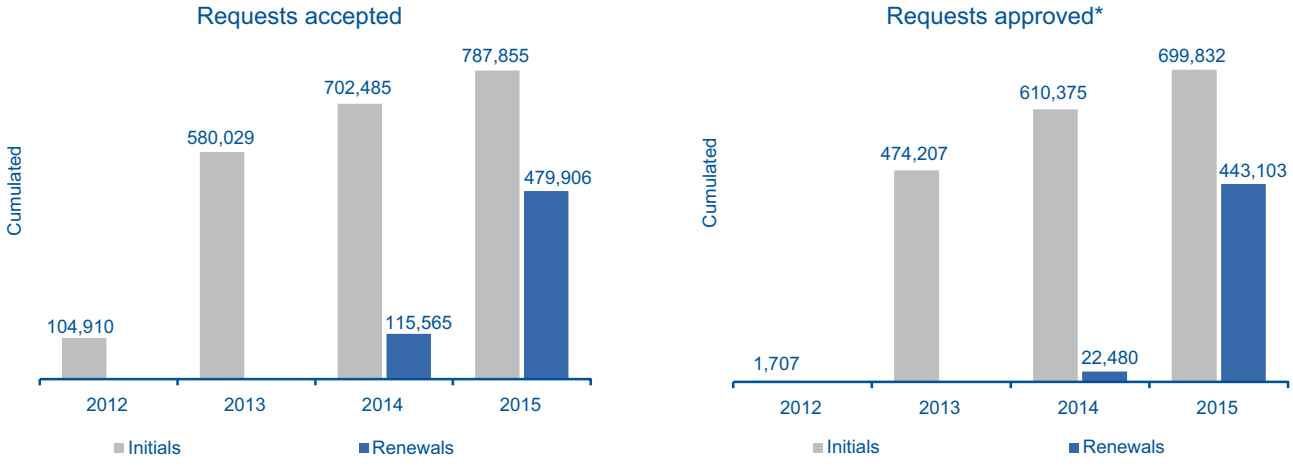
3.3. Potential population, applicants and approvals for DACA

In the weeks either side of the start date of DACA, the Pew Research Center (PRC) and the Migration Policy Institute (MPI) each independently published its estimates of the number of potential beneficiaries of the programme. Both institutions estimated that just over 1.7 undocumented young immigrants living in the US might benefit from this deferred action (Batalova & Mittelstadt, 2012; Passel & Lopez, 2012). The PRC's calculations indicated that 950,000 young immigrants could apply immediately for deferred action, while the remainder would be able to meet the requirements in the next few years, because of the minimum age requirement or the required level of education. On the other hand the MPI's estimates asserted that 1.26 million young immigrants already met the requirements.

Given the difficulty of obtaining precise figures on the size of the undocumented immigrant population, there were even hopes that a larger number of young people with no lawful status might "come out of the shadows" and apply for the programme; what happened however was the opposite: many fewer people applied than had been expected.

According to data published by the USCIS, from 15 August 2012 to the end of fiscal 2015 (September), 1,349,875 applications were received, of which 1,267,761 were accepted for DACA, 787,855 of them being first-time applications and 479,906 requests for renewal. The largest number of initial applications to the programme, 475,000, was received in 2013, while in 2014 and 2015 the USCIS accepted 122,000 and 85,000 forms respectively.

Figure 3.3
Requests accepted and approved for Deferred Action for Childhood Arrivals (DACA), 2012-2015



Note: Fiscal years from October of the previous calendar year to September of the reference year.
* Time from acceptance of an application to approval is generally more than 100 days.
Source: BBVA Research based on DHS, USCIS, Biometrics Capture Systems and CISCOR, September 2015

Thus in comparison with the estimated 1.7 million potential beneficiaries, three years into the programme only about 789,000 young people had applied for DACA. The following paragraph describes this phenomenon very concisely: “When the programme started in August 2012, tens of thousands lined up to apply. But after the first few months, the number of new applications plummeted. By some estimates, about half of the eligible immigrants have not applied, with participation particularly low in some immigrant-rich states like New York and Florida and among some large immigrant groups, including the Chinese, Dominicans and Filipinos” (Semple, 2013).

Among the possible reasons why there are still so many people who have not applied for the benefits of DACA are:

- Personal, cultural and family reasons associated with the limited benefits of the programme or with a significant change that it may mean for them, since it does not offer a path to acquiring citizenship and is only a temporary solution.
- The deep-rooted fear of deportation when giving an address for receiving the reply and when providing biometric data, despite the fact that with DACA a legal work permit can be obtained.
- The cost of applying, US$465, given that many undocumented immigrants come from families with limited financial resources (Kasperkevic, 2014; Patler & Cabrera, 2015).

However it is also possible that the undocumented population in the US, and in particular the number of young people eligible for DACA has been overestimated. As pointed out by Batalova, Hooker, Capps, & Bachmeier (2014), much of what we know about this population is calculated from estimates based on certain assumptions about a group which, because it is undocumented, has tended to remain in the shadows.

Table 3.1
Requests approved for Deferred Action for Childhood Arrivals (DACA), main states of residence, 2012-2015 (Initials / Renewals)

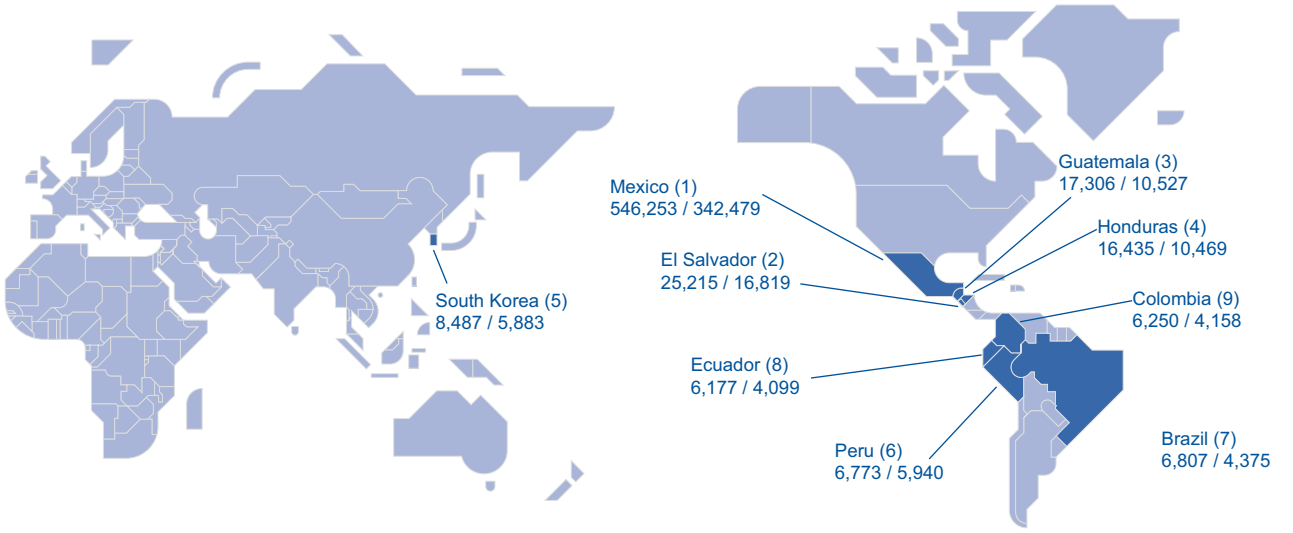
	Number			Percentage		
State	**Initials**	**Renewals**	**Total**	**Initials**	**Renewals**	**Total**
California	222,437	139,580	362,017	31.8%	31.5%	31.7%
Texas	129,269	76,959	206,228	18.5%	17.4%	18.0%
Illinois	42,202	27,140	69,342	6.0%	6.1%	6.1%
New York	40,990	23,641	64,631	5.9%	5.3%	5.7%
Florida	33,195	18,900	52,095	4.7%	4.3%	4.6%
Arizona	28,572	17,703	46,275	4.1%	4.0%	4.0%
North Carolina	27,761	17,529	45,290	4.0%	4.0%	4.0%
Georgia	26,204	15,392	41,596	3.7%	3.5%	3.6%
New Jersey	22,102	13,592	35,694	3.2%	3.1%	3.1%
Colorado	17,736	10,489	28,225	2.5%	2.4%	2.5%
Washington	17,606	10,407	28,013	2.5%	2.3%	2.5%
Nevada	12,931	8,151	21,082	1.8%	1.8%	1.8%
Virginia	12,257	7,513	19,770	1.8%	1.7%	1.7%
Oregon	11,172	7,164	18,336	1.6%	1.6%	1.6%
Maryland	9,950	6,086	16,036	1.4%	1.4%	1.4%
Indiana	9,943	6,058	16,001	1.4%	1.4%	1.4%
Utah	9,950	5,818	15,768	1.4%	1.3%	1.4%
Others	25,555	30,981	56,536	3.7%	7.0%	4.9%
Total	**699,832**	**443,103**	**1,142,935**	**100.0%**	**100.0%**	**100.0%**

Note: Fiscal years from October of the previous calendar year to September of the reference year.
Source: BBVA Research based on DHS, USCIS, Biometrics Capture Systems and CISCOR, September 2015

Approximately 6.1% of applications received are not accepted for review, mainly because they do not meet the requirements established or the documentary evidence is unconvincing. Once the form has been accepted for review, in 95.5% of cases resolved by the USCIS the applicant is granted approval of deferred action. From the start of the programme until the end of fiscal 2015, 699,832 first-time applications and 443,103 applications for renewal were approved (USCIS, 2015b). Of these approved applications, 31.7% came from residents of California and 18.0% from residents of Texas. Other states figuring prominently among applications approved were Illinois, New York, Florida, Arizona and North Carolina.

By country of origin, Mexican immigrants accounted for a large proportion of DACA applications both accepted and approved; from 2012 to 2015 they represented 77.8% of applications approved (both initial and renewal requests). Mexicans were followed in descending order by young people born in El Salvador (3.7%), Guatemala (2.4%), Honduras (2.4%) and South Korea (1.3%). In Wong et al. (2013), we find that Mexican applicants are only half as likely to be rejected for DACA as the average, whereas African, Asian, European and Central-American applicants experience disproportionately high rates of rejection compared with Mexicans. The high success rate among Mexicans may be due to the support and experience deriving from social networks and initiatives of immigrant support organisations, many of them Latin American.

Map 3.1
Requests approved for Deferred Action for Childhood Arrivals (DACA), main countries of origin, 2012-2015 (Initials / Renewals)

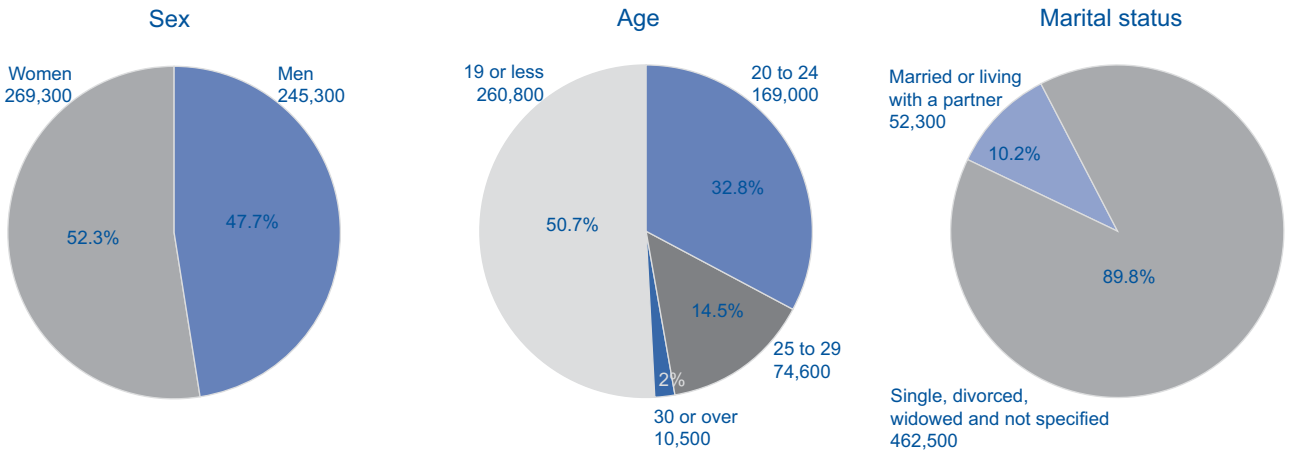


Note: Fiscal years from October of the previous calendar year to September of the reference year.
Source: BBVA Research based on DHS, USCIS, Biometrics Capture Systems and CISCOR, September 2015

3.4. Characteristics of beneficiaries and effects of DACA

It is difficult to provide information on DACA applicants broken down by period, since the USCIS does not publish periodic reports or socio-demographic statistics on this group. The last report issued by the USCIS was in 2014 based on data as at the end of fiscal 2013. According to that report (USCIS, 2014), there was a predominance of women among applicants approved for DACA, at 52.3% of the total as against 47.7% for men. Just over half of all applications approved were from people aged 19 or less, 32.8% of successful applicants were between 20 and 24 years old and only 16.5% were 25 or older. Given the age composition it is to be expected that a small proportion of this population (10.2%) were married or living with a partner.

Figure 3.5
Socio-demographic characteristics of applicants approved for Deferred Action for Childhood Arrivals (DACA) up to the end of fiscal 2013 (Requests approved / %)



Source: BBVA Research based on data from DHS USCIS (2014)

Due to the limited information available on DACA beneficiaries, various organisations, universities and researchers have resorted to seeking information from the USCIS by means of requests for access under the Freedom of Information Act (FOIA) or by carrying out surveys to find out more about the characteristics of this population and obtain the wherewithal to be able to assess the effects of this programme on young undocumented immigrants in the US.

Singer & Svajlenka (2013), based on an FOIA request, state that 30% of DACA applicants arrived in the US between 1999 and 2001 and nearly 72% of them had been living in the US for at least ten years in 2012. The authors mention that the majority of DACA applicants had been brought to the US as very young children: 31% arrived when they were five years old or less, and 38% arrived between the ages of six and ten.

By means of an online survey,[3] Jaimes Pérez (2015) found that DACA recipients lived with families with a wide range of immigration statuses. 60% had a brother or sister with US citizenship, 78% had at least one undocumented parent, 45% had an undocumented brother or sister and 45% had a relative with a green card.

In a survey carried out in June 2015[4] (Wong, Richter, Rodriguez, & Wolgin, 2015) of the economic and educational results of the programme, the following results were found among recipients of DACA:

- 69% had got a better paid job,
- 89% had obtained a driving licence or ID card,
- 57% were able to earn more money, which had helped their families,
- 21% had bought their first car,
- 92% of those studying were able to aspire to new educational opportunities, and
- there had been an increase of 45% in average hourly wages.

[3] Online survey by e-mail using a distribution list, with a sample of 2.363 people, of whom 1,759 were definitely DACA beneficiaries.
[4] Open online survey of a sample of 546 people, 467 were definitely DACA beneficiaries. The average age of respondents was 22; they were distributed among 33 states and DC, and 98% were in work or at school. Women and Hispanics are over-represented in the results relative to the population of DACA beneficiaries.

These results are similar to those reported in Patler & Cabrera (2015),[5] which also found in their own field of work that 66% of DACA beneficiaries had previously been unemployed and now had a job. However, they point out that despite the significant improvement in the economic circumstances of beneficiaries and their families as a result of DACA, the majority of these young people are still working in poorly paid jobs with average pay of US$11.47 an hour, mainly in restaurant, fast food outlet and retail sales jobs. On average, women receive US$1.26 less per hour than men ($10.79 and $12.05 respectively). Furthermore, approximately half of those interviewed reported that they had found it difficult to pay their utilities bills the year before, and 44% indicated that their monthly income did not cover their monthly outgoings.

