

# Study on Ways to Accommodate The Entry of Migrant Workers Into SMEs Business of Thailand. A Case Study: Myanmar and Lao Migrant Workers

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**Abstract**—The study on the approach to support the entry of migrant workers into the SME business in Thailand, a Case study: Myanmar and Lao migrant workers has an objective to acknowledge the labor market related policies in ASEAN member countries, various factors and obstacles, including the potential impact of labor migration and prepare for the relocation of labor into the ASEAN community by defining the scope of the study, focused on the problems and obstacles of moving labor into the country between 2 groups of populations, needs, current impacts, and perspectives on current work and labor migration issues. In this case, it is studied on the ways in the government sector to solve problems on vital policies towards the problem solving, including obstacles such as in the field of law. From the study, it can conclude problems issues which are problems with the illegal immigration system of migrant workers by the Government, problems on the proof of nationality of illegal immigrant workers, including problems related to the import of foreign workers from neighboring countries according to the Memorandum of Understanding on Labor Cooperation and the Problems of illegal labors suppression and related parties.

**Keywords**—ASEAN, Migrant Worker, Immigration

## I. INTRODUCTION

ASEAN (Association of South East Nations) is a loose integration under the ASEAN Charter, and it is consisting of various organizations such as

1) ASEAN Political – Security Community: APSC, which is set up with the objective of strengthening and maintaining regional peace and security, so that the countries in the region can live together peacefully and able to solve problems and conflicts peacefully. ASEAN has set up a plan for the establishment of an ASEAN Political-Security Community Blueprint, emphasizing on the common rules and values, by promoting peace and mutual responsibility for the protection of people's security in all aspects, and build a strong and constructive interaction with the global community. ASEAN is playing a leading role in the region and will help stabilizing the stability and security of the region [1].

2) ASEAN Economic Community: AEC is the ASEAN Economic Community: AEC is the goal of ASEAN member countries to strengthen their bargaining power with partners

and enhance global economic competitiveness, including the exemption of tax on some problems for the member countries as well as promoting the prosperity and security for happiness of people in the region [2].

3) ASEAN Socio – Cultural Community: ASCC aims to make Southeast Asia a caring society and provide a good living to citizen, so it is developed in all aspects and it has social security, emphasizing on the promotion of cooperation in various fields such as

(1) Social development, by enhancing the well-being of the underprivileged and those who dwell in the wilderness as well as encouraging the strong cooperation among groups in the society

(2) Training development, the basic education and higher, the development in science and technology, the job creation and social protection

(3) Cooperation promotion in public health, especially the prevention and control of contagious disease such as AID, Severe Acute Respiratory Syndrome, etc.

(4) Environmental management

(5) Promotion and Interaction between authors, thinkers, and artists in the region

Thus, ASEAN Economic Community is considered as the first priority that ASEAN members give precedence to. The main theme of the ASEAN Economic Community is the establishment of the ASEAN Free Trade Area (AFTA), the ASEAN Framework Agreement on Services (AFAS), and the ASEAN Investment Area [3].

As an ASEAN Community, there will be greater investment in cooperation and competition from member countries, and there will be more freely movements of machinery, raw materials, services, investment, and labor. In addition, the AC has a plan to negotiate with the East Asian Free Trade Area (EAFTA) and the ASEAN Economic Partnership Agreement (CEPEA). Therefore, measures or actions are needed to help Thai entrepreneurs to improve their competitiveness by improving the laws and regulations to facilitate the business industry and the competitiveness of the private sector under the AEC Blueprint. The ASEAN Economic Community was established fully in 2015 with the main aim to bring ASEAN to be the Single Market and Production Base. Under such

principle, ASEAN will move freely in five sectors: (1) goods (2) services (3) investment (4) finance and especially (5) skilled workers [4].

