



# Pacific remittances: channels, costs, and the potential gains from switching

Friday 1 March

12.30–1.30pm Port Moresby / 1.30–2.30pm Canberra



(Photo by UPNG)

We combine new survey data and an audit of remittance costs to examine the Pacific remittance market, with a focus on the Australia-Tonga and New Zealand-Tonga corridors as case studies. We find that, contrary to popular belief, there are plenty of low-cost options for remitting to Tonga, and that cost rankings are generally stable over time. Importantly, these two stylized facts generally hold true for other Pacific countries.

Households' remittance channel choices lead to higher realised costs due to the gap between high and low-cost remittance service providers (RSPs). Tongans mainly choose higher-cost RSPs because of their perceived ease of use but can gain more than 2% by switching to the lowest-cost RSP. A natural shift from cash to online transfers and mobile money is mostly explained by exposure and information: migration experience, regular remittances, and being from the more developed main island. Together, the gains from switching and malleability of choice highlight the large unrealized gains from interventions to help people quickly shift to lower-cost RSPs.

## Speakers

**Hiroshi Maeda**, Short Term Consultant,  
World Bank

**Ryan Edwards**, Deputy Director,  
Development Policy Centre, ANU

**Daniel Suryadarma**, Senior Research  
Economist, Asian Development Bank  
Institute

## Locations

1. MBA Suite (SBPP building, UPNG)
2. Seminar Room 9 (Crawford School, ANU)
3. Online via Zoom

## Registration at

[events.devpolicy.org/20240301](https://events.devpolicy.org/20240301)

## Contact

E [devpolicy@anu.edu.au](mailto:devpolicy@anu.edu.au)

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