As regards indicators of financial inclusion other survey, at national level[6] found that 49% of respondents in receipt of DACA had opened their first bank account and 33% had obtained their first credit card (Gonzales & Bautista-Chavez, 2014). These authors also found positive results in terms of employment and financial indicators, as well as increased integration with US social institutions in general.

3.5. Effect of DACA on investment in education and access to the labour market

Impact assessments seek to measure changes in observable variables deriving directly from an action, isolating external dynamics from the environment and from other actions. Of particular interest among these outcomes is the effect that the DACA programme has had on young recipients in terms of their level of education and their participation in the US labour market.

Amuedo-Dorantes & Antman (2015) carry out a quasi-experimental difference-in-differences analysis of the effect on the level of schooling and labour market insertion among DACA beneficiaries. The estimates are based on the microdata from the Current Population Survey (CPS) and deal with the development of young people eligible for DACA in different periods. The authors found that in the short term the probability of school enrolment declined among DACA-eligible higher-educated youngsters, while there was evidence indicating that the likelihood of being employed increased for men in this group. This suggests that without documents, DACA-eligible youngsters had not been making the best use of their time, and therefore preferred to enrol in school when working was not a viable option. Thus, once employment restrictions were relaxed and the opportunity costs of higher education rose, DACA-eligible youngsters opted to reduce their investments in education.

In another study using a similar econometric technique but based on microdata from the American Community Survey (ACS), it is found that DACA has increased participation in the workforce and reduced the unemployment rate of the immigrant population eligible for the programme (Pope, 2014). However, unlike the previous authors, Pope finds little evidence to suggest that DACA affects decisions on whether or not to study.

In seeking to quantify the effect of DACA, both studies are limited by the artificiality of the eligible population and by the absence of treatment and control groups.[7] Nevertheless, they arrive at conclusions that may be important for analysis and design of public policies.

[5] Study of a sample of 502 DACA beneficiaries, mainly living in the County of Los Angeles, California, selected from among individuals who had attended one or more workshops promoted by organisations that defend migrants' rights in order to find out how deferred action is being applied.
[6] Nationwide survey distributed in 46 states and DC with s sample of 2,381 individuals approved for DACA. Respondents' average age was 22.7 years and 60% of them were women.
[7] One way of quantifying the impacts a programme might have is by analysing the differences between a population receiving this intervention (the treatment group) and another population that does not receive it (the control group). The more similar these populations are before the start of the intervention, the greater the validity of the results will be.

3.6. Conclusions

Deferred Action for Childhood Arrivals (DACA), decreed by President Obama in 2012, is probably one of the most important initiatives in favour of undocumented immigrants since the promulgation of the Immigration Reform and Control Act (IRCA) in 1986. DACA can grant young undocumented immigrants who arrived in the US as children, the group known as dreamers, temporary permission to live and work in the US.

The rate of rejection of applications correctly submitted for DACA is low, at 4.5%. As at the end of fiscal 2015, the U.S. Citizenship and Immigration Services (USCIS) had approved first-time DACA status for 787,855 individuals. Nearly half of these live in California and Texas, 52.3% are women and more than half are aged 19 or less, which explains why only 10.2% are married or living with a partner. Mexican immigrants account for the greater part of deferred action beneficiaries (77.8%), followed by those from El Salvador (3.7%), Guatemala (2.4%) and Honduras (2.4%). It is estimated that around 72% of DACA applicants had been living in the US for at least ten years, and 69% of them had been brought to the US when they were 10 years old or less. DACA offers an initial reprieve of two years, renewable for a further two years, i.e. a total of four years.

Without doubt one of the questions not yet convincingly answered is why, three years into the programme, fewer than half of the 1.7 million eligible potential beneficiaries have applied. Possible reasons put forward include the cost of applying and fear of providing biometric data; however it is also possible that the benefits are far from obvious to many of those eligible, or even that the size of this undocumented population has been overestimated.

Data gathered from surveys show that DACA has significantly benefited those granted this deferred action. Among these benefits are: possibility of labour market insertion, better-paid jobs, higher wages per hour worked, documents for obtaining ID card and driving licence and possibility of accessing greater levels of education and educational support for which they did not previously qualify. The programme has also been found to have effects on financial inclusion, enabling beneficiaries to open their first bank account and obtain their first credit card.

Some studies which seek to quantify the work and educational effects of DACA on eligible populations using econometric techniques confirm that there is increased participation in the labour market and decreased unemployment in the eligible population. However, there is evidence to suggest that in the short term these young people may have become less likely to enrol in school now that restrictions on working have been eased, which requires a more in-depth analysis of the medium- and long-term effects.

In November 2014 President Obama announced his intention of implementing measures to extend the benefits of deferred action to more people who arrived in the US as children and for parents of US citizens or residents. These programmes, commonly known as DACA 2.0 and DAPA (***Mexico Migration Outlook, first half 2015***), would benefit an additional 300,000 and 3.5 million undocumented immigrants respectively, giving them assurance that they would not be deported and enabling them to obtain work permits. However just before USCIS was going to start accepting applications for the new programme, in February 2015, a 26-state coalition challenged the executive order in a Texas court, which agreed to block implementation. Following a series of unsuccessful appeals, in January 2016 the US Supreme Court agreed to start hearings to finally resolve these challenges, a process which should be completed in the middle of this year.

Even if there is a favourable ruling on the extension of deferred action, the future of DACA 2.0, DAPA and the original DACA is uncertain. Deferred action is not granted under a right enshrined in law but as an executive order, and as such is subject to the discretionality of the Federal administration of the day, apart from the fact that it does not offer a path to permanent residence or citizenship. In November 2016 voters in the United States will elect a new president. Candidates' stances on immigration have become a central issue in the primaries, and will no doubt be so again in the campaigns once when they are under way. The future of the deferred action programmes and the fate of a comprehensive immigration reform, longed for by millions of undocumented immigrants living in the United States, undoubtedly depend on the results of these elections.

3.7. References and bibliography

Amuedo-dorantes, C., & Antman, F. (2015). The impact of authorization on the schooling and labor market outcomes of undocumented immigrants: Evidence from the Deferred Action for Childhood Arrivals program. Working Paper University of Colorado at Boulder.

Batalova, J., Hooker, S., Capps, R., & Bachmeier, J. D. (2014). DACA at the two-year mark: A national and state profile of youth eligible and applying for deferred action. Washington, DC: Migration Policy Institute.

Batalova, J., & Mittelstadt, M. (2012). Relief from deportation: Demographic profile of the DREAMers potentially eligible under the Deferred Action Policy. Washington, DC: Migration Policy Institute.

Calderón Chelius, L. (2013). El guiño de Obama. Newsletter Letras Migratorias. México, DF: CONAPO.

Collingwood, L., Gross, J., & Pedraza, F. (2014). A "decisive voting bloc" in 2012. In M. Barreto & G. Segura (Eds.), Latino America: How America's most dynamic population is poised to transform the politics of the nation. (p. 304). New York, NY: Public Affairs.

Durand, J. (2012, July 1). Los dreamers. La Jornada. Retrieved from http://www.jornada.unam.mx/2012/07/01/opinion/022a2pol

Durand, J. (2013, May 5). Obama, don't deport my mama! La Jornada. Retrieved from htp://www.jornada.unam.mx/2013/05/05/opinion/021a2pol

Fundación BBVA Bancomer, BBVA Research, & CONAPO. (2015). Anuario de Migración y Remesas México 2015. México.

Gonzales, R. G., & Bautista-chavez, A. M. (2014). Two years and counting: Assessing the Growing Power of DACA. American Immigration Council.

Jaimes Pérez, Z. (2015). A portrait of deferred action for childhood arrivals recipients. Challenges and opportunities three-years later. Washington, DC: United We Dream.

Kasperkevic, J. (2014, January 9). The high cost of being a legal immigrant in the US: $465. The Guardian. Retrieved from http://www.theguardian.com/money/2014/jan/08/undocumented-dreamers-immigration-daca-cost-fee

Le, V. (2011, June 29). DREAMers hold graduation ceremony, asking Obama to stop deporting students. Retrieved from http://americasvoice.org/blog/dreamers_hold_graduation_ceremony_push_obama_to_stop_deporting_students/

Maestas, A. (2012, June 6). DREAMers: A serious problem for Obama 2012. Politic365.com. Retrieved from http://politic365.com/2012/06/06/dreamers-a-serious-problem-for-obama-2012/

Meza González, L. (2014). Mexicanos deportados desde Estados Unidos: Análisis desde las cifras. Nota crítica. Migraciones Internacionales, Jul-Dic 7(4), 265–276.

Passel, J. S., & Lopez, M. H. (2012). Up to 1.7 Million Unauthorized Immigrant Youth May Benefit from New Deportation Rules. Washington, DC: Pew Hispanic Center.

Patler, C., & Cabrera, J. A. (2015). From undocumented to DACAmented impacts of the Deferred Action for Childhood Arrivals (DACA) program. Three years following its announcement. Institute for Research on Labor and Employment UCLA.

Pope, N. G. (2014). The effects of DACAmentation: The impact of Deferred Action for Childhood Arrivals on unauthorized immigrants. Working paper. Chicago, Il.

Preston, J. (2012, May 31). Students press for action on immigration. The New York Times. Retrieved from http://www.nytimes.com/2012/05/31/us/students-press-for-action-on-immigration.html

Semple, K. (2013, December 8). Advocates Struggle to Reach Immigrants Eligible for Deferred Action. The New York Times. Retrieved from http://www.nytimes.com/2013/12/09/nyregion/advocates-struggle-to-reach-immigrants-eligible-for-deferred-action.html?_r=0

Singer, A., & Svajlenka, N. P. (2013). Immigration Facts: Deferred Action for Childhood Arrivals (DACA). Washington, DC: Brookings Metropolitan Policy Program.

The White House. (2012a, June 15). Remarks by the President on Immigration. Retrieved from https://www.whitehouse.gov/the-press-office/2012/06/15/remarks-president-immigration

The White House. (2012b, August 15). Deferred Action for Childhood Arrivals: Who Can Be Considered? Retrieved from https://www.whitehouse.gov/blog/2012/08/15/deferred-action-childhood-arrivals-who-can-be-considered

U.S. Citizenship and Immigration Services [USCIS]. (2014). Characteristics of Individuals Requesting and Approved for Deferred Action for Childhood Arrivals (DACA). Washington, DC.

U.S. Citizenship and Immigration Services [USCIS]. (2015a). Consideration of Deferred Action for Childhood Arrivals (DACA). Retrieved December 1, 2015, from http://www.uscis.gov/humanitarian/consideration-deferred-action-childhood-arrivals-daca

U.S. Citizenship and Immigration Services [USCIS]. (2015b). Form I-821D Deferred Action for Childhood Arrivals. Retrieved from http://www.uscis.gov/tools/reports-studies/immigration-forms-data/data-set-form-i-821d-deferred-action-childhood-arrivals

U.S. Department of Homeland Security [DHS]. (2012, June 15). Secretary Napolitano Announces Deferred Action Process for Young People Who Are Low Enforcement Priorities. Retrieved from http://www.dhs.gov/news/2012/06/15/secretary-napolitano-announces-deferred-action-process-young-people-who-are-low

Wong, T. K., García, A. S., Abrajano, M., Fitzgerald, D., Ramakrishnan, K., & Le, S. (2013). Undocumented no more: A nationwide analysis of Deferred Action for Childhood Arrivals, or DACA. Washington, DC: Center for American Progress.

Wong, T. K., Richter, K. K., Rodriguez, I., & Wolgin, P. E. (2015, July 9). Results from a nationwide survey of DACA recipients illustrate the program's impact, pp. 1–9. Center for American Progress.

4. Child labour and migratory intensity in Mexico

Summary

In this study we analyse the determinants of child labour in Mexico based on data from the 2013 Child Labour Module of the ENOE (Mexican National Occupation and Employment Survey). The data reveal that 2.5 million minors had some kind of work, representing 8.7% of this population. We note that working is more frequent among boys and in rural localities. Also, just over six of every ten minors who work also study. The majority of minors who work come from households of between four and seven members. Heads of households with minors who work have a relatively low level of schooling. The degree of concentration of the population of minors who work is greater in municipalities with medium, high and very high migratory intensity as well as in municipalities with high levels of social backwardness. As for the type of occupation, we see that minors living in municipalities with high migratory intensity tend more often to take informal jobs, not to receive income for their work and to work in farming and agriculture. Based on a Tobit-type econometric model, we estimate a supply function of child labour. Among the main results we find that: a) the parents' level of education is important for reducing the supply of child labour; b) in communities with a medium, high or very high degree of migratory intensity the supply of child labour increases by nearly three hours; and c) having a woman as head of the household increases the supply of child labour by three hours

4.1 Introduction

According to UNICEF "an estimated 158 million children aged 5-14 are engaged in child labour - one in six children in the world"[1]. In Mexico the INEGI (National Institute of Statistics and Geography) estimates that in 2013 there were 29,337,620 children between 5 and 17 years of age, of whom 2,536,693 did some kind of work,[2] equivalent to 8.7% of the country's child population.[3]

The problem of child labour has been addressed by various authors both theoretically and empirically with the aim of identifying the basic individual, domestic and socio-demographic factors determining this phenomenon. Various economic theories seek to explain the existence of child labour from the point of view of households as rational agents deciding on the optimal number of children and the distribution of their time among leisure, labour, domestic production and investment in human capital and time (Brown and Deardorff, 2002; Cigno, Rosati and Tzannatos, 2002).

Several studies argue that families evaluate the opportunity cost of family members' not working. In the case of children, the decision to work is typically evaluated by comparing the returns from attending school and the wages forgone by not working. Others studies argue that families decide on the number of children and the supply of labour of the household members with the aim of maximising the value of the family. For example, an increase in a wife's wages would increase the opportunity cost of the time devoted to bringing up each child and to domestic production, which would lead to a reduction in the optimum number of children and an increase in the supply of labour from the wife. This reduces the probability of the children's joining the labour market and at the same time of investment in human capital increasing (Brown and Deardorff, 2002).

[1] http://www.unicef.org/protection/childlabour.html
[2] INEGI, 2013 Child Labour Module, Basic Tables.
[3] Throughout this study, the term minors refers to the population between 5 and 17 years of age, consistent with the objective population of the INEGI's 2013 Child Labour Module.

Household budget constraints and the lack of complete markets allowing the transfer of wealth from one period to another is another important determinant explaining the supply of child labour. Parents would like to equalise investment in human capital among their children, but the lack of complete markets means they cannot borrow in order to do so. As a result parents invest more in the first-born and in the last child to be born. In the first-born because the financial pressure is less, and in the last because with the older children working the family's disposable income increases. In this regard the order of birth among siblings is determinant in the decision to work (Orraca, 2014). Therefore children can be thought of as a mechanism for families to transfer resources over time and assure themselves of a plentiful supply of labour in case of shortage or if heads of families are unable to work.

As for the effect of migration on the decision to send minors to work, various studies both theoretical and empirical suggest that there are numerous factors that might explain the phenomenon, some of them pulling in opposite directions. In the first place, the break-up of the family nucleus when one or more members decide to emigrate, and the loss of an immediate source of family income may increase the probability of a minor's working and dropping out of school due to the need for immediate income in the household. In the second place, the receipt of funds from family members abroad would increase the family income, reducing the need for minors to join the labour market and possibly increasing their investment in human capital. (Alcazar and Chiquiar, 2010).

Accordingly, measuring the effect of migration on the supply of child labour is an empirical question that seeks to estimate which of the two contrary effects is greater, controlling for various factors. In previous editions of ***Mexico Migration Outlook*** (June 2011) it was estimated the effect of remittances on employment and school attendance, using data from the National Occupation and Employment Survey for the years 2005 to 2010. Among the main conclusions of the study one that stands out is that households in receipt of remittances tend to work less than those with similar characteristics that are not in receipt of remittances. Other studies using different data sources obtain results which confirm both the foregoing result and the contrary conclusions.