Countries which are under ASEAN Community (AC) have about 600 million people (2011) and about 303 million workers, and Indonesia, Philippines and Vietnam have the largest labor force. In Indonesia, there are about 117 million workers or 38.6 percent of total labor force in ASEAN, followed by the Philippines with 46 million and Vietnam with Thailand with 40 million. In Myanmar, there are 32.5 million workers, Malaysia 11.9 million, Cambodia 8.8 million, Laos 3.6 million, Singaporeans 3.2 million, and Brunei 0.2 million. From the labor statistics from ASEAN countries to work in Thailand, both from lower-level and skilled level, excluding unregistered workers, are relatively small as it is around 1.6 million, accounting for 0.5% of all ASEAN workers. When it is seen from the labor statistics, there is a concern over the Agreement for Flow of Labor in the AEC or ASEAN Community as there will be massive numbers of labors who will contend for position of works from Thai labors, so they will find difficulties for job opportunity, and it leads to the instability of career until it has impact on the security of life and property that will be occurred from migrant labors from various nationalities who come to Thailand [5-6]. At the same time, there is not just one concern for the flow of labors, but many entrepreneurs have seen that it is an alternative opportunity arose from the increasing numbers of labors from ASEAN countries who will migrate to the country, and it will widen the opportunities for the Thai labor market, and more Thai skilled workers will be able to go and work in ASEAN countries as well. On the other hand, the outflow of workers may also be affected. Hence, relevant organizations must study on trends, opportunities and impacts, as well as the preparation for flow of labors which will be increased in 2015 after the liberalization for the flow of labors in 10 ASEAN countries, according to the AEC agreement, to set the direction and guideline of the implementation to obtain maximum benefits from such liberalization [7-8].

Thailand needs numerous numbers of labors to respond economic and industrial growth. However, the cause that lots of labors migrate to work abroad makes Thailand experiencing a shortage of domestic workers, especially the unskilled labors in many fields. Some types of works are not popular among Thai people such as fishery and industry that continues with fishery. With this reason, the private sector and entrepreneurs are finding a way out by illegally hiring illegal migrants who come to Thailand for illegal work. Most of them are unskilled workers who have high endurance and low cost of wages such as Burmese, Lao, Cambodian, Bangladeshi, Pakistani and Chinese workers, among whom Burmese migrants are the largest [9].

The flow of foreign workers into Thailand has the major factor on the consequence of the difference in economic conditions between Thailand and its neighbors as most people suffer from poverty, unemployment and lack of sufficient income; whereas, Thailand has a lot of labor demand, especially unskilled labors for various types of businesses such as fisheries, construction, agriculture, and general industries. With this reason, there are massive flow of foreign workers into Thailand, and mostly are illegal migrants who

come through various borders of Thailand that connected with neighboring countries and have long way. Moreover, Thai entrepreneurs do not need to pay these migrant workers the rate at which the labor law requires them to pay for Thai workers. Also, the Burmese workers are patient, and they do not bargain with their employers, so it is popular among Thai businesses because it reduces costs and generates more revenue for business operations.

On the other hand, foreign workers who come to work in Thailand today have had an impact on the Thai society in many areas such as social impacts, crime and drug issues, especially if such labor is not in the system and entering into Thailand illegally. Therefore, the government as a social controller must find ways to prevent such problems.

### Research questions

Thailand has set policies related to labor markets in ASEAN member countries, including the preparation for handling with the potential impacts of labor migration and the preparation for the flow of labors in order to become the ASEAN community.

### Research Objectives

To know the labor market policies in ASEAN member countries, various factors and obstacles, including the potential impact of labor migration and the preparation for the flow of labors in order to become the ASEAN community.

## II. METHODOLOGY

### Scope of Study

In this research, it is emphasized on the problems and obstacles of the flow of labors to the country between 2 groups of populations, needs, current impacts, various perspectives related to the issues on work and the labor migration at present.

### Conceptual Framework

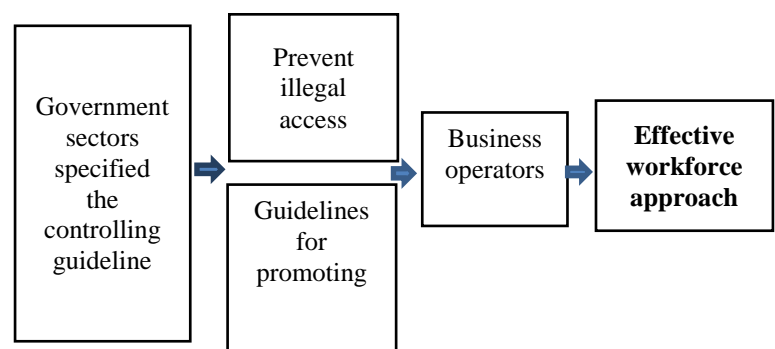


Fig. 1 Conceptual Framework for this research

### Sampling Procedure and Data Collection

The data for this study were collect by a stratified sampling method based on population size. A stratified random sample was used to reflect the diverse geographical distribution of the residential area of the community. First, the study areas were identified, and then the sample size for each district was determined by the proportional population of each city/town over the total population of the research area. The sample size was 400, with a sample error of 5 percent and a confident level of 95 percent.