The main source of information for this study is the INEGI's Child Labour Module which is produced in the fourth quarter of the year and aims to maintain an updated database on the socio-demographic characteristics of the population aged between 5 and 17 and to identify those engaged in economic, domestic and school activities throughout Mexico. The 2013 Child Labour Module was applied in the framework of the National Occupation and Employment Survey (ENOE in the Spanish initials), using two types of questionnaire: one short one for the population aged from 12 to 17, allowing the complementary information to be combined with that captured for the ENOE, and another longer one for children aged 5 to 11. The results are presented at national level, by highly urbanised areas, least urbanised areas and by state (INEGI, 2014).

4.2 General characteristics of the population aged between 5 and 17 years in Mexico

According to data of the 2013 Child Labour Module, in Mexico there were 29,337,620 children and adolescents (minors) aged between 5 and 17 in Mexico in 2013. Of these, 2,536,693 had some kind of working or economic activity,[4] representing 8.7% of the minor population. Of the total number of minors, it is estimated that 2,125,216 worked at least one hour per week. 70.6% of minors in work were between 14 and 17 years of age.

[4] According to the 2013 Child Labour Module "child labour is defined as any activity of children or adolescents, whether remunerated or not, which is carried out in breach of the law, in hazardous or unhealthy conditions, that violates their rights or that might have immediate or future negative effects on them for their physical, mental, psychological or social development." For further details, see *Consideraciones metodológicas para medir el trabajo infantil* ("Methodological considerations for measuring child labour") in INEGI (2014).

Working is more frequent among boys and in rural localities. The data reveal that 67.4% of the working minor population are male, and 38.7% live in localities with fewer than 2,500 inhabitants. Just over six in every ten working minors also study, while 74.5% of working minors have completed primary or secondary schooling. Also, due to the correlation with the minor's age, working is more common among the population with higher levels of schooling; we see that 27.6% of minors with intermediate or advanced studies work, whereas for the population with lower levels of schooling between 3.6% and 20.3% have some kind of working activity.

The majority of minors who work come from households with between four and seven members. As in the case of minors who do not work, about 78% belong to a household the head of which is a man, and about 90% of household heads are in employment. One fact that stands out is that heads of families with working minors have a relatively low level of schooling, most of them having completed secondary school at most.

Table 4.1
Socio-demographic profile of the population aged between 5 and 17 years, 2013 (%)

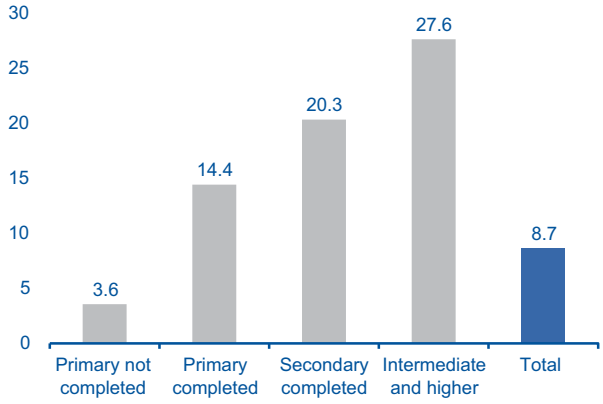
	Not working	Working	Total
Sex			
Male	49.4%	67.4%	50.9%
Female	50.6%	32.6%	49.1%
Type of locality			
Urban	74.3%	61.3%	73.2%
Rural	25.7%	38.7%	26.8%
School attendance			
Not studying	4.5%	36.0%	7.2%
Studying	95.5%	64.0%	92.8%
Age group			
From 5 to 9	40.7%	6.1%	37.7%
From 10 to 13	33.0%	23.3%	32.1%
From 14 to 17	26.3%	70.6%	30.1%
Level of education			
Primary not completed	64.3%	25.1%	61.0%
Primary completed	23.2%	41.4%	24.8%
Secondary completed	12.3%	33.1%	14.1%
Intermediate and higher	0.1%	0.5%	0.2%
Not specified	0.0%	0.0%	0.0%

	Not working	Working	Total
Sex of head of household			
Male	78.8%	77.9%	78.7%
Female	21.2%	22.1%	21.3%
Occupational status of the head of the family			
No occupation	16.2%	10.8%	15.7%
Employed	83.8%	89.2%	84.3%
Education of the head of the family			
No schooling	6.5%	12.8%	7.0%
Primary not completed	14.0%	21.5%	14.6%
Primary completed	20.2%	24.0%	20.5%
Secondary not completed	3.6%	3.4%	3.6%
Secondary completed	29.1%	23.8%	28.6%
Preparatory or above	26.7%	14.4%	25.6%
Not specified	0.0%	0.0%	0.0%
Size of household			
From 1 to 3 members	11.0%	13.3%	11.2%
From 4 to 5 members	54.9%	46.5%	54.2%
From 6 to 7 members	23.7%	27.0%	24.0%
8 or more members	10.4%	13.2%	10.6%

Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

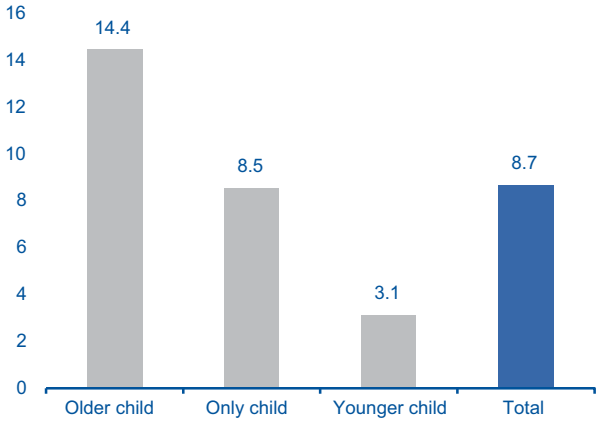
In addition, child labour is observed more frequently among older brothers and sisters. This last characteristic has been widely analysed in the literature on the determinants of child labour. Among low-income families with no access to credit markets, the supply of labour from older children becomes an additional source of income for the family which may be associated with the older children's attaining lower levels of schooling and, due to the availability of additional income, increases the probability that the younger children will not drop out of school and will achieve higher levels of education. For example, Orraca (2014), Tenikue and Verheyden (2008) and Emerson and Portela (2002) argue that older siblings are more likely to work, according to studies carried out using data for Mexico, Cameroon and Brazil respectively.

Figure 4.1
Percentage of the population aged between 5 and 17 who work, by level of schooling, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

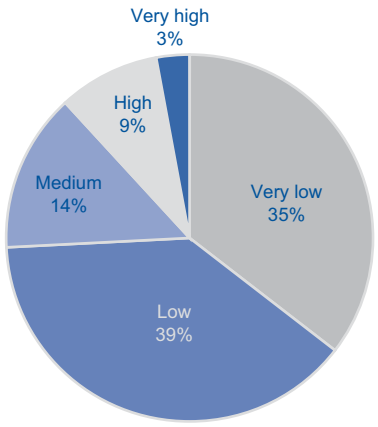
Figure 4.2
Percentage of the population aged between 5 and 17 who work, by position among siblings, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

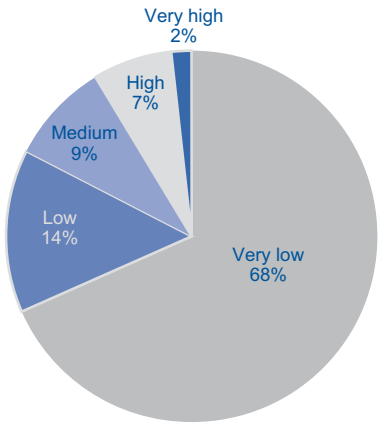
The degree of social backwardness and of migratory intensity in the municipalities where minors live summarises significant information about conditions in the household's environment which may affect the decision to work. The data show that the majority of minors live in municipalities with low or very low migratory intensity. The majority of the working population aged between 5 and 17 also live in municipalities with a very low degree of social backwardness.

Figure 4.3
Distribution of the population aged 5 to 17 by degree of migratory intensity of the municipality of residence, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

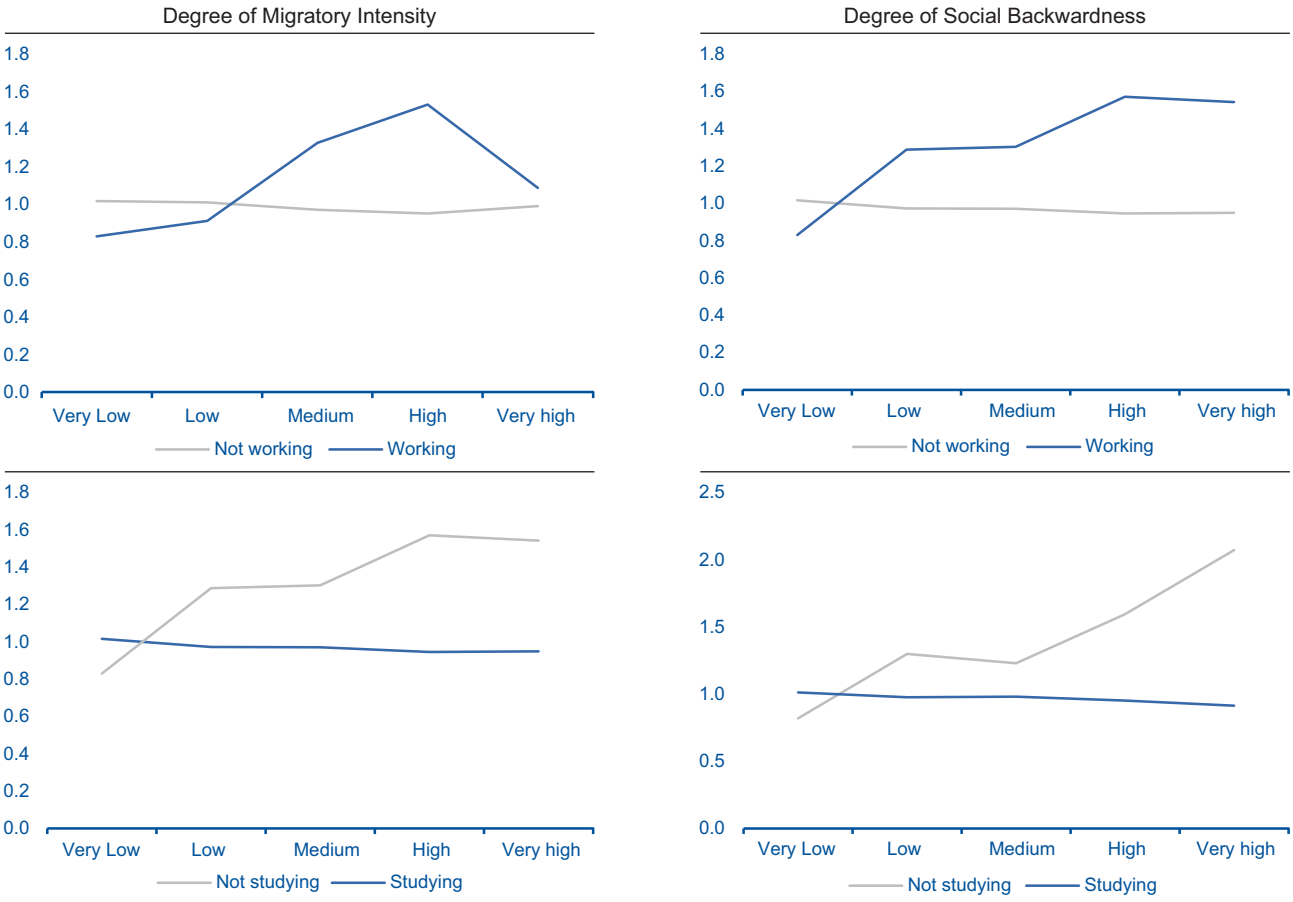
Figure 4.4
Distribution of the population aged 5 to 17 by degree of social backwardness of the municipality of residence, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

However, despite the fact that the majority of minors live in municipalities with low migratory intensity and low degrees of social backwardness, those that live in municipalities with medium, high or very high migratory intensity seem to be more inclined to work and less so to attend school. The degree of concentration of the population of working minors is greater in municipalities with medium, high and very high migratory intensity and in those with greater degrees of social backwardness.[5] In the case of the population that does not attend school we see a similar pattern, with a greater concentration in municipalities with high degrees of social backwardness and migratory intensity.

Figure 4.5
Concentration index of the population aged from 5 to 17 by work status and school attendance, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

[5] The degree of concentration is measured by applying the economic specialisation index, which in general terms compares the relative significance of a phenomenon (e.g. population or production) in a region or state with its significance in a wider region or in the whole country. For each level of migratory intensity (social backwardness) i, the degree of concentration of the characteristic j is obtained by means of the following formula:

$$GC_{i,j} = \frac{\frac{e_{i,j}}{E_j}}{\frac{e_i}{E}}$$

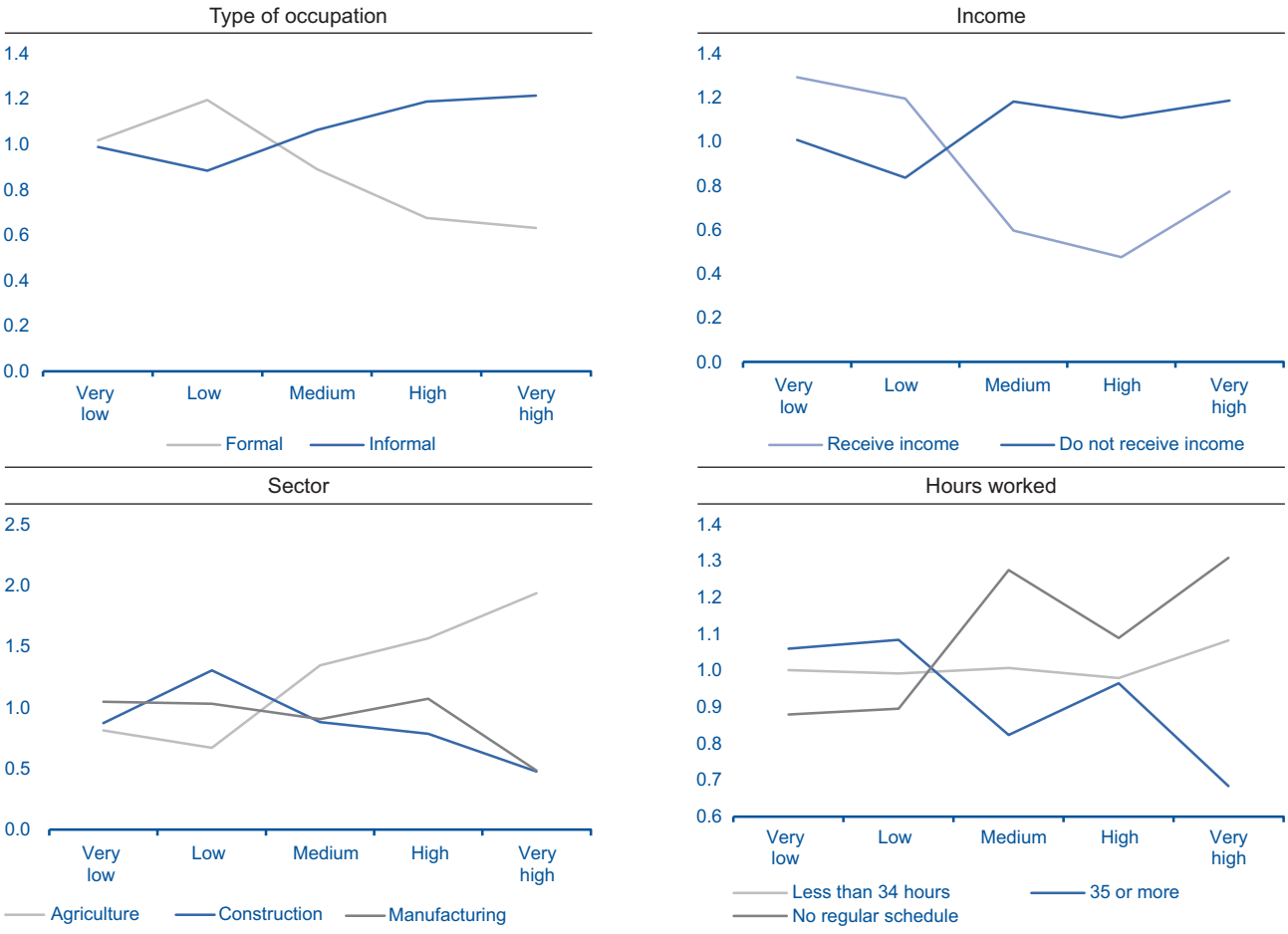
where: $GC_{i,j}$ is the degree of concentration of the characteristic i in municipalities with a degree of migratory intensity (social backwardness) j; $e_{i,j}$ measures the number of minors meeting the characteristic i in municipalities with a degree of migratory intensity (social backwardness) j) ; e_i is the total number of minors meeting the characteristic i at national level; E_j is the number of minors in municipalities with migratory intensity (social backwardness) j and E is the total child population. A $GC_{i,j}$ > (<)1 means that the characteristic i is more (less) concentrated in municipalities with migratory intensity (social backwardness) j than at national level. A $GC_{i,j}$ = 1, means that this characteristic is concentrated to the same degree as at national level.

4.3 Work profile of the minor population and migratory intensity

Data from the INEGI's 2013 Child Labour Module show that 16.8% of the total population aged 12 to 17 form part of the economically active population, and the population in work represents 15.7% of this population of legal working age. Depending on the migratory intensity of the municipality of residence we see a greater concentration of the working population in municipalities with medium, high and very high migratory intensity, reaching 22.8% of the population aged between 12 and 17.

As for the type of occupation, we see that minors living in municipalities with high migratory intensity tend more often to take informal jobs, not to receive income for their work and to work in farming and agriculture.

Figure 4.6
Concentration index of the population aged from 12 to 17 by work variables and migratory intensity, 2013

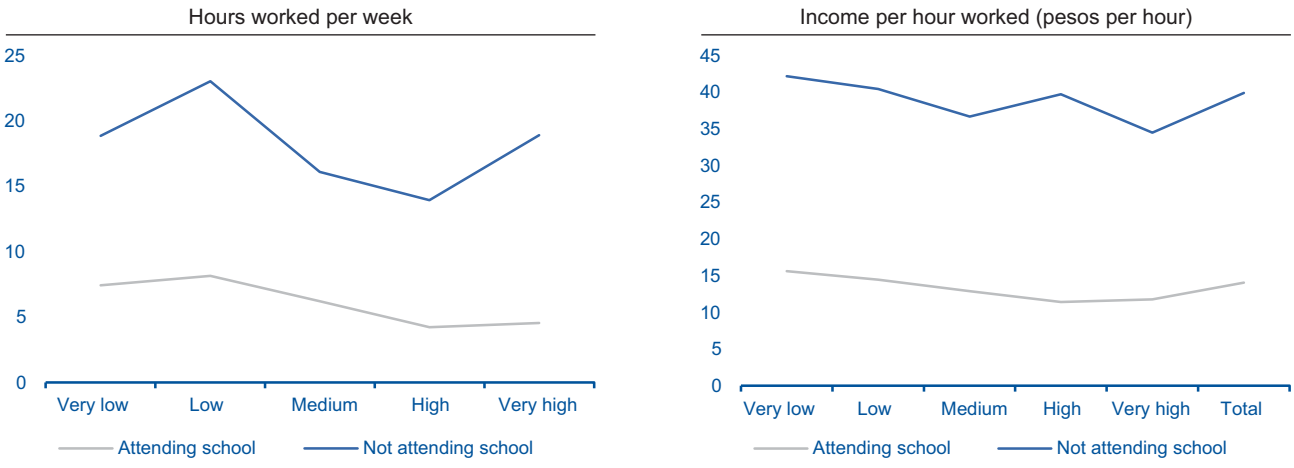


Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

64% of working minors also study. Among the working population we see a significant difference between those who study and those who do not as regards the number of hours worked and income per hour, which does not appear to be affected by the degree of migratory intensity of the municipality of residence. On average, minors who work and study work 14 hours a week, while those who work but do not attend school work about 40 hours a week. And on average minors who work without attending school receive nearly double the hourly wage of those that work and study at the same time.

Figure 4.7

Hours worked per week and income per hour worked in the working population aged between 5 and 17 by school attendance and degree of migratory intensity, 2013



Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

Table 4.2
Work profile of the population aged 12 to 17 by degree of migratory intensity of the municipality of residence, 2013

	Degree of migratory intensity					
	Very low	Low	Medium	High	Very high	Total
Population by activity status						
EAP	14.0%	15.8%	22.0%	24.0%	16.8%	16.8%
EIP	86.0%	84.2%	78.0%	76.0%	83.2%	83.2%
Population by employment status						
Population in employment	13.2%	14.5%	20.8%	22.8%	16.2%	15.7%
Population not in employment	0.7%	1.3%	1.2%	1.1%	0.5%	1.1%
Available	8.7%	11.0%	13.1%	15.2%	16.7%	11.1%
Not available	77.3%	73.1%	64.9%	60.8%	66.6%	72.1%
Population in employment by sector of activity						
Farming and agriculture	24.7%	20.4%	41.0%	47.8%	59.0%	30.5%
Manufacturing industry	13.6%	13.4%	11.8%	14.0%	6.3%	13.0%
Construction	3.7%	5.5%	3.7%	3.3%	2.0%	4.2%
Trade	27.3%	30.2%	24.8%	16.3%	13.8%	25.9%
Services	29.4%	28.5%	16.6%	16.6%	17.3%	24.6%
Not specified	1.2%	2.0%	2.1%	2.1%	1.6%	1.8%
Population by type of employment						
Formal	37.6%	44.2%	32.9%	25.0%	23.3%	36.9%
Informal	62.4%	55.8%	67.1%	75.0%	76.7%	63.1%
Population in employment by level of income						
Up to one minimum wage	29.7%	30.5%	25.4%	25.3%	23.4%	28.4%
From 1 to 2 minimum wages	15.6%	20.7%	13.0%	17.6%	17.5%	17.3%
From 2 to 3 minimum wages	5.5%	6.5%	4.9%	4.0%	2.7%	5.4%
More than three minimum wages	1.6%	1.5%	0.7%	0.6%	1.0%	1.2%
No income	46.3%	38.4%	54.3%	51.0%	54.5%	45.9%
Not specified	1.4%	2.3%	1.6%	1.5%	1.0%	1.8%
Population in employment by length of working day						
Fewer than 15 hours	28.0%	26.1%	28.1%	29.9%	24.5%	27.5%
From 15 to 24 hours	15.9%	17.3%	14.6%	12.5%	21.4%	15.9%
From 25 to 34 hours	6.4%	6.5%	8.0%	6.8%	8.6%	6.8%
35 hours or more	31.0%	31.8%	24.1%	28.3%	20.0%	29.3%
No regular schedule	17.2%	17.5%	24.9%	21.3%	25.6%	19.5%
Not specified	1.5%	0.9%	0.3%	1.2%	0.0%	1.0%

Source: BBVA Research with data from the INEGI's 2013 Child Labour Module

4.4 Migratory intensity and determinants of child labour

In the foregoing sections we showed descriptive evidence that the supply of child labour could be related to socio-demographic factors such as the degree of migratory intensity and the degree of social backwardness in the municipalities where minors live. In general, we see that minors living in communities with high degrees of migratory intensity and/or social backwardness seem to be more likely to work. However, the literature shows that there are various factors, both individual and contextual which are crucial in explaining the phenomenon, as well as the possibility of the correlation between the degree of migratory intensity and social backwardness in the communities where they live leading to spurious correlations being established between child labour and the degree of migratory intensity in localities.

Among the individual factors typically included as determinants of the supply of labour are age, the degree of schooling, and sex. In general, the data show that older boys with higher levels of education are those that most frequently join the labour market. Also, boys seem more prone than girls to joining the labour market. On the other hand, various studies show that the supply of child labour is broadly related to families' financial pressures. Intuitively, when facing various financial shortfalls, the income that the children, or some of them obtain from working not only becomes crucial for sustaining the family and obtaining higher levels of consumption but might also encourage other minors in the family who are not working to attend school. Therefore, the order of birth seems to be an important factor in explaining propensity to join the labour market.

The parents' level of education is another important factor. In general parents with higher levels of education obtain higher levels of income and success at work, which translates into reduced financial pressure and greater value attached to education as an investment as opposed to an expense. Also characteristics such as whether the head of the household is in work or is a woman could be significant for minors' insertion in the labour market. Prominent among the socio-demographical characteristics that could affect the supply of child labour is communities' degree of social backwardness, which summarises the deficiencies in public services and the degree of poverty of municipalities. Also, the concentration of the child population working in the agricultural sector seems to show that living in a rural community could be a significant factor.

As regards the effect of migration on the supply of child labour, the 2013 Child Labour Module does not include data on migrant family members or the receipt of remittances, but it is possible to identify the degree of migratory intensity of the municipality of residence and therefore to estimate the effect that this characteristic of the household environment has on the supply of child labour.

For this estimate it is necessary to bear in mind that the supply of child labour is a phenomenon that may be characterised by having corner solutions. In other words, the data may show a mass of individuals working zero hours per week because they have decided not to enter the labour market. Economic theory explains that this type of corner solution is due to the fact that the reservation wage, i.e. the lowest wage at which a worker will accept employment, is less than the market wage.

Due to the presence of corner solutions in the data, estimating a labour supply function by means of ordinary least squares (OLS) would lead to biased estimates of the function's parameters. In particular, the OLS method may underestimate the effect of certain variables explaining the labour supply (Greene, 2003). To resolve this problem, it is necessary to take account of the fact that the data are censored and to estimate the function bearing in mind that a supply of labour equal to zero hours has a positive mass of probability assigned to it.

Using a Tobit model, it is possible to estimate the supply of labour taking account of the presence of a set of censored data characteristic of corner solutions. Let us suppose that the researcher wishes to estimate the labour supply model given by the following equation:

$$horas = \alpha + X_i'\beta + u_i$$

where ***horas*** (hours) is a variable measuring the number of hours worked per week by a minor and $X_{1,i}$ is a set of explanatory variables on which the minor's supply of labour depends. The variable ***horas*** is equal to zero for all minors who do not work and a positive number for those who do. Thus the model is estimated by the latent variable ***horas**** where:

$$horas = \begin{cases} horas^* & \text{if } horas^* > 0 \\ 0 & \text{if } horas^* \leq 0 \end{cases}$$

The model's parameters are estimated using the maximum likelihood method, taking account of the fact that the variable "horas" takes a value equal to zero with a positive mass of probability. Assuming that the distribution of the error term is normal, i.e. $u_i \sim Normal(0,\sigma^2)$, it can be shown that the likelihood function of this model is:

$$L(\beta,\sigma) = \prod_{y_i=0}(1-\Phi(\frac{X_i'\beta}{\sigma}))\prod_{y_i>0}\frac{1}{\sigma}\phi(\frac{horas_i - X_i'\beta}{\sigma})$$

From this function it is possible to estimate the β parameters associated with the explanatory variables of the supply of child labour, which may be interpreted as the marginal effect of the change in an explanatory variable on the supply of labour. The explanatory variables of the child labour supply model used for this exercise are presented in table 4.3. In accordance with the availability of data and the literature, these variables could be relevant for analysing the supply of child labour.

Table 4.3
Explanatory variables in the decision to study and/or work

Variable	Type	Description
mujer	Yes/No	Sex
edad	Continuous	Age
edad2	Continuous	Age squared
a_esc	Continuous	Years of schooling
a_esc2	Continuous	Years of schooling squared
hijo_mayor	Yes/No	Oldest child in the household
hijo_menor	Yes/No	Youngest child in the household
estudia	Yes/No	The youngest child studies
irs	Continuous	Poverty index of the municipality of residence
tam_fam	Continuous	Number of people in the household
jefe_mujer	Yes/No	Household headed by a woman
jefe_ocu	Yes/No	Head of family in work
J_prim	Yes/No	Head of household with primary education or less
j_sec	Yes/No	Head of household with secondary education or less
j_medsup	Yes/No	Head of household baccalaureate
j_prof	Yes/No	Head of household with degree or higher
rural	Yes/No	Rural locality
int_mig	Yes/No	Municipality with medium, high or very high degree of migratory intensity

Source: BBVA Research

The parameters of the Tobit models are presented in tables 4.4 and 4.5. The estimates[6] took account of the population aged from 5 to 17 and of various specifications included in different groups of explanatory variables, as well as the sample design of the 2013 Child Labour Module, taking account on the one hand of the survey weights needed to make the data representative at national level (with SVY) and on the other of estimates based on the sample from the survey (without SVY).

[6] The econometric estimates and the tables presented throughout this study were produced using the STATA 13 econometric package. This econometric and statistical analysis package has a special module called SVY for analysing data from complex surveys and featuring survey weights for making estimates representative at population level and ensuring that estimators' standard errors are appropriate.

Table 4.4
Estimates of Tobit models with SVY (Dependent variable: hours)

Variables	Specification 1	Specification 2	Specification 3	Specification 4	Specification 5
mujer	-19.84***	-19.58***	-19.63***	-19.57***	-18.97***
edad	41.96***	42.33***	41.87***	40.58***	37.66***
edad2	-0.884***	-0.943***	-0.935***	-0.895***	-1.081***
a_esc	6.639***	5.992***	6.013***	6.274***	6.008***
a_esc2	-0.915***	-0.758***	-0.753***	-0.756***	-0.413***
jefe_mujer		2.033	2.689**	3.388**	3.177***
jefe_ocu		15.93***	16.09***	15.70***	14.27***
j_sec		-10.59***	-10.14***	-8.047***	-5.034***
j_medsup		-18.12***	-17.37***	-14.46***	-7.583***
j_prof		-28.70***	-27.82***	-24.59***	-14.77***
hijo_mayor			0.625	0.543	0.978
hijo_menor			-2.698	-2.527	-1.603
tam_fam			0.737**	0.587*	-0.0353
rural				2.755*	1.437
irs				3.431***	3.535***
estudia					-41.58***
int_mig	10.16***	6.722***	6.681***	4.554***	2.919**
Constant	-457.6***	-458.8***	-458.8***	-448.4***	-341.9***
Sigma	43.96***	42.99***	42.95***	42.85***	37.65***
Observations	95,612	95,612	95,612	95,612	95,612

Level of significance: *** 1%, ** 5%, * 10%
Source: BBVA Research

Table 4.5
Estimates of Tobit models without SVY (Dependent variable: hours)

Variables	Specification 1	Specification 2	Specification 3	Specification 4	Specification 5
mujer	-18.96***	-18.92***	-18.99***	-18.96***	-18.15***
edad	33.15***	33.20***	32.85***	32.01***	29.80***
edad2	-0.547***	-0.603***	-0.600***	-0.574***	-0.786***
a_esc	7.833***	7.143***	7.125***	7.312***	6.836***
a_esc2	-1.037***	-0.862***	-0.853***	-0.856***	-0.497***
jefe_mujer		2.712***	3.590***	4.200***	3.919***
jefe_ocu		14.73***	14.93***	14.66***	13.25***
j_sec		-9.465***	-8.841***	-7.315***	-4.248***
j_medsup		-18.32***	-17.34***	-15.24***	-8.067***
j_prof		-32.16***	-30.94***	-28.65***	-18.02***
hijo_mayor			1.094	1.023	1.787***
hijo_menor			-2.899**	-2.757**	-2.032*
tam_fam			1.027***	0.950***	0.259
rural				4.131***	2.589***
irs_2010				2.604***	2.913***
estudia					-42.06***
int_mig2010	8.331***	5.424***	5.327***	3.164***	1.781***
Constant	-405.5***	-401.4***	-403.7***	-396.8***	-293.8***
Sigma	44.81***	43.65***	43.59***	43.55***	38.27***
Observations	95,613	95,613	95,613	95,613	95,613

Level of significance (robust errors): *** 1%, ** 5%, * 10%
Source: BBVA Research

Among the main results of the estimate of the child labour supply function for Mexico based on the 2013 Child Labour Module, we would highlight the following:

1. Being female reduces the supply of child labour by nearly 19 hours a week.
2. Having a woman at the head of the family increases the supply of child labour by three hours a week.
3. The parents' level of education plays a significant role in reducing the supply of child labour. The supply of child labour from households headed by people with professional or higher education is nearly 15 hours a week less than that of households headed by people with primary education or lower.
4. Social backwardness, as a measure of the level of poverty in a community, increases the supply of child labour by 3.5 hours a week.
5. In communities with a medium, high or very high degree of migratory intensity the supply of child labour is nearly three hours a week more.
6. Being the first- or last-born in the family does not appear to be a significant factor in determining the supply of child labour.
7. Nor does living in a rural locality seem to be a significant factor for the supply of child labour, once allowance is made for environmental factors such as communities' degree of social backwardness and migratory intensity.
8. The size of the family also seems not to affect the supply of labour once account has been taken of the parents' level of education and other individual variables of the household environment.