The data were collected during January-March 2017 using a structured self-administered questionnaire that was hand-delivered by the authors and research team from Ministry of Social Development and Human Security. The interviewer provided a brief explanation of the study to the interviewee and invited them to participate in the study. To minimize possible bias due to interviewer-participant interaction, it was communicated to participants that their partaking is voluntary and anonymous and they were encouraged to state their own personal opinion as truthfully as possible. Only one person in each household was invited to participate, as people from the same household often hold similar views. As a result, 400 completed questionnaires were retained and used for subsequent data analysis.

## III.RESULTS AND DISCUSSION

### Impact of illegal migrant workers.

Foreign workers who come to work in Thailand today have made an impact in Thai society, which can be divided into three areas:

1. Social impact
2. Public Health Impact
3. Security impact



Fig.2 Migrant workers

- Social impacts such as crime and drug problems and numerous numbers of illegal migrants cause the competition on works among illegal migrants. Some of illegal migrants are

unemployed, so it is frequently found that there are various cases of burglary in a community where various illegal migrants are living. Additionally, there are also quarrels from drinking and stealing stuff from shops and communities, and some Thai people are paranoid and scared of having illegal migrants in a community. Besides, what is happening to the community is that the environment is environmental pollution as there is much garbage and the community is dirty because of the untidiness of illegal migrant workers. The problems for illegally enter into the country and the flow of migrant workers especially Burmese, Laotian, and Cambodian are increasing year by year. From the statistics of foreign internees who are captured because of illegal immigration or wrongdoing in various cases and are waiting to return of push out of the country each year, the numbers are increasing every year. The largest is Burmese, followed by Cambodian and Laotian, respectively. At present, it is expected that there are around 1-1.5 million illegal migrant workers who are unregistered. Half of the group are women and children, and they are having risk of being a victim of trafficking and issues of education. There are two types of opportunities to study among children in illegal migrant workers are the non-formal education arranged among the illegal migrant workers themselves, and formal education in any Thai educational institutions. However, it is difficult for children of illegal migrants to be educated like Thai children, as many schools claim that children do not have Thai nationality. At the same time, the opening of the opportunity for foreign children to enter Thai educational system will affect the educational security of Thai children.

- Impact of public health: some migrant workers bring new diseases to Thailand even though foreign workers are legally registered, and they receive health checks and disease screenings from provincial health authorities and receive health insurance cards, there are very few compared to illegal migrant workers and unregistered. The group of unregistered migrant workers creates problems and impact on public health in Thailand because there is a difficulty to access to the public health service and receive useful information. In this case, it creates negative impact towards health of illegal migrants such as the major epidemics or communicable diseases. From the study on the needs of foreign workers in Thailand from 2003-2006 by Asian Studies Institute, Thailand Development Research Institute, and the Institute for Population and Social Research, it is found that some of illegal migrants have communicable diseases and have illnesses that Thailand has already controlled such as Malaria, tuberculosis, dengue fever, leprosy, and Meningococcal. It these diseases are not controlled well, it may cause the spread of these diseases in Thailand again, and it provides impact on public health expenditures or government budgets to cope with these

problems, or it can be said that the state must share Thai resources in health promotion, and disease control and prevention, including medical personnel, medical equipment, costs and time spent on follow-up to address the health problems of migrant workers, especially the border provinces that will bear high burden because there are high level of users.

- Impact on security: there are many illegal migrant workers in Thailand who come to work illegally and they are scattering in various areas around the country without knowing actual numbers of all existing migrant workers and their residences. It is estimated that illegal migrant workers in Thailand are likely to have no less than 2 million people, while the administration of foreign workers is not as effective as it should be. Therefore, the problem of foreign workers will inevitably affect the security of the country, especially illegal migrant workers who have Burmese nationality.

There is the most density of work employment around the borders of Myanmar such as Tak, Chiang Mai and Ranong, down to the lower central region. This is the economic center of the country and is a concentrated industrial resource. Although the government has policies to push foreign workers, it does not work as it should because even if they can push the aliens back, they soon return to Thailand. In addition, illegal migrant workers do not have permanent residence, and they are flowing in and out of the country.

Foreign workers in Thailand that are a big issue today are illegal migrant workers due to the shortage of labor in Thailand and the differences in the economy, and it becomes the factor attracting foreign illegal migrant workers. Although these foreign workers are useful and necessary for Thailand, the numbers of illegal migrant workers who are flowing to Thailand more and more are causing problems and impacts in Thai society.

Thai government measures on solving the problem of migrant workers escaping into the country.