4.5 Conclusions

In this study we examine the determinants of child labour in Mexico. Based on data from the 2013 Child Labour Module of the ENOE (National Occupation and Employment Survey) we analyse the characteristics of the population aged between 5 and 17. According to this source of data, 8.7% of the population in this age range in Mexico performs work of some kind, representing just over 2.5 million children.

Among the most significant characteristics of this population is the greater propensity to work of those minors living in communities with high migratory intensity and in socially backward communities. We see that minors living in municipalities with high migratory intensity tend more often to take informal jobs, not to receive income for their work and to work in farming and agriculture.

Among the main conclusions we find that factors such as age, years of schooling, living in a community with a high degree of social backwardness or the family's being headed by a woman tend to increase the supply of child labour. These results are in line with the literature, where we have found similar conclusions. On the other hand, we found that the degree of migratory intensity in the municipalities where minors live is also a significant factor in increasing the supply of labour, after controlling for other significant environmental factors related to the poverty of the communities and the vulnerability of the households which make them more prone to putting children to work.

Also other factors such as being female, being at school and the parents' level of education seem to reduce the supply of child labour. In this case the result associated with the parent's education has above all been widely studied in the literature and shown to be a highly significant factor linked to the reduction of child labour. We would highlight the fact that in our estimates we found that the household head's being in work had a positive and significant effect on the supply of child labour, contradicting the intuitive correlation found in the literature. However, the reason why a minor from a family the head of which is in employment would appear to be more likely to increase the supply of labour may be related to the large size of the informal economy in Mexico. The

fact that the informal economy is so big makes it more likely that a family head in work is actually employed in the informal sector, making it very likely that the children will also work, since the majority of informal jobs are in sectors such as trade, agriculture and construction in which it is very common to find family businesses.

To conclude, we consider it necessary to highlight the correlation found between the level of education of the parents and the supply of child labour. The positive externalities of a population with higher levels of education for society now and in the future are well known. This correlation implies that the gradual reduction of child labour is another of the phenomena closely related to the increase in the level of education of the population. Parents with a higher level of education will not only have children with higher levels of education but are also less likely to have children who are forced to work.

Bibliography

Alcázar, C. and Chiquiar, D. (2010). Remittances, Schooling, and Child Labor in Mexico. Banco de México. Documentos de Investigación. No. 2010-14: 1-28.

Alcázar, L., Rendón, S. and Wachtenheim, E. (2002). Working and studing in rural Latin America: Critical decision of adoescence. Research Network Working Paper R-469, Inter-American Development Bank: 1-43.

Brown, D. and Deardorff, A. (2002). The determinants of child labor: Theory and evidence. Discussion Paper No. 486, Research seminar in International Economics, School of Public Policy, The University of Michigan: 1-83.

Cigno, A., Rosati, F. and Tzannatos, Z. (2002). Child labor handbook. Discussion Paper No. 0206. Social Protection, The world Bank.

Emerson, P. and Portela, A. (2002). Birth order, child labor and school attendance in Brazil. Working paper No. 02-W12, Department of Economics, Vanderbilt University: 1-33.

Fors, H. (2008). Child labor: A review of recent theory and evidence with policy impliations. Working paper No. 324. School of business and law, University of Gothenburg: 1-20.

Greene, W. (2003). Econometric Analysis, Prentice Hall, 5th edition: 756-802.

INEGI (2014). Módulo de Trabajo Infantil MTI 2013. Encuesta Nacional de Ocupación y Empleo. Documento metodológico.

Hanson, G. and Woodruff, C. (2003). Emigrations and educational attainment in México. NBER working paper: 1-39.

López Villavicencio, A. (2005). Schooling and child labour in Mexico: an empirical analysis. Análisis Económico, Núm. 45, Vol. XX, Tercer cuatrimestre: 89-117.

Orraca, P. (2014). El trabajo infantil en México y sus causas. Revista Problemas del Desarrollo, 178 (45), July-September: 113-137.

Ozden, C. and Schiff, M. (2006). International migration, remittances, and the brain drain. The world bank and Palgrave Macmillan. Pp 292.

Tenikue, M. and Verheyden, B. (2008). Birth order, child labor and schooling: Theory and evidence form Cameroon. Working paper: 1-25.

5. Statistical Appendix

Table 5.1
International migrants by region of destination (Million of people and % share of total)

	1960	1970	1980	1990	2000	2010	2015
Total migrants in the world (Millions)	**93.1**	**105.8**	**120.2**	**152.6**	**172.7**	**221.7**	**243.7**
Percentage distribution (% share of total)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
To developed countries	**39.9**	**44.4**	**50.3**	**59.6**	**67.2**	**71.8**	**71.1**
Europa	18.0	21.6	22.4	26.6	28.0	29.4	28.3
America	14.8	14.7	17.2	20.6	25.5	25.2	24.4
Middle East and Africa	1.6	2.3	4.5	6.5	6.9	10.2	11.3
East Asia and Pacific	5.5	5.8	6.3	6.0	6.7	7.0	7.1
To developing countries	**60.1**	**55.6**	**49.7**	**40.4**	**32.8**	**28.2**	**28.9**
Europe and Central Asia	19.8	22.0	21.3	12.1	9.2	6.7	6.8
Sub-Saharan Africa	8.4	7.8	7.6	8.9	7.7	6.8	7.6
Middle East and North Africa	2.4	1.8	2.1	5.3	4.5	4.4	4.6
South Asia	19.1	15.5	12.3	10.0	7.3	5.2	4.7
Latin America and the Caribbean	6.4	5.1	4.6	2.4	1.7	1.7	1.8
East Asia and Pacific	3.9	3.3	1.8	1.7	2.4	3.4	3.4

Source: BBVA Research with data from Global Bilateral Migration of the World Bank and United Nations Population Division

Table 5.2
Annual inflow of remittances (Billion dollars)

	2000	2005	2010	2012	2013	2014p	2015p	2016p	2017p	2018p
World	**126.7**	**280.1**	**456.6**	**533.7**	**559.9**	**580.4**	**588.2**	**610.1**	**635.0**	**664.7**
Developed countries	**53.3**	**85.5**	**121.1**	**134.8**	**146.7**	**153.7**	**152.8**	**157.5**	**164.0**	**171.3**
Developing countries	**73.4**	**194.6**	**335.5**	**398.9**	**413.2**	**426.7**	**435.4**	**452.6**	**471.0**	**493.4**
East Asia and Pacific	12.6	49.1	95.0	107.4	113.3	119.9	125.6	129.6	135.0	141.1
South Asia	17.2	34.2	82.4	108.3	111.0	116.0	122.6	127.6	133.0	139.1
Latin America and the Caribbean	20.0	48.2	55.4	59.5	60.5	63.7	67.0	69.8	72.0	75.1
Europe and Central Asia	11.5	24.9	39.5	48.8	48.9	50.7	51.5	52.8	54.0	56.1
Middle East and North Africa	7.8	17.8	33.7	43.0	47.4	44.3	36.2	38.9	42.0	45.0
Sub-Saharan Africa	4.3	20.3	29.5	31.9	32.1	32.2	32.6	33.9	35.0	37.0

p: World Bank forecast
Source: BBVA Research with figures from World Bank

Table 5.3
Immigration to the United States (Millions)

	1995	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total population	**262.1**	**274.1**	**291.2**	**293.8**	**296.8**	**299.1**	**301.5**	**304.3**	**306.1**	**308.8**	**310.8**	**313.1**	**316.2**
Immigrants	**25.2**	**30.3**	**37.4**	**37.9**	**39.5**	**39.6**	**38.9**	**39.9**	**40.5**	**42.2**	**42.3**	**43.1**	**44.6**
By sex													
Men	12.4	15.1	18.9	19.1	19.9	19.9	19.4	20.0	20.1	20.8	20.8	20.9	21.7
Women	12.8	15.1	18.5	18.8	19.7	19.8	19.6	20.0	20.3	21.5	21.8	22.5	22.9
By age group													
Under 18	3.0	3.3	3.7	3.4	3.5	3.3	3.0	3.1	2.9	3.0	2.8	3.0	2.8
Between 18 and 39	11.5	13.4	16.4	16.3	17.0	16.5	15.7	15.8	15.6	16.2	16.3	15.7	16.3
Between 40 and 59	6.9	9.0	11.9	12.5	13.2	13.4	13.7	14.1	14.6	15.6	15.7	16.4	16.8
Over 60	3.9	4.5	5.4	5.7	5.9	6.4	6.6	6.9	7.3	7.6	7.8	8.3	8.7
By region of origen													
Canada	0.9	0.9	0.8	0.8	0.9	0.8	0.7	0.8	0.8	0.9	0.8	0.8	0.7
Mexico	7.0	8.1	11.1	11.1	11.8	11.8	11.9	11.9	11.6	11.9	11.8	11.5	12.2
Central America	1.6	1.9	2.5	2.6	2.7	2.7	2.6	2.9	3.0	3.0	3.2	3.3	3.6
The Caribbean	2.4	2.9	3.3	3.2	3.4	3.5	3.4	3.7	3.8	3.9	3.9	4.2	4.2
South America	1.3	1.9	2.3	2.5	2.6	2.4	2.4	2.5	2.5	2.7	2.5	2.5	2.7
Africa	0.3	0.7	0.9	1.2	1.2	1.5	1.5	1.7	1.6	1.8	1.8	2.1	2.3
Asia	5.0	7.6	9.6	9.9	10.4	10.7	10.7	10.7	11.1	12.3	12.4	13.0	13.2
Europe	4.9	5.2	5.4	5.2	5.5	5.6	5.4	5.5	5.6	5.5	5.4	5.4	5.3
Oceania	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.3
Not specified	1.9	1.0	1.3	1.2	0.8	0.4	0.1	0.1	0.1	0.1	0.2	0.2	0.2

Source: BBVA Research estimates from Current Population Survey (CPS), March 1995-2015

Table 5.4

Labor situation of Hispanics and Mexicans in the United States (Figures in thousands and %)

	2013			2014				2015				2016
	II	III	IV	I	II	III	IV	I	II	III	IV	I
Total population*												
Pop. 16 years old & over	245,363	245,961	246,564	247,086	247,625	248,233	248,843	249,901	250,461	251,099	251,741	252,581
Civilian labor force	155,533	155,660	155,043	155,677	155,524	156,100	156,316	156,931	157,128	157,014	157,432	158,837
Employed	143,822	144,344	144,259	145,350	145,895	146,579	147,400	148,223	148,659	148,950	149,523	150,980
Unemployed	11,711	11,316	10,784	10,327	9,629	9,521	8,915	8,708	8,468	8,064	7,909	7,857
Labor force participation rate	63.4	63.3	62.9	63.0	62.8	62.9	62.8	62.8	62.7	62.5	62.5	62.9
Unemployment rate	7.5	7.3	7.0	6.6	6.2	6.1	5.7	5.5	5.4	5.1	5.0	4.9
Hispanics*												
Pop. 16 years old & over	37,395	37,630	37,876	38,052	38,277	38,513	38,759	39,244	39,484	39,738	40,004	40,301
Civilian labor force	24,731	24,955	24,873	25,143	25,213	25,443	25,689	26,040	26,137	26,097	26,231	26,625
Employed	22,503	22,669	22,696	23,107	23,312	23,576	23,976	24,286	24,373	24,376	24,564	25,125
Unemployed	2,228	2,287	2,177	2,036	1,901	1,867	1,713	1,754	1,764	1,721	1,668	1,500
Labor force participation rate	66.1	66.3	65.7	66.1	65.9	66.1	66.3	66.4	66.2	65.7	65.6	66.1
Unemployment rate	9.0	9.2	8.8	8.1	7.5	7.3	6.7	6.7	6.7	6.6	6.4	5.6
Hispanics												
Pop. 16 years old & over	37,395	37,630	37,876	38,052	38,277	38,513	38,759	39,244	39,484	39,738	40,004	40,301
Civilian labor force	24,774	24,995	24,898	25,032	25,263	25,481	25,705	25,932	26,193	26,134	26,245	26,530
Employed	22,618	22,723	22,763	22,870	23,431	23,628	24,041	24,050	24,495	24,426	24,629	24,918
Unemployed	2,156	2,273	2,135	2,162	1,832	1,853	1,664	1,882	1,699	1,708	1,616	1,612
Labor force participation rate	66.2	66.4	65.7	65.8	66.0	66.2	66.3	66.1	66.3	65.8	65.6	65.8
Unemployment rate	8.7	9.1	8.6	8.6	7.3	7.3	6.5	7.3	6.5	6.5	6.2	6.1
Mexicans												
Pop. 16 years old & over	23,246	23,257	23,486	23,516	23,895	24,049	23,854	24,509	24,688	25,016	24,631	24,852
Civilian labor force	15,428	15,449	15,397	15,492	15,759	15,909	15,910	16,328	16,425	16,553	16,260	16,335
Employed	14,099	14,055	14,129	14,191	14,657	14,773	14,895	15,188	15,392	15,515	15,272	15,334
Unemployed	1,330	1,394	1,268	1,301	1,102	1,137	1,015	1,140	1,033	1,038	988	1,001
Labor force participation rate	66.4	66.4	65.6	65.9	66.0	66.2	66.7	66.6	66.5	66.2	66.0	65.7
Unemployment rate	8.6	9.0	8.2	8.4	7.0	7.1	6.4	7.0	6.3	6.3	6.1	6.1
U.S.-born Mexicans												
Pop. 16 years old & over	12,211	12,162	12,257	12,632	12,630	12,799	12,555	12,773	12,721	13,185	13,126	13,128
Civilian labor force	7,873	7,948	7,793	8,022	8,054	8,242	8,066	8,248	8,243	8,566	8,434	8,475
Employed	7,077	7,061	7,058	7,276	7,364	7,479	7,450	7,599	7,596	7,886	7,811	7,889
Unemployed	796	887	735	746	690	763	616	649	647	680	622	587
Labor force participation rate	64.5	65.4	63.6	63.5	63.8	64.4	64.2	64.6	64.8	65.0	64.3	64.6
Unemployment rate	10.1	11.2	9.4	9.3	8.6	9.3	7.6	7.9	7.8	7.9	7.4	6.9
Mexican immigrants												
Pop. 16 years old & over	11,035	11,095	11,229	10,884	11,265	11,250	11,299	11,736	11,967	11,831	11,505	11,724
Civilian labor force	7,555	7,501	7,604	7,470	7,705	7,667	7,844	8,080	8,182	7,987	7,826	7,860
Employed	7,022	6,994	7,071	6,915	7,293	7,294	7,445	7,589	7,796	7,629	7,461	7,445
Unemployed	533	507	533	555	412	373	399	491	386	358	366	414
Labor force participation rate	68.5	67.6	67.7	68.6	68.4	68.1	69.4	68.8	68.4	67.5	68.0	67.0
Unemployment rate	7.1	6.8	7.0	7.4	5.3	4.9	5.1	6.1	4.7	4.5	4.7	5.3

* Seasonally adjusted

Source: BBVA Research with figures from Bureau of Labor Statistics and Current Population Survey (CPS), 2006-2015

Table 5.5

Mexican immigrants in the United States

	1995	2000	2005	2010	2011	2012	2013	2014	2015
Total Mexicans in the U.S. (Millions)	**18.7**	**22.5**	**28.5**	**33.4**	**33.9**	**34.9**	**35.4**	**35.8**	**36.9**
Mexican immigrants	7.0	8.1	11.1	11.9	11.6	11.9	11.8	11.5	12.2
2nd & 3rd generation	11.7	14.4	17.4	21.5	22.3	23.0	23.7	24.3	24.7
Demographic characteristics of Mexican immigrants									
Sex (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Men	55.6	53.9	55.5	55.1	53.9	53.6	52.5	52.2	52.9
Women	44.4	46.1	44.5	44.9	46.1	46.5	47.5	47.8	47.2
Age groups (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
From 0 a 17 years old	13.6	13.1	11.5	7.9	7.7	6.6	5.7	6.0	5.6
From 18 a 39 years old	58.4	55.9	55.6	49.2	47.0	45.6	45.8	43.0	42.6
From 40 a 59 years old	21.2	24.1	25.9	33.3	35.3	37.2	37.3	38.7	39.7
60 or over	6.9	6.9	7.1	9.5	10.0	10.6	11.3	12.3	12.2
Average age (years)	**32.7**	**33.8**	**34.5**	**38.0**	**38.6**	**39.6**	**40.1**	**40.8**	**41.2**
State of residence (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
California	51.99	47.8	42.1	39.9	38.2	37.3	35.6	35.1	34.0
Texas	21.89	19.0	20.3	20.0	22.5	21.6	22.3	21.7	21.1
Arizona	5.38	5.3	5.5	5.1	5.0	5.4	5.6	5.9	6.0
Illinois	5.51	5.8	5.5	5.4	5.6	6.1	6.1	5.9	5.7
Florida	2.1	2.4	2.4	2.1	2.0	1.8	1.9	2.3	2.8
Colorado	0.8	2.3	2.2	1.7	1.8	1.6	2.0	2.0	2.7
Georgia	0.92	0.7	2.2	2.1	2.0	2.0	1.9	2.2	2.5
Washington	0.56	1.4	1.0	1.9	1.8	2.2	1.8	1.9	2.4
North Carolina	0.53	1.4	2.0	2.2	2.0	1.9	2.8	2.5	2.0
Nevada	1.29	2.0	1.9	1.7	1.9	1.8	1.9	1.7	1.9
New York	1.11	1.8	1.1	1.8	1.8	2.2	1.9	1.6	1.9
Others	7.93	10.0	13.8	16.2	15.5	16.2	16.0	17.2	17.2
Period of entry (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Before 1975	24.0	17.3	11.7	10.2	9.7	9.2	9.6	9.0	7.8
From 1975 to 1985	33.5	24.4	16.5	15.4	15.3	15.5	14.5	15.5	14.3
From 1986 to 1995	42.4	39.2	29.6	27.4	27.1	26.3	24.8	24.7	24.3
From 1996 to 2007	n.a.	19.1	42.1	42.8	43.0	43.2	44.0	42.0	42.4
2008 onwards	n.a.	n.a.	n.a.	4.2	4.9	5.8	7.1	8.8	11.1
Mobility condition in the last year (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Non-migrants	n.a.	91.6	89.5	96.3	97.2	96.6	96.8	97.8	96.4
Internal migrants[1]	n.a.	4.9	5.4	2.8	1.9	2.6	2.5	1.5	2.3
International migrants[2]	n.a.	3.6	5.0	1.0	1.0	0.9	0.8	0.7	1.3
Social characteristic of the Mexican immigrants (%)									
Education[3]	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Less than 10 grades	61.4	56.2	52.5	46.0	47.0	47.0	44.9	46.0	44.0
From 10 to 12 grades	25.7	29.9	33.0	37.2	36.8	37.0	37.8	37.8	37.3
Associate degree	8.9	9.6	9.2	9.9	10.3	9.9	10.9	10.0	11.3
Professional & postgraduate	4.0	4.3	5.3	6.9	5.9	6.1	6.5	6.2	7.4
Citizenship in the U.S. (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
U.S. citizen	14.6	22.6	20.4	25.8	27.0	27.9	27.0	28.8	29.2
Non - U.S. citizen	85.4	77.4	79.7	74.2	73.0	72.1	73.0	71.2	70.9

Continúa en la siguiente página

	1995	2000	2005	2010	2011	2012	2013	2014	2015
Poverty condition[4] (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Poor	35.6	25.7	26.2	28.8	29.9	27.7	28.4	25.2	24.6
Not poor	64.4	74.3	73.8	71.3	70.2	72.3	71.6	74.8	75.4
Type of health coverage (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Public	16.6	12.8	14.6	16.7	16.0	16.8	17.1	20.2	21.6
Private	27.2	30.5	28.7	25.5	27.4	26.6	26.8	30.9	34.9
Both	2.7	1.9	2.4	2.4	2.4	2.5	3.2	3.8	6.1
None	53.6	54.8	54.3	55.4	54.3	54.1	52.9	45.0	37.4
Labor characteristics of Mexican immigrants (%)									
Population 15 years old or over (Millions)	**6.2**	**7.3**	**10.1**	**11.2**	**11.0**	**11.4**	**11.4**	**11.1**	**11.8**
Economically-active population	4.2	5.0	7.0	7.7	7.6	7.8	7.7	7.5	8.0
Employed	3.7	4.6	6.5	6.8	6.7	7.0	7.0	7.0	7.6
Unemployed	0.5	0.4	0.4	1.0	0.9	0.8	0.7	0.5	0.5
Economically-inactive population	2.0	2.3	3.2	3.5	3.5	3.5	3.7	3.6	3.8
Labor force participation rate (%)	67.4	68.4	68.8	69.0	68.5	68.8	67.4	67.4	68.1
Unemployment rate (%)	11.3	7.2	6.1	12.6	11.9	10.2	9.0	6.6	5.7
Weekly hours worked (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
34 or less	13.5	9.3	11.0	19.4	18.7	18.1	17.7	17.2	14.7
From 35 to 44 hours	71.1	76.8	75.2	69.4	70.9	69.4	68.8	70.3	70.7
45 or more	15.4	13.9	13.8	11.2	10.5	12.5	13.5	12.5	14.7
Annual wage (U.S. dollars) (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Less than 10,000	33.3	21.0	13.4	13.0	12.3	11.5	11.0	10.7	9.4
From 10,000 to 19,999	42.2	44.1	39.8	34.0	32.8	30.7	31.0	28.1	24.3
From 20,000 to 29,999	15.2	20.1	23.9	24.7	26.1	26.5	25.4	25.5	26.4
From 30,000 to 39,999	4.8	7.8	11.3	13.7	13.9	14.4	14.9	15.6	16.2
From 40,000 or more	4.6	7.0	11.5	14.6	15.0	17.0	17.7	20.0	23.7
Sector of activity (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Primary	11.7	12.1	5.7	5.5	4.7	4.9	4.8	4.9	5.8
Secondary	35.3	36.6	37.0	30.9	32.4	31.8	30.6	33.5	32.2
Tertiary	53.0	51.2	57.3	63.6	62.8	63.3	64.6	61.6	61.9
Sector of economic activity (%)	**n.a.**	**n.a.**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Construction	n.a.	n.a.	20.9	16.6	17.4	16.8	17.0	18.0	17.9
Leisure and hospitality	n.a.	n.a.	14.9	16.6	15.1	16.8	17.6	14.5	14.2
Manufacturing	n.a.	n.a.	15.8	13.8	14.5	14.4	12.9	14.9	13.5
Professional and business services	n.a.	n.a.	11.1	12.2	12.8	12.6	13.4	12.9	13.1
Wholesale and retail trade	n.a.	n.a.	11.6	11.5	11.8	10.5	10.3	10.2	11.4
Educational and health services	n.a.	n.a.	6.3	9.2	9.7	8.6	8.7	8.2	8.2
Other services, excl. government	n.a.	n.a.	6.6	6.2	6.0	6.4	6.3	7.0	6.4
Agriculture, forestry, fishing, and hunting	n.a.	n.a.	5.7	5.5	4.7	4.9	4.8	4.9	5.8
Transportation and utilities	n.a.	n.a.	3.1	4.0	4.0	4.3	4.2	4.8	4.5
Financial activities	n.a.	n.a.	2.5	1.9	1.8	2.5	2.8	2.2	2.2
Public administration	n.a.	n.a.	0.6	1.1	1.0	1.2	0.9	1.1	1.3
Mining	n.a.	n.a.	0.3	0.5	0.5	0.6	0.7	0.7	0.9
Information	n.a.	n.a.	0.7	0.9	0.7	0.4	0.5	0.6	0.6

Notes:
1/ It refers to the population that resided, the year prior to the interview, in a county other than the current one.
2/ It refers to the population that resided, the year prior to the interview , in Mexico.
3/ Population 25 years or over.
4/ Methodology for poverty in the U.S.. Individuals are classified as below the poverty level using a poverty index adopted by a Federal Inter Agency Committee in 1969, slightly modified in 1981.
n.a.: not available
Source: BBVA Research with estimates from Current Population Survey (CPS), March 1995-2015

Table 5.6

Remittances' average total cost for sending US$200 dollars to top 10 receiving-remittances countries worldwide (Cost as % of amount sent)

Global ranking *	Country	Estimated remittances inflow in 2015* (Millon of US$)	% share	2011 Q3	2012 Q3	2013 Q3	2014 Q3	2015 Q3
1	India	72,178.5	12.3	7.8	8.6	9.2	7.8	6.7
2	China	63,937.6	10.9	12.3	12.3	12.0	11.4	10.3
3	Philippines	29,664.6	5.0	6.2	6.6	7.0	5.8	6.0
4	**Mexico**	**25,688.9**	**4.4**	**6.0**	**7.3**	**4.4**	**4.5**	**5.6**
5	France	24,414.1	4.2	n.a.	n.a.	n.a.	n.a.	n.a.
6	Nigeria	20,864.9	3.5	10.8	11.0	10.1	8.2	8.4
7	Egypt	20,391.2	3.5	4.2	4.3	3.9	4.5	5.7
8	Pakistan	20,100.0	3.4	7.2	5.9	5.8	4.6	5.4
9	Gramany	17,494.5	3.0	n.a.	n.a.	n.a.	n.a.	n.a.
10	Bangladesh	15,760.1	2.7	4.0	4.4	4.8	4.5	4.2

Table 5.7

Remittances' average total cost for sending US$200 dollars to top 10 receiving-remittances countries in Latin America and The Caribbean (LAC) (Cost as % of amount sent)

Global ranking *	Country	Estimated remittances inflow in 2015* (Millon of US$)	% LAC share	2011 Q3	2012 Q3	2013 Q3	2014 Q3	2015 Q3
4	**Mexico**	**25,688.9**	**37.6**	**6.0**	**7.3**	**4.4**	**4.5**	**5.6**
24	Guatemala	6,408.2	9.4	5.4	6.0	5.0	4.7	4.7
27	Dominican Rep.	4,985.5	7.3	5.9	7.7	6.5	6.1	6.5
28	Colombia	4,513.8	6.6	6.6	7.3	5.6	4.6	6.2
30	El Salvador	4,357.4	6.4	4.7	5.8	4.6	4.1	4.2
34	Honduras	3,931.4	5.8	5.1	7.7	4.8	5.3	4.2
41	Brazil	2,808.8	4.1	12.8	12.5	11.9	8.4	8.0
42	Peru	2,653.6	3.9	5.0	6.2	5.8	5.0	6.0
45	Ecuador	2,434.3	3.6	4.6	4.6	4.5	4.3	4.3
47	Jamaica	2,309.7	3.4	8.8	8.2	9.6	9.0	8.5

Source: BBVA Research base on World Bank Remittance Prices Worldwide (RPW) 2016 and World Bank estimates, February 2016.
* According to World Bank estimates
World Bank figures may differ from the data reported in each country due to the methodology used to calculate remittances.
n.a.: not available
p/ preliminary figures
Note: To calculate the average total cost we exclude data where the exchange rate is not transparent and Russia remittance-corridors due to not providing information on exchange rate, since the actual cost may be higher if data were complete. World Bank does not have information on remittance-senders market shares, so the total average cost is calculated as a simple average of the available information, as indicated by the World Bank.

Table 5.8

Remittance fee for sending US$300 from the United States to Mexico (in dollars)

	Chicago	Dallas	Houston	Indianapolis	Los Angeles	Miami	New York	Sacramento	San Jose	Average
2002	11.3	11.6	12.0		11.6	11.7	11.2	10.7	11.3	11.4
2003	10.4	10.8	10.8	10.6	10.4	11.0	10.9	10.3	10.3	10.6
2004	10.0	11.1	10.8	10.0	9.9	10.7	10.5	9.6	9.7	10.3
2005	9.5	11.7	11.2	10.0	10.0	10.1	10.0	9.2	9.7	10.1
2006	9.4	11.6	11.5	10.0	10.2	10.2	10.2	8.9	10.1	10.2
2007	9.1	10.9	11.5	10.0	9.5	9.7	9.5	7.6	9.6	9.7
2008	8.0	9.9	11.0	10.0	8.6	8.7	8.1	6.8	8.2	8.8
2009	7.0	9.0	10.4	9.4	7.5	7.4	7.5	5.9	7.4	8.0
2010	5.7	8.0	10.0	8.6	5.9	5.5	6.7	4.9	6.4	6.9
2011	6.5	8.9	10.7	9.5	7.5	7.1	7.9	7.0	7.3	8.0
2012	6.3	9.1	10.8	9.7	7.9	7.6	7.8	7.6	7.6	8.3
2013	5.4	7.7	9.6	9.5	6.7	6.6	6.5	6.6	6.6	7.2
2014	5.6	6.9	8.9	8.9	7.6	7.6	7.5	7.6	7.6	7.6
2015	5.8	7.5	8.9	8.9	8.8	8.5	8.7	8.8	8.8	8.3

Source: BBVA Research based on PROFECO weekly database

Table 5.9
Annual remittance inflows at the national level

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Million of US$	**25,566.8**	**26,058.8**	**25,145.0**	**21,306.3**	**21,303.9**	**22,803.0**	**22,438.3**	**22,302.8**	**23,647.3**	**24,791.7**
By channel of reception										
Electronic transfers	23,854.0	24,802.7	24,113.7	20,547.5	20,583.3	22,228.9	21,857.6	21,749.5	22,914.2	24,145.5
Cash and payment in kind	353.2	396.5	432.6	372.6	330.9	367.3	385.9	335.0	465.6	484.0
Money Orders	1,359.7	859.7	598.6	386.2	389.7	206.8	194.8	218.3	267.5	162.2
Personal checks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
By type of institution										
Banks	-	-	-	-	-	-	-	9,008.7	8,413.6	8,982.6
Non-bank institutions	-	-	-	-	-	-	-	13,294.1	15,218.4	15,809.2
By country of origin										
United States	-	-	-	-	-	-	-	21,579.8	22,799.8	23,683.8
Canada	-	-	-	-	-	-	-	230.1	172.3	254.4
Guatemala	-	-	-	-	-	-	-	38.4	33.8	28.4
Colombia	-	-	-	-	-	-	-	6.6	3.0	28.1
Spain	-	-	-	-	-	-	-	18.5	16.5	26.5
El Salvador	-	-	-	-	-	-	-	27.7	35.8	25.0
Chile	-	-	-	-	-	-	-	3.6	2.7	20.2
Ecuador	-	-	-	-	-	-	-	6.4	7.8	19.2
Dominican Republic	-	-	-	-	-	-	-	1.7	1.2	19.2
Honduras	-	-	-	-	-	-	-	19.8	25.7	17.4
Other and non identified	-	-	-	-	-	-	-	370.0	548.6	669.5
Transactions (Thousands)	**74,184.6**	**75,651.5**	**72,627.7**	**67,109.6**	**67,535.6**	**69,860.9**	**71,611.3**	**76,752.4**	**80,528.8**	**84,731.9**
Average remittance (dollars)	**344.3**	**344.4**	**345.5**	**317.5**	**314.9**	**326.0**	**312.6**	**290.6**	**293.7**	**292.5**