The government is trying to find a solution to the problem of migrant workers escaping into the city by using measures and methods with the aim to apply the legal foreign workers as it is summarized below.

- 1) Take measures to allow to extend a limit for employers / establishments to register illegal migrant workers and apply for a work permit since 1992 until today.
- 2) An illegal migrant worker management committee has been set up to set policy and measures on managing and solving problems of illegal migrant workers.

- 3) Cooperate with neighboring countries to solve the problem of migrant workers by signing a memorandum of understanding on labor cooperation from Myanmar, Laos, Cambodia, and has taken important actions, including the proof of national and the import of migrant workers legally.

- 4) Take legal measures to control illegal migrant workers such as Immigration Act 1979, The Anti-Trafficking Act 2008, The Alien Working Act 2008, the Civil Registration Act 1991, The Nationality Act 1965, and the Labor Protection Act 1998.

#### IV.CONCLUSION

1. Problems with the government's foreign migrant migration policy.

There are four types of illegal migrant workers such as a type of limited area and unlimited area, a type of business that permits foreign workers who have been granted a waiver and have work permit to renew their work permit but do not allow the new one to enter into the system, and a type of limited area, but not limit the type of business as policies to solve short-term problems yearly. Also, the recent Cabinet Resolutions in 2009 allows registering in various types of businesses for 24 businesses, so it is resulted that there are foreign migrant workers scattering in every province of Thailand, so it is difficult to control.

2. Problems about the proof of nationality of migrant workers escaping into the country.

The proof of nationality of migrant workers such as Laos and Cambodians does not quite have problems, but there are some obstacles on traveling to prove nationality as it must be allowed outside the province according to the notification of the Ministry of Interior. For the case of proving Burmese nationality, the major problem is found as it must apply for permission to leave the province from the Ministry of Interior. The cost of proving nationality is high since there is no law enforcing brokerage firm in terms of cost and service charges, there is a problem that some migrant workers do not enter into the proof of nationality system because they are afraid of being arrested, problem of an expectation to receive Thai nationality, problem that other foreign nationalities who try to subrogate Burmese nationality, and problem of foreign workers that are not verified from the proof of nationality.

3. The problem of importing migrant workers from neighboring countries according to the Memorandum of Understanding on Labor Cooperation.

It is found that the major problem is the several steps of importing as it takes time to deliver labor to local employers, high import costs, and there is no measure to control and punish the employment agency that sent laborers to work in Thailand in case of failure to comply with the contract. In addition to labor recruitment companies, there are no agent companies that have responsibility to cooperation in Thailand as Thailand has no law on the import of foreign workers, and there is no provision for the establishment of an employment agency to import migrant workers. In addition, the law does not empower government officials to represent importers of migrant workers with employment companies in neighboring countries or allow importing between states. Government agency is only a license issuer and a central agency to deliver documents. There is a problem that legal migrant workers cannot change their employers, so they have to work illegally.

4. Problems with the prevention and suppression of migrant workers escaping into the country and related parties

There are major problem on the prevention, suppression, and blockage of migrant workers escaping into the country in the past as the officer used measures to push out and return them under Section 54 of the Immigration Act 1979 without prosecution because Thailand has no quarantine facilities and adequate budget to handle illegal migrant workers, so they do not afraid of the punishment. Problem on the law enforcement applied by the officer is not strict, and some state officers are involved in the movement, the document, registration, and identification counterfeiting.

## V.SUGGESTIONS

1. The interception of not allowing to enter into the Kingdom by strictly enforcing the law reduces the numbers of temporarily permitted point through traditional practices. In order to make the international agreement to seize the benefit of the nation, the database must be up-to-date to check people out of the Kingdom, and the trade border must be cleared.

2. Organize aliens coming into the Kingdom by submitting underground to the ground, which means to allow illegal immigrants to report themselves without breaking the law, so that the officials can organize them before arrest them in the future and push them out of the country. Immigration Bureau must have IT center and must link information with Ministry of Interior, Ministry of Labor, and immigration border, and the issuance of law allowing the operators to set up factories along the border in order to control migrant workers from accessing into the city.

3. When the organization is done, the arresting must be strictly performed by seriously enforcing the law and amending the law to have more penalties.

4. Place for controlling must not provide facilities for the illegal migrant workers.

5. Measures to push illegal migrant workers out of the kingdom by cooperating to send them back to the country of origin and not allow them to illegally enter into the country.

6. After pushing illegal migrant workers out of the country, the government must contract the government of G to G (Government to Government) to deliver legal workers instead.

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