Source: BBVA Research with Banxico data

Table 5.10
Annual remittance inflows at the national level (% share of total)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
By channel of reception	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Electronic transfers	93.3	95.2	95.9	96.4	96.6	97.5	97.4	97.5	96.9	97.5
Cash and payment in kind	1.4	1.5	1.7	1.7	1.6	1.6	1.7	1.5	2.0	2.0
Money Orders	5.3	3.3	2.4	1.8	1.8	0.9	0.9	1.0	1.1	0.7
Personal checks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
By type of institution								**100.0**	**100.0**	**100.0**
Banks	-	-	-	-	-	-	-	40.4	35.6	36.2
Non-bank institutions	-	-	-	-	-	-	-	59.6	64.4	63.8
By country of origin								**100.0**	**100.0**	**100.0**
United States	-	-	-	-	-	-	-	96.8	96.4	95.5
Canada	-	-	-	-	-	-	-	1.0	0.7	1.0
Guatemala	-	-	-	-	-	-	-	0.2	0.1	0.1
Colombia	-	-	-	-	-	-	-	0.0	0.0	0.1
Spain	-	-	-	-	-	-	-	0.1	0.1	0.1
El Salvador	-	-	-	-	-	-	-	0.1	0.2	0.1
Chile	-	-	-	-	-	-	-	0.0	0.0	0.1
Ecuador	-	-	-	-	-	-	-	0.0	0.0	0.1
Dominican Republic	-	-	-	-	-	-	-	0.0	0.0	0.1
Honduras	-	-	-	-	-	-	-	0.1	0.1	0.1
Other and non identified	-	-	-	-	-	-	-	1.7	2.3	2.7

Source: BBVA Research with Banxico data

Table 5.11

Monthly remittance inflows to Mexico (Million dollars)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Jan	1,051.3	1,081.9	1,367.6	1,758.3	1,872.9	1,781.7	1,573.0	1,323.8	1,403.2	1,506.3	1,530.9	1,642.2	1,626.9	1,932.8
Feb	979.8	1,171.8	1,428.4	1,823.2	1,856.8	1,859.7	1,810.8	1,553.5	1,651.1	1,788.2	1,653.8	1,719.2	1,842.5	2,082.0
Mar	1,139.1	1,480.2	1,691.6	2,152.8	2,186.5	2,116.3	2,115.1	1,954.8	2,055.9	2,091.7	1,855.6	2,098.3	2,254.2	2,200.8
Apr	1,202.5	1,513.5	1,753.3	2,072.7	2,166.6	2,184.7	1,794.8	1,794.8	1,880.9	2,031.5	1,990.6	1,976.4	2,006.1	
May	1,351.0	1,770.4	2,057.3	2,534.6	2,411.8	2,371.6	1,905.5	2,146.2	2,168.5	2,342.5	2,105.2	2,147.0	2,190.9	
Jun	1,351.2	1,684.7	1,923.3	2,340.3	2,300.6	2,264.6	1,934.0	1,894.9	2,022.3	2,096.1	2,001.2	2,043.5	2,155.9	
Jul	1,361.4	1,654.4	1,840.3	2,191.6	2,369.5	2,183.2	1,850.2	1,874.4	1,906.7	1,862.7	1,890.3	1,998.2	2,234.9	
Aug	1,401.2	1,786.8	2,059.2	2,334.3	2,412.1	2,097.6	1,799.4	1,957.7	2,143.9	1,889.7	1,953.6	2,004.3	2,253.2	
Sep	1,365.5	1,586.8	1,886.0	2,141.0	2,186.1	2,113.8	1,747.2	1,719.0	2,086.0	1,661.6	1,828.3	1,965.1	2,055.1	
Oct	1,391.0	1,529.9	1,862.3	2,316.5	2,367.6	2,637.7	1,696.0	1,731.0	1,912.6	1,771.3	1,912.0	2,042.1	2,068.8	
Nov	1,203.7	1,506.2	1,887.0	1,962.8	1,958.5	1,752.2	1,510.8	1,631.9	1,785.9	1,692.3	1,731.7	1,776.0	1,894.4	
Dec	1,341.1	1,565.1	1,932.1	1,938.7	1,969.8	1,781.9	1,569.5	1,721.8	1,786.0	1,704.4	1,849.5	2,235.0	2,208.8	
Total	**15,138.7**	**18,331.7**	**21,688.3**	**25,566.8**	**26,058.8**	**25,145.0**	**21,306.3**	**21,303.9**	**22,803.0**	**22,438.3**	**22,302.8**	**23,647.3**	**24,791.7**	

Monthly remittance inflows to Mexico (Annual % change)

Jan	47.8	2.9	26.4	28.6	6.5	-4.9	-11.7	-15.8	6.0	7.4	1.6	7.3	-0.9	18.8
Feb	36.3	19.6	21.9	27.6	1.8	0.2	-2.6	-14.2	6.3	8.3	-7.5	4.0	7.2	13.0
Mar	53.0	29.9	14.3	27.3	1.6	-3.2	-0.1	-7.6	5.2	1.7	-11.3	13.1	7.4	-2.4
Apr	49.2	25.9	15.8	18.2	4.5	0.8	-17.8	0.0	4.8	8.0	-2.0	-0.7	1.5	
May	48.1	31.0	16.2	23.2	-4.8	-1.7	-19.7	12.6	1.0	8.0	-10.1	2.0	2.0	
Jun	57.1	24.7	14.2	21.7	-1.7	-1.6	-14.6	-2.0	6.7	3.7	-4.5	2.1	5.5	
Jul	61.5	21.5	11.2	19.1	8.1	-7.9	-15.2	1.3	1.7	-2.3	1.5	5.7	11.8	
Aug	65.0	27.5	15.2	13.4	3.3	-13.0	-14.2	8.8	9.5	-11.9	3.4	2.6	12.4	
Sep	58.7	16.2	18.9	13.5	2.1	-3.3	-17.3	-1.6	21.4	-20.3	10.0	7.5	4.6	
Oct	64.0	10.0	21.7	24.4	2.2	11.4	-35.7	2.1	10.5	-7.4	7.9	6.8	1.3	
Nov	62.3	25.1	25.3	4.0	-0.2	-10.5	-13.8	8.0	9.4	-5.2	2.3	2.6	6.7	
Dec	45.9	16.7	23.5	0.3	1.6	-9.5	-11.9	9.7	3.7	-4.6	8.5	20.8	-1.2	
Total	**54.2**	**21.1**	**18.3**	**17.9**	**1.9**	**-3.5**	**-15.3**	**0.0**	**7.0**	**-1.6**	**-0.6**	**6.0**	**4.8**	

12-month remittance inflows to Mexico (Million dollars)

Jan	10,154.7	15,169.3	18,617.4	22,079.0	25,681.5	25,967.6	24,936.3	21,057.2	21,383.2	22,906.1	22,462.9	22,414.0	23,632.0	25,097.6
Feb	10,415.6	15,361.3	18,874.0	22,473.8	25,715.0	25,970.5	24,887.3	20,799.8	21,480.8	23,043.3	22,328.5	22,479.5	23,755.2	25,337.0
Mar	10,810.1	15,702.4	19,085.4	22,935.1	25,748.7	25,900.3	24,886.1	20,639.6	21,581.9	23,079.1	22,092.4	22,722.1	23,911.2	25,283.6
Apr	11,206.8	16,013.4	19,325.2	23,254.5	25,842.6	25,918.5	24,496.2	20,639.6	21,668.0	23,229.7	22,051.5	22,707.9	23,940.9	
May	11,645.5	16,432.9	19,612.1	23,731.8	25,719.8	25,878.3	24,030.1	20,880.3	21,690.3	23,403.7	21,814.2	22,749.7	23,984.8	
Jun	12,136.7	16,766.4	19,850.6	24,148.8	25,680.1	25,842.3	23,699.5	20,841.1	21,817.7	23,477.5	21,719.3	22,791.9	24,097.3	
Jul	12,655.0	17,059.4	20,036.6	24,500.1	25,857.9	25,656.0	23,366.6	20,865.3	21,850.0	23,433.5	21,746.9	22,899.8	24,334.0	
Aug	13,207.1	17,445.0	20,309.0	24,775.2	25,935.8	25,341.4	23,068.4	21,023.7	22,036.2	23,179.2	21,810.9	22,950.5	24,582.8	
Sep	13,712.0	17,666.3	20,608.1	25,030.2	25,980.9	25,269.1	22,701.8	20,995.4	22,403.2	22,754.9	21,977.6	23,087.2	24,672.9	
Oct	14,254.7	17,805.3	20,940.5	25,484.4	26,032.1	25,539.2	21,760.1	21,030.5	22,584.8	22,613.5	22,118.3	23,217.4	24,699.5	
Nov	14,717.0	18,107.7	21,321.2	25,560.3	26,027.8	25,332.8	21,518.7	21,151.6	22,738.8	22,519.9	22,157.7	23,261.8	24,817.9	
Dec	15,138.7	18,331.7	21,688.3	25,566.8	26,058.8	25,145.0	21,306.3	21,303.9	22,803.0	22,438.3	22,302.8	23,647.3	24,791.7	

12-month remittance inflows to Mexico (Annual % change)

Jan	13.4	49.4	22.7	18.6	16.3	1.1	-4.0	-15.6	1.5	7.1	-1.9	-0.2	5.4	6.2
Feb	15.3	47.5	22.9	19.1	14.4	1.0	-4.2	-16.4	3.3	7.3	-3.1	0.7	5.7	6.7
Mar	19.3	45.3	21.5	20.2	12.3	0.6	-3.9	-17.1	4.6	6.9	-4.3	2.9	5.2	5.7
Apr	22.7	42.9	20.7	20.3	11.1	0.3	-5.5	-15.7	5.0	7.2	-5.1	3.0	5.4	
May	26.0	41.1	19.3	21.0	8.4	0.6	-7.1	-13.1	3.9	7.9	-6.8	4.3	5.4	
Jun	29.7	38.1	18.4	21.7	6.3	0.6	-8.3	-12.1	4.7	7.6	-7.5	4.9	5.7	
Jul	34.6	34.8	17.5	22.3	5.5	-0.8	-8.9	-10.7	4.7	7.2	-7.2	5.3	6.3	
Aug	39.6	32.1	16.4	22.0	4.7	-2.3	-9.0	-8.9	4.8	5.2	-5.9	5.2	7.1	
Sep	43.6	28.8	16.7	21.5	3.8	-2.7	-10.2	-7.5	6.7	1.6	-3.4	5.0	6.9	
Oct	48.4	24.9	17.6	21.7	2.1	-1.9	-14.8	-3.4	7.4	0.1	-2.2	5.0	6.4	
Nov	52.4	23.0	17.7	19.9	1.8	-2.7	-15.1	-1.7	7.5	-1.0	-1.6	5.0	6.7	
Dec	54.2	21.1	18.3	17.9	1.9	-3.5	-15.3	0.0	7.0	-1.6	-0.6	6.0	4.8	

Source: BBVA Research with Banxico data

Table 5.12

Annual remittance inflows to Mexico at state level (Million dollars)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
National	**25,566.8**	**26,058.8**	**25,145.0**	**21,306.3**	**21,303.9**	**22,803.0**	**22,438.3**	**22,302.8**	**23,647.3**	**24,791.7**
Michoacán	2,503.7	2,435.8	2,448.9	2,132.3	2,144.5	2,245.1	2,209.4	2,048.7	2,244.0	2,532.7
Guanajuato	2,311.2	2,389.0	2,317.7	1,944.9	1,981.3	2,155.8	2,138.3	2,007.6	2,096.5	2,264.1
Jalisco	1,975.5	1,996.7	1,914.8	1,695.1	1,755.6	1,895.8	1,883.5	1,755.0	1,959.9	2,219.2
México	2,079.1	2,167.0	2,066.7	1,700.8	1,637.6	1,658.4	1,563.8	1,433.0	1,462.1	1,561.6
Puebla	1,482.6	1,617.6	1,615.7	1,374.9	1,371.2	1,469.6	1,403.2	1,334.6	1,338.6	1,371.7
Oaxaca	1,360.2	1,517.4	1,522.2	1,298.5	1,296.5	1,427.4	1,366.2	1,150.9	1,214.8	1,289.7
Guerrero	1,455.7	1,489.6	1,435.5	1,200.3	1,201.5	1,262.4	1,231.0	1,205.3	1,203.5	1,278.1
Mexico City	1,490.4	1,058.6	1,083.9	965.9	999.3	1,151.9	1,013.6	1,394.6	1,513.9	1,090.6
Veracruz	1,680.8	1,775.7	1,618.3	1,296.3	1,237.4	1,273.1	1,176.0	1,027.7	1,047.4	1,086.4
San Luis Potosí	714.5	778.4	760.8	626.8	629.5	700.8	738.7	707.0	769.9	849.7
Zacatecas	667.7	687.4	681.6	573.3	581.7	625.5	654.5	633.8	700.2	767.5
Hidalgo	982.8	1,092.2	961.0	752.1	715.5	762.7	721.5	630.1	720.5	725.7
Baja California	302.1	334.6	334.3	322.1	348.0	396.8	464.9	619.6	619.9	681.4
Tamaulipas	496.7	516.7	500.5	415.0	402.3	445.3	485.5	709.3	833.2	665.2
Nuevo León	342.6	327.1	323.8	293.0	284.0	308.9	340.0	597.2	614.5	644.6
Chihuahua	473.9	460.2	474.8	407.8	397.8	419.3	466.8	519.2	554.2	643.7
Chiapas	940.8	921.2	811.1	609.7	574.5	594.8	572.7	501.9	502.1	593.7
Morelos	588.0	635.4	622.6	548.1	554.9	586.8	561.3	514.5	527.7	551.2
Durango	428.5	453.1	442.0	374.8	379.1	416.6	431.1	458.9	491.0	533.7
Sinaloa	503.2	523.0	487.7	456.7	470.2	511.8	501.2	503.0	517.0	533.4
Querétaro	484.1	475.1	436.4	360.2	354.5	383.3	378.6	411.5	398.2	460.2
Nayarit	348.2	375.2	376.5	341.6	337.4	356.4	339.5	321.1	361.8	399.8
Coahuila	275.3	293.2	278.4	234.2	234.0	247.0	283.5	327.2	392.3	387.2
Sonora	326.0	332.3	311.0	278.7	292.0	326.9	326.8	341.2	337.1	375.9
Aguascalientes	379.4	373.0	332.3	282.2	293.9	306.3	332.7	305.6	323.9	350.0
Tlaxcala	270.7	303.3	305.2	258.9	258.5	274.5	253.2	217.1	218.9	224.9
Colima	183.1	199.7	184.7	164.8	171.5	183.8	180.2	183.3	216.8	219.3
Yucatán	122.1	136.8	136.1	109.9	112.7	117.8	119.2	125.4	129.3	134.7
Tabasco	187.8	182.8	156.0	114.4	111.3	111.7	111.3	117.2	131.0	130.2
Quintana Roo	99.5	98.5	97.3	85.6	86.8	92.1	93.3	100.8	105.0	117.5
Campeche	82.0	80.4	72.8	55.8	55.1	57.8	55.6	54.9	55.8	56.5
Baja California Sur	28.5	32.0	34.7	31.9	33.7	36.7	41.4	45.8	46.6	51.3

Annual remittance inflows at state level (% share of total)

National	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Michoacán	9.8	9.3	9.7	10.0	10.1	9.8	9.8	9.2	9.5	10.2
Guanajuato	9.0	9.2	9.2	9.1	9.3	9.5	9.5	9.0	8.9	9.1
Jalisco	7.7	7.7	7.6	8.0	8.2	8.3	8.4	7.9	8.3	9.0
México	8.1	8.3	8.2	8.0	7.7	7.3	7.0	6.4	6.2	6.3
Puebla	5.8	6.2	6.4	6.5	6.4	6.4	6.3	6.0	5.7	5.5
Oaxaca	5.3	5.8	6.1	6.1	6.1	6.3	6.1	5.2	5.1	5.2
Guerrero	5.7	5.7	5.7	5.6	5.6	5.5	5.5	5.4	5.1	5.2
Mexico City	5.8	4.1	4.3	4.5	4.7	5.1	4.5	6.3	6.4	4.4
Veracruz	6.6	6.8	6.4	6.1	5.8	5.6	5.2	4.6	4.4	4.4
San Luis Potosí	2.8	3.0	3.0	2.9	3.0	3.1	3.3	3.2	3.3	3.4
Zacatecas	2.6	2.6	2.7	2.7	2.7	2.7	2.9	2.8	3.0	3.1
Hidalgo	3.8	4.2	3.8	3.5	3.4	3.3	3.2	2.8	3.0	2.9
Baja California	1.2	1.3	1.3	1.5	1.6	1.7	2.1	2.8	2.6	2.7
Tamaulipas	1.9	2.0	2.0	1.9	1.9	2.0	2.2	3.2	3.5	2.7
Nuevo León	1.3	1.3	1.3	1.4	1.3	1.4	1.5	2.7	2.6	2.6
Chihuahua	1.9	1.8	1.9	1.9	1.9	1.8	2.1	2.3	2.3	2.6
Chiapas	3.7	3.5	3.2	2.9	2.7	2.6	2.6	2.3	2.1	2.4
Morelos	2.3	2.4	2.5	2.6	2.6	2.6	2.5	2.3	2.2	2.2
Durango	1.7	1.7	1.8	1.8	1.8	1.8	1.9	2.1	2.1	2.2
Sinaloa	2.0	2.0	1.9	2.1	2.2	2.2	2.2	2.3	2.2	2.2
Querétaro	1.9	1.8	1.7	1.7	1.7	1.7	1.7	1.8	1.7	1.9
Nayarit	1.4	1.4	1.5	1.6	1.6	1.6	1.5	1.4	1.5	1.6
Coahuila	1.1	1.1	1.1	1.1	1.1	1.1	1.3	1.5	1.7	1.6
Sonora	1.3	1.3	1.2	1.3	1.4	1.4	1.5	1.5	1.4	1.5
Aguascalientes	1.5	1.4	1.3	1.3	1.4	1.3	1.5	1.4	1.4	1.4
Tlaxcala	1.1	1.2	1.2	1.2	1.2	1.2	1.1	1.0	0.9	0.9
Colima	0.7	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9
Yucatán	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5
Tabasco	0.7	0.7	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.5
Quintana Roo	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.4	0.5
Campeche	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Baja California Sur	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2

Source: BBVA Research with Banxico data

Table 5.13

Absolute Migration Intensity Index and remittance dependency

State	Houses in 2000				Houses in 2010				Indicator of dependence on remittances 2015e*	Remittance dependency degree**
	Receiving remittances (%)	With immigrant in US in the previous five years (%)	With circular immigrant in US in the previous five years (%)	With returnee migrant from US in the previous five years (%)	Receiving remittances (%)	With immigrant in US in the previous five years (%)	With circular immigrant in US in the previous five years (%)	With returnee migrant from US in the previous five years (%)		
National	**4.6**	**4.0**	**1.0**	**0.9**	**3.6**	**1.9**	**0.9**	**2.2**	**2.3**	
Michoacán	12.0	10.2	3.0	2.4	9.3	4.4	2.0	4.8	9.9	Very high
Guerrero	8.2	6.5	0.9	1.1	6.6	3.3	1.0	3.4	7.8	Very high
Oaxaca	4.3	4.6	0.6	0.7	4.9	4.1	0.9	3.1	7.4	Very high
Zacatecas	13.5	11.7	3.4	2.6	11.0	4.5	2.3	5.6	6.8	Very high
Nayarit	9.8	6.6	2.1	2.1	9.2	2.1	2.3	4.0	5.4	Very high
Guanajuato	9.9	9.5	2.3	1.7	7.8	5.3	2.3	4.1	4.8	High
Morelos	6.7	7.1	1.3	1.2	5.4	2.5	1.1	3.5	4.4	High
Puebla	3.5	3.9	0.6	0.7	3.8	3.0	1.1	2.1	4.0	High
Durango	10.4	7.0	1.9	1.6	6.5	2.4	1.3	3.3	4.0	High
San Luis Potosí	8.6	7.3	1.3	1.2	6.6	3.1	1.3	3.2	4.0	High
Hidalgo	5.2	7.0	1.7	0.9	4.3	3.5	1.6	4.0	3.9	High
Tlaxcala	2.4	2.5	0.5	0.4	2.6	2.4	1.3	1.8	3.6	Medium
Colima	7.6	5.2	1.4	2.2	5.2	1.8	1.1	4.0	3.4	Medium
Chiapas	0.8	0.8	0.1	0.1	1.1	1.1	0.5	0.9	3.3	Medium
Jalisco	8.2	6.3	1.9	1.8	5.4	2.2	1.3	2.8	3.1	Medium
Aguascalientes	7.0	6.3	2.9	1.5	4.8	2.6	1.6	3.1	2.6	Medium
Sinaloa	4.8	3.4	0.9	0.6	3.3	1.0	0.7	1.8	2.3	Low
Baja California	4.4	2.1	0.4	2.3	3.7	1.1	0.5	3.4	2.2	Low
Tamaulipas	3.9	2.8	0.6	0.8	3.1	1.2	0.7	2.2	2.0	Low
Veracruz	2.9	3.0	0.5	0.2	2.5	1.8	0.8	1.9	2.0	Low
Chihuahua	4.6	3.4	1.1	1.3	4.4	1.7	0.7	2.6	2.0	Low
Querétaro	4.0	4.5	1.5	0.7	3.3	3.0	1.6	2.5	1.8	Low
México	2.3	2.5	0.6	0.3	1.6	1.0	0.6	1.1	1.6	Low
Sonora	3.3	1.5	0.3	0.9	2.7	1.1	0.7	2.7	1.2	Very low
Coahuila	3.6	2.1	0.8	0.7	2.4	0.9	0.5	1.4	1.1	Very low
Yucatán	1.5	1.0	0.2	0.2	1.5	0.7	0.4	0.7	0.8	Very low
Nuevo León	2.6	1.9	0.7	0.6	1.3	0.6	0.4	0.9	0.8	Very low
Quintana Roo	1.0	0.6	0.2	0.3	1.2	0.5	0.3	0.8	0.7	Very low
B. California Sur	1.3	0.9	0.6	0.6	1.6	0.5	0.4	1.3	0.7	Very low
Mexico City	1.8	1.5	0.5	0.3	1.2	0.6	0.4	0.5	0.6	Very low
Tabasco	0.7	0.5	0.2	0.0	0.8	0.5	0.3	0.5	0.4	Very low
Campeche	1.1	0.8	0.2	0.1	0.9	0.5	0.3	1.0	0.1	Very low

Source: BBVA Research with figures from CONAPO, Índice Absoluto de Intensidad Migratoria (IAIM) 2000 y 2010, published in 2015
For dependency index, BBVA Research based on INEGI and Banxico
* Remittances / GDP * 100. BBVA Research estimates updated to February 2016.
** Classification by BBVA Research. The cutoff points were established based on standard deviations in the sample.

Table 5.14
Annual remittance outflows from Mexico

	2013	2014	2015
Remittance outflows (Million of US$)	867.0	1,001.8	810.6
Transactions (Thousands)	1,333.7	1,489.7	1,546.3
Average remittance (Dollars)	649.5	676.8	526.5

Source: BBVA Research with Banxico data

Table 5.15
Annual remittance outflows from Mexico, top destination countries (Million dollars)

Ranking	Country	2013	2014	2015	% share in 2015
1	United States	421.0	595.2	402.9	49.7%
2	Colombia	61.8	68.9	85.8	10.6%
3	China	129.6	114.7	74.5	9.2%
4	Guatemala	27.3	36.8	34.7	4.3%
5	Peru	32.0	33.0	31.4	3.9%
6	Honduras	20.0	24.7	24.1	3.0%
7	Spain	20.4	10.6	10.5	1.3%
8	Canada	12.5	11.5	9.6	1.2%
9	Dominican Republic	16.3	7.0	8.5	1.0%
10	Panama	9.2	7.7	8.0	1.0%
11	El Salvador	7.3	7.3	7.5	0.9%
12	United Kingdom	6.3	5.5	6.7	0.8%
13	Nigeria	4.1	1.0	5.6	0.7%
14	Costa Rica	6.3	5.5	5.5	0.7%
15	Chile	6.9	5.7	5.2	0.6%
16	India	3.2	5.0	4.5	0.6%
17	Nicaragua	7.9	3.6	3.9	0.5%
18	Argentina	5.1	3.8	3.6	0.4%
19	Italy	6.8	5.1	3.5	0.4%
20	Ecuador	4.0	1.5	3.2	0.4%
	Other countries and non identified	59.0	47.9	71.4	8.8%
	Total	**867.0**	**1,001.8**	**810.6**	**100.0%**

Source: BBVA Research with Banxico data

6. Special Topics Included in Previous Issues

First Half 2015
Migration of girls, boys and teenagers to the United States
Higher education for students of Mexican origin in the U.S.: characteristics and access
Mexican migrant returnees and informality

First Half 2014
Remittances: changes and dependency by state level in Mexico, 2003-2013
Features of microenterprises in the industrial, commercial and services sectors run by remittances-receiving households
Do remittances encourage financial inclusion in Mexico?

December 2013
Migration and remittance prospects for Mexico and worldwide, at the close of 2013
Has there been improvement in economic development in Mexican municipalities with highest migration levels?
What is the relationship between migration and education in Mexican municipalities?

July 2013
Why are remittances to Mexico falling and those to Central America increasing?
The US immigration reform. How many and who would benefit?
Labor incompatibility: the new phase of Mexican migration to the U.S.

November 2012
What is happening with the employment of Mexican immigrants in the U.S. and with the remittances to Mexico?
How are Mexican immigrants' wages compared to other immigrants in U.S.?
The demand for jobs in the United States and the labor supply of Mexican immigrants

July 2012
The Two Main Factors that have Reduced Migratory Flows from Mexico to the U.S.
Returning Immigrants. Who are they and Under What Labor Conditions Do They Do It?
The contribution of Mexican immigrants to U.S. GDP

November 2011
The new Mexican immigrants in the United States, individuals with higher educational levels and income
Has there been an evolution in remittances? A historical review
Cost of sending remittances to different regions
The effect of access to financial services on the well-being of families receiving remittances

June 2011
Outlook for Mexico on migration and remittances- 2011-2012
Recent changes in the international migratory patterns in Mexico
Effect of remittances on employment and school enrollment in Mexico
Are remittances a driving force for development in Mexican communities?

The Spanish and English versions of *Mexico Migration Outlook* and other publications are available at www.bbvaresearch.com

DISCLAIMER

This document and the information, opinions, estimates and recommendations expressed herein, have been prepared by Banco Bilbao Vizcaya Argentaria, S.A. (hereinafter called "BBVA") to provide its customers with general information regarding the date of issue of the report and are subject to changes without prior notice. BBVA is not liable for giving notice of such changes or for updating the contents hereof.

This document and its contents do not constitute an offer, invitation or solicitation to purchase or subscribe to any securities or other instruments, or to undertake or divest investments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

Investors who have access to this document should be aware that the securities, instruments or investments to which it refers may not be appropriate for them due to their specific investment goals, financial positions or risk profiles, as these have not been taken into account to prepare this report. Therefore, investors should make their own investment decisions considering the said circumstances and obtaining such specialized advice as may be necessary. The contents of this document is based upon information available to the public that has been obtained from sources considered to be reliable. However, such information has not been independently verified by BBVA and therefore no warranty, either express or implicit, is given regarding its accuracy, integrity or correctness. BBVA accepts no liability of any type for any direct or indirect losses arising from the use of the document or its contents. Investors should note that the past performance of securities or instruments or the historical results of investments do not guarantee future performance.

The market prices of securities or instruments or the results of investments could fluctuate against the interests of investors. Investors should be aware that they could even face a loss of their investment. Transactions in futures, options and securities or high-yield securities can involve high risks and are not appropriate for every investor. Indeed, in the case of some investments, the potential losses may exceed the amount of initial investment and, in such circumstances, investors may be required to pay more money to support those losses. Thus, before undertaking any transaction with these instruments, investors should be aware of their operation, as well as the rights, liabilities and risks implied by the same and the underlying stocks. Investors should also be aware that secondary markets for the said instruments may be limited or even not exist.

BBVA or any of its affiliates, as well as their respective executives and employees, may have a position in any of the securities or instruments referred to, directly or indirectly, in this document, or in any other related thereto; they may trade for their own account or for third-party account in those securities, provide consulting or other services to the issuer of the aforementioned securities or instruments or to companies related thereto or to their shareholders, executives or employees, or may have interests or perform transactions in those securities or instruments or related investments before or after the publication of this report, to the extent permitted by the applicable law.

BBVA or any of its affiliates´ salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to its clients that reflect opinions that are contrary to the opinions expressed herein. Furthermore, BBVA or any of its affiliates' proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. No part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed or (iii) quoted, without the prior written consent of BBVA. No part of this report may be copied, conveyed, distributed or furnished to any person or entity in any country (or persons or entities in the same) in which its distribution is prohibited by law. Failure to comply with these restrictions may breach the laws of the relevant jurisdiction.

This document is provided in the United Kingdom solely to those persons to whom it may be addressed according to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 and it is not to be directly or indirectly delivered to or distributed among any other type of persons or entities. In particular, this document is only aimed at and can be delivered to the following persons or entities (i) those outside the United Kingdom (ii) those with expertise regarding investments as mentioned under Section 19(5) of Order 2001, (iii) high net worth entities and any other person or entity under Section 49(1) of Order 2001 to whom the contents hereof can be legally revealed.

The remuneration system concerning the analyst/s author/s of this report is based on multiple criteria, including the revenues obtained by BBVA and, indirectly, the results of BBVA Group in the fiscal year, which, in turn, include the results generated by the investment banking business; nevertheless, they do not receive any remuneration based on revenues from any specific transaction in investment banking.

BBVA Bancomer and the rest of BBVA Group who are not members of FINRA (Financial Industry Regulatory Authority), are not subject to the rules of disclosure for these members.

"BBVA Bancomer, BBVA and its subsidiaries, among which is BBVA Global Markets Research, are subject to the Corporate Policy Group in the field of BBVA Securities Markets. In each jurisdiction in which BBVA is active in the Securities Markets, the policy is complemented by an Internal Code of Conduct which complements the policy and guidelines in conjunction with other established guidelines to prevent and avoid conflicts of interest with respect to recommendations issued by analysts among which is the separation of areas. Corporate Policy is available at: www.bbva.com / Corporate Governance / Conduct in Securities Markets".

Editorial Board

This report has been produced by

Editor
Carlos Serrano
carlos.serranoh@bbva.com

Juan José Li Ng
juan.li@bbva.com

Alfredo Salgado Torres
alfredo.salgado@bbva.com

BBVA Research

BBVA Research Mexico
Paseo de la Reforma 510
Colonia Juárez
C.P. 06600 Mexico City
Publications:
e-mail: bbvaresearch_mexico@bbva.com

These and other BBVA Research publications are available in English and in Spanish at:
www.bbvaresearch.com

Other publications: