Chapter 1

Overview of Migration in the Mekong Subregion

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Introduction

The labour market in the Mekong Subregion is integrated as a matter of practice, even though the free movement of unskilled workers is not mentioned by the ASEAN Economic Community. Thailand now hosts more than 3 million unskilled workers from neighbouring countries, including Cambodia, Lao PDR, and Myanmar.[1] The migrant workers' households in their home country are supported by remittances from the migrants' work in Thailand. Migrant workers from neighbouring countries have been coming to Thailand because of employers' huge demand for migrant workers due to the recent chronic labour shortage in Thailand and because migrant workers are seeking better opportunities than can be found in their home country.

The long land borders of these Mekong countries and the relatively weak governance and insufficient capacity to control the flow of migrant workers by the sending and receiving countries have made it almost impossible to control the influx of migrant workers effectively. Therefore, most workers are undocumented, and their status remains vulnerable and unstable (Castles and Miller, 2009; Yamada, 2014; Hatsukano and Chalermpol, 2015). Previous research has often focused on the policy measures and the failure aspects, such as human trafficking

[1] In general, the Mekong Subregion includes Cambodia, Lao PDR, Myanmar, Thailand, Viet Nam, and sometimes China. In this project, we discuss migrant workers from Cambodia, Lao PDR, and Myanmar to Thailand. Cambodia and Myanmar are a particular focus because they provide a larger flow of migrant workers. Viet Nam agreed to send workers officially to Thailand in 2016, and some Vietnamese workers must have migrated unofficially even before 2016. However, the information about Vietnamese workers in Thailand, including their number, is unclear. Therefore, this discussion will not include data about Vietnamese unskilled migrant workers.

and undocumented workers, because infringement of their human rights has become a serious problem.

With the role of migrant workers in economic activities and regional industrial development increasing each year, we aim to (i) understand the overall impact of migration on regional development and development strategies in the Mekong Subregion; and (ii) examine migration governance, including the overall system of legal and economic institutions in the subregion, from the viewpoints of the workers, employers, and governments. Workers decide whether to migrate, how they migrate, and what they do at the destination, and employers decide whether to employ migrants and how they treat them under certain government rules and various economic conditions. By examining the motivation, choices, and consequences for both the workers and employers and the various governments' policies, we have tried to rethink how to handle migration governance in the Mekong Subregion in the following six chapters.

As an introduction, this paper provides an overview of migration trends in the Mekong Subregion and the background, such as the push and pull factors that create migration.

1.Migration Trends in the Mekong Subregion

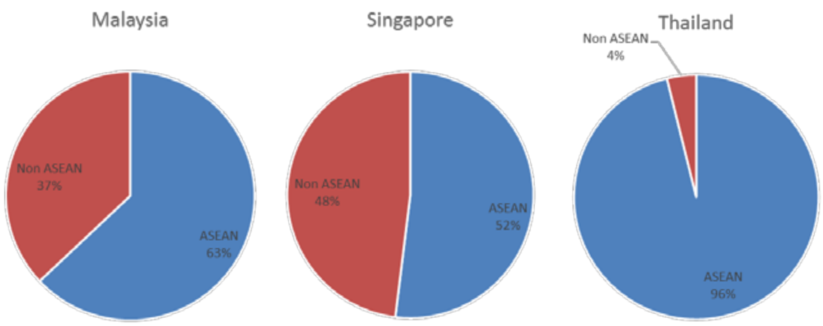
1.1. A brief history of migration from neighbouring countries

Thailand is considered the hub destination of migrant workers in the Mekong Subregion. The majority come from neighbouring countries, and it has been estimated that there are more than 3 million workers from the neighbouring countries working in Thailand (Yamada, 2014). Interestingly, some other members of the Association of Southeast Asian Nations (ASEAN), such as Malaysia and Singapore, that receive unskilled workers from other countries accept migrant workers from ASEAN Member States as well as from South Asia. In contrast, most of the unskilled migrant workers in Thailand come from neighbouring ASEAN Member States. About 96% of all migrant workers in Thailand are from ASEAN Member States, whereas almost

40% of migrant workers in Malaysia and almost 50% in Singapore are from non-ASEAN countries (Figure 1.1).

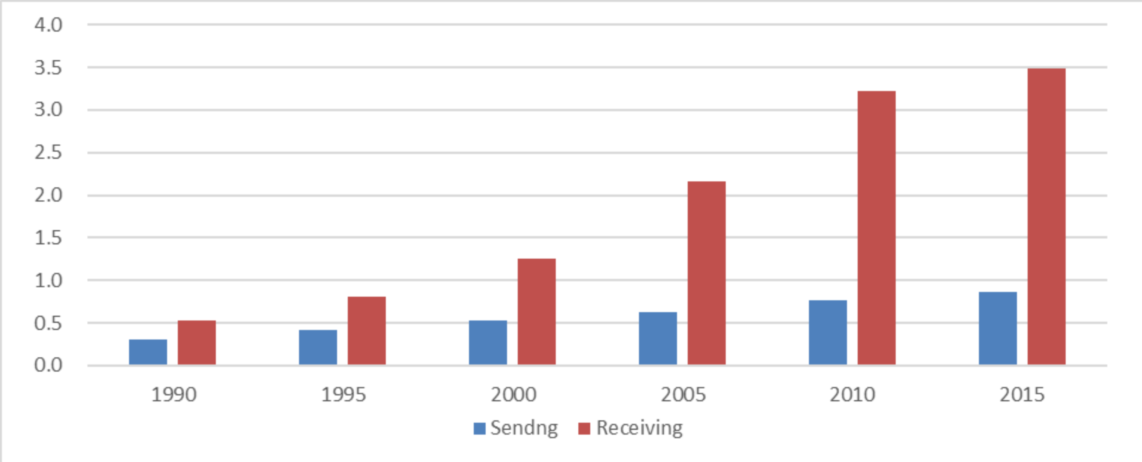
Thailand used to be known as a worker-sending country rather than a worker-receiving country. Thai workers have worked in Japan, the Middle East, and other ASEAN countries (Paitoonpong and Chalamwong, 2011). Although Thailand still sends workers abroad, the number of the foreign workers flowing into Thailand has risen (Figure 1.2). The workforce in the informal sector and the 3D (dirty, dangerous, and difficult) sector in Bangkok previously included domestic migrant workers mainly from north-east Thailand. Since 1990, however, Thailand has become a major labour-receiving country in the region as well as a labour-sending country, and its 3D sector has come to include migrant workers from neighbouring countries.

Figure 1.1: Migration within the Association of Southeast Asian Nations in 2015 (%)



ASEAN = Association of Southeast Asian Nations.
Note: Of the ASEAN migrants in Thailand, 96% are from neighbouring countries.
Source: Department of Economic and Social Affairs, Population Division, United Nations.

Figure 1.2: Migration Flow in Thailand (Million persons)



Source: Department of Economic and Social Affairs, Population Division, United Nations.

Until the late 1980s, people moved to Thailand from the neighbouring countries primarily as refugees. For example, people from Cambodia were displaced from their homeland due to the long-lasting civil war that began in the 1970s. In the 1990s, migrant workers from Myanmar included refugees and people fleeing their country because of the military coup in 1988 or conflict in the border areas (Maltoni, 2007).

In the early 1990s, as peace returned to the countries in the subregion, migrant workers from neighbouring countries seeking economic opportunities gradually began to fill the growing demand in the urban informal and 3D sectors, replacing Thai workers from the country's north-east.

In the mid-1990s, this migration movement accelerated. As the countries in the subregion began to focus more on economic development, people also started to seek paid employment. The movement of migrant workers became more active and included economic migrants rather than refugees. Initially, the Government of Thailand refused to accept foreign unskilled workers under the Immigration Act. However, several amnesties have been approved by Cabinet resolution on an ad hoc basis since 1992 (Natali, McDougall, and Stubbington, 2014; Yamada, 2014).[2] The government began to officially accept foreign unskilled workers through registered agencies under a memorandum of understanding (MoU) on Cooperation in the Employment of Workers signed with Lao PDR in 2002 and with Cambodia and Myanmar in 2003. However, the official routes were more expensive and involved a longer wait than the unofficial routes. In Cambodia, the official process to apply for a passport, visa, and working permit costs $500–$700, and applicants must wait 1–3 months in the shortest cases (Chan, 2009; ILO, 2015; Hatsukano and Chalermpol, 2015). Therefore, the MoU route is unpopular with would-be migrant workers, and more of them opt to use unofficial routes through brokers or family networks.

1.2 Workers from Cambodia and Myanmar

In Cambodia, after the Paris Peace Agreement in 1991, trade relations with the European Union and the United States were normalised in the mid-1990s. Since then, garment factories from other countries – most of them Chinese-owned – moved to Cambodia, mainly to Phnom Penh. Traditionally, it was not considered appropriate for rural girls to migrate to the city for work. However, attitudes changed, and gradually more female workers began to migrate from the rural areas to Phnom Penh (Derks, 2008).

For the people who lived in the provinces bordering Thailand, such as Battambang and Banteay Meanchey, it was not unusual to cross the border to seek work in Thailand because of the greater opportunities within a reasonable distance. For those living inland, however, working in Thailand was not the first option. They initially sought job opportunities in Phnom Penh. However, in the 2000s, information on jobs and from human networks motivated them to work far from their home towns. For example, in Prey Veng Province, where the people are poor and have limited agricultural land, workers have been migrating to the fishery sector in Rayong Province in eastern Thailand since the early 2000s.[3]

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[2] See the Chapter 7 for details.

[3] Based on interviews with the staff of a nongovernment organisation in Rayong Province, Thailand

Migrant workers from Myanmar include (i) ethnic minorities living near the border and suffering unstable situations due to the ethnic conflicts or, more recently, seeking economic opportunities in relatively peaceful situations; (ii) people from urban areas who have a higher level education and have worked in white-collar jobs but were displaced from the country after 1988 and chose to work as blue-collar labourers in Thailand (Mon, 2014, 2016);[4] and (iii) rural people seeking better economic opportunities. Previously, their main destination was Malaysia. However, Thailand has become a more popular destination recently, both because the MoU system became available and because economic stagnation and inflation became a push factor (IOM and ARCM, 2013; Fujita et al., 2010). A 2012–2013 survey by the International Organization for Migration and Asian Research Center for Migration found that Myanmar migrant workers' primary reasons for migration were economic (80%), personal (13%), and security- and safety-related (7%) (IOM and ARCM, 2013).

1.3 Recent changes in migration and economic performance

The neighbouring countries developed quickly in the 2000s. Various factors in Thailand, such as the continuous political deadlock and coups in the 2000s, severe flooding in 2011, and the rise in the statutory minimum wage in 2013, have allowed labour-intensive industry in Thailand to move to neighbouring countries in search of a cheaper labour force and to hedge risk.[5] In an effort to avoid the middle-income trap, Thailand tried to upgrade its industry during this time through greater promotion of the research and development sector by amending the investment policies from a zone-based scheme to one classified by industry preference.

At the same time, some neighbouring countries have improved their investment environment. Since drastic political reforms began in 2011, Myanmar's economy has begun to boom, and more foreign direct investment has been entering the country. Cambodia has not changed its

(October 2014) and the village chief in Prey Veng Province, Cambodia (October 2015).

[4] Based on an interview with the staff of a nongovernment organisation in Mahachai Province, Thailand (August 2015).

[5] This model is called 'Thailand plus one' (BOI, 2015; Oizumi, 2013).

system because its investment law has been sufficiently open since the 1990s, although many problems remained regarding implementation and lack of transparency. However, due to the continuous effort to improve the investment environment little by little through dialogue with the private sector, Cambodia started to attract opportunities from Thailand in the 2010s.

The investment environment changes in Thailand, efforts by neighbouring countries, and improvements to the transport infrastructure of the subregion have encouraged more factories in Thailand to move to neighbouring countries.[6] Thus, foreign direct investment from Thailand into the neighbouring countries has grown (Table 1.1). The border areas, where the factories can utilise the neighbouring country's labour force and benefit from the better infrastructure in Thailand in particular, offer more advantages for this type of investment from Thailand.

Table 1.1: Outbound Foreign Direct Investment from Thailand to Cambodia and Myanmar

(B million)

Recipient country	2005	2013
Cambodia	213.3	4,141.6
Myanmar	7,866.5	23,061.3

Source: Bank of Thailand.

Some migrant workers in Thailand have started to consider returning to their home countries to take advantage of these new job opportunities. Recent research has found that many Myanmar migrant workers wish to return home within 5 years (IOM and ARCM, 2013; Mon, 2016). In reality, however, the better wage and living conditions in Thailand mean that few migrant workers choose to return soon, and newcomers continue to arrive.

Demand for unskilled workers in Thailand's labour-intensive manufacturing industries may decrease in the future if these industries succeed in upgrading their productivity or shifting to neighbouring countries. However, the service sector will continue to need more workers, and demand will continue to grow if stimulated by economic growth (ILO, 2015). Therefore, migration in the Mekong Subregion will diversify from a one-way flow to a bidirectional flow.

[6] The relationship between the workers' movement and the factories' movement is examined in Chapters 4 and 5, with a focus on the garment industry.

2. Statistical Data on Migrant Workers in Thailand

2.1 Limitations of the statistics

The statistical data on migrant workers in Thailand do not accurately reflect reality. From the 1990s to the early 2000s, statistics for only a limited number of workers given temporary permission through amnesties were available. Thailand began to officially accept migrant workers from neighbouring countries through official agencies under the MoU signed in 2002 and 2003, and these 'MoU workers' started working in Thailand in 2006. However, because of the long history of unofficial migration, higher administrative costs, and longer waiting times (mainly in the original countries), most migrant workers do not use the official route and instead choose to migrate and work unofficially. Therefore, the data coverage has limitations. Furthermore, even for workers who used officially registered agencies, the governments of the sending and receiving countries failed to track their movements; thus, there is a large gap in the official statistics between the sending and receiving countries.[7]

This chapter primarily uses data from the Government of Thailand's Department of Employment, Ministry of Labour, because it includes migrant workers from Cambodia, Lao PDR, and Myanmar. However, it should be noted that the statistics include only officially recognised workers. These include (i) MoU workers using officially registered agencies; (ii) workers registering retroactively and confirming their nationality though their embassy's staff, henceforth referred to as nationality verification (NV) workers; and (iii) workers migrating to work unofficially, but later registered temporarily when the government provided amnesties. Information by sector and by location is available for the first and second groups, but not for the third group, because their registration was only temporary.

[7] For example, the statistics of the Ministry of Labour and Vocational Training, Cambodia show 16,837 Cambodian workers worked in Thailand in 2011 (Yamada, 2014).

2.2 Statistical data

2.2.1 Total number by registration status

Of the three source countries, Myanmar has the largest number and Cambodia the second-largest number of migrant workers in Thailand. As of January 2016, there were 280,000 MoU workers and 990,000 NV workers from the three countries (Table 1.2). In addition, about 600,000 people were waiting to complete the nationality verification process, and an unknown number have been smuggled into Thailand without permission or official documents.

Table 1.2: Migrant Workers by Registration Status, 2016 (number)

Country	MoU workers	NV workers	One-Stop Service Centres			Total
			Labourers	Dependents	Subtotal	
Myanmar	139,158	848,987	623,648	40,801	**664,449**	**1,652,594**
Cambodia	114,779	94,929	696,338	42,609	**738,947**	**948,655**
Lao PDR	28,739	47,649	213,689	9,150	**222,839**	**299,227**
Total	**282,676**	**991,565**	**1,533,675**	**92,560**	**1,626,235**	**2,900,476**

MoU = memorandum of understanding, NV = nationality verification.
Note: The numbers of MoU workers and NV workers are as of January 2016. The number of temporarily registered workers at one-stop service centres is as of November 2014. Some workers overlapped between NV and temporary registration. On 2 February 2016, the Cabinet decided that the workers from neighbouring countries who entered Thailand illegally and were working in fishing vessels and seafood processing factories would have chance to register until 31 July 2016 and 22 August 2016 respectively. In 2015, 75,000 workers in fishing vessels and 42,000 in seafood processing industry had been regularised. The borderpass holders in the border provinces were not included.
Sources: Ministry of Labour, Thailand and International Organization for Migration.

The number of migrant workers officially registered or recognised by any type of public authority is increasing. The total number of MoU workers has increased drastically in the last few years, despite the higher cost of the MoU route. At the same time, the number of workers receiving official documents through the nationality verification process has also increased. Thousands of people are waiting for this process to be finalised, and the deadlines are often extended.

More Cambodian workers tend to possess official documents, especially after their 'exodus' in June 2014.[8] Cambodian workers tend to use the MoU route more than Myanmar or Lao migrant workers. In 2014, the Government of Thailand introduced an easier registration service at the one-stop service centre in each province's Department of Employment office.[9] The number of officially recognised Cambodian workers increased from about 416,000 in 2012 to 738,947 or more in 2016 because of the lower cost (Yamada, 2014; Table 1.2). It could also reflect the unstable bilateral relationship that often affects the border control between the two countries.[10] Cambodians may have been concerned about their security or safety and believed that registration or official documents could lower the risk.

2.2.2 Sectors employing migrant workers

Construction is the major employment sector for migrant workers regardless of their legal status or country of origin. Agriculture or agro-processing and food-related sectors are also prominent (Table 1.3). Among Myanmar workers, the agriculture sector is the most popular (15% of the total Myanmar workers). Migrant workers from Lao PDR show slightly different employment characteristics. Food sales is the third-largest employment sector, with 10% of Lao workers but only 4% of Myanmar and 3% Cambodian workers in food sales sector. Household work (domestic work as housemaids) is the fifth-largest employment sector, with 9% of Lao workers but only 3% Myanmar workers and 1% Cambodian workers, probably because of the lower language barrier.[11]

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[8] More than 200,000 Cambodian workers without valid official documents quickly returned home in June 2014, in fear of a mass crackdown after the coup in May 2014.

[9] The one-stop service centres provided temporary registration from the end of June 2014 to October 2014, and the NV process was to be completed by March 2015. However, this schedule was not achieved, and the workers' status remained ambiguous.

[10] For example, between 2008 and 2011, the governments of Cambodia and Thailand confronted each other over the border demarcation in the Preah Vihear Temple area.

[11] The Thai and Lao languages are similar, and many people who speak these languages can understand each other without an interpreter.

Table 1.3: Migrant Worker Occupations by Sector, January 2016

(number)

	Myanmar				Lao PDR				Cambodia			
Sector	MoU	NV	**Total**	%	MoU	NV	**Total**	%	MoU	NV	**Total**	%
Fishing	1,788	10,264	**12,052**	1	25	510	**535**	1	113	1,664	**1,777**	1
Seafood process	12,387	74,116	**86,503**	9	1,200	532	**1,732**	2	4,055	1,960	**6,015**	3
Agriculture	5,539	145,687	**151,226**	15	2,416	4,806	**7,222**	9	1,868	9,403	**11,271**	5
Construction	33,525	148,470	**181,995**	18	3,831	4,293	**8,124**	11	22,471	24,538	**47,009**	22
Agric. Process	10,678	82,362	**93,040**	9	2,947	1,951	**4,898**	6	21,145	6,975	**28,120**	13
Meat processing	6,692	10,456	**17,148**	2	1,316	617	**1,933**	3	7,312	2,182	**9,494**	5
Recycling	1,200	13,820	**15,020**	2	536	709	**1,245**	2	1,080	3,431	**4,511**	2
Metal sales	2,638	22,936	**25,574**	3	1,036	971	**2,007**	3	3,613	2,781	**6,394**	3
Food sales	3,303	38,785	**42,088**	4	3,480	3,788	**7,268**	10	3,563	3,356	**6,919**	3
Const. materials	3,135	16,332	**19,467**	2	1,137	638	**1,775**	2	1,972	3,261	**5,233**	2
Garment business	9,473	53,896	**63,369**	6	1,210	7,672	**8,882**	12	7,106	2,905	**10,011**	5
Plastic business	2,939	27,032	**29,971**	3	1,248	1,522	**2,770**	4	5,798	3,110	**8,908**	4
Electronics	9,068	12,795	**21,863**	2	1,302	362	**1,664**	2	4,128	1,414	**5,542**	3
Trade	2,280	25,574	**27,854**	3	1,068	1,937	**3,005**	4	2,102	2,237	**4,339**	2
Household	1,802	29,965	**31,767**	3	2,106	4,493	**6,599**	9	603	2,170	**2,773**	1
Other	32,711	136,497	**169,208**	17	3,881	12,848	**16,729**	22	27,850	23,542	**51,392**	25
Total	**139,158**	**848,987**	**988,145**	**100**	**28,739**	**47,649**	**76,388**	**100**	**114,779**	**94,929**	**209,708**	**100**

MoU = memorandum of understanding, NV = nationality verification.
Note: ‘Other’ includes mining and quarrying, stone processing, paper business, transport, car repair and service, fuel and gas, education foundations/associations, and other (in the original data).
Source: Department of Employment, Ministry of Labour, Thailand.

2.2.3 Scale of the employers

Employers of migrant workers also differ in sector and scale. There are 21,757 employers of MoU workers, and 177,428 employers of NV workers. The average number of migrant workers is 13.0 per MoU employer and 5.6 per NV worker employer. This indicates that factory scale is larger for the MoU employers than the NV employers. The larger MoU employers include meat processing (66.3 persons/employer), electronics (38.3 persons/employer), and seafood processing (37.1 persons/employers). Among the employers of NV workers, seafood processing (15.8 persons/employer) and the garment business (10.6 persons/employer) are the sectors that employ more than 10 migrant workers on average. This indicates that MoU workers are often employed in factories by larger employers, whereas NV workers tend to be employed in smaller-scale workplaces. This may be because the larger employers have relatively longer-term human resources planning and can wait several months for the MoU recruitment process to be completed.

2.2.4 Location of migrant workers

Migrant workers can usually be found in Bangkok and the suburbs, where more employment opportunities exist, and in areas closer to their country of origin (Table 1.4).

Myanmar migrant workers are dominant in all regions except the north-east. Many Myanmar workers are in Bangkok and its suburbs. There are also large numbers of Myanmar workers in the northern and southern regions, and border districts such as Mae Sot. Most Cambodian migrants work in the suburbs of Bangkok and the central region, including industrially developed areas such as Rayong Province and border areas where there are more agricultural farms.

Table 1.4: Migrant Workers by Location, January 2016 (number)

Location	Myanmar MoU	Myanmar NV	Lao PDR MoU	Lao PDR NV	Cambodia MoU	Cambodia NV	Total
Bangkok	30,989	51,513	4,858	5,714	17,121	8,261	**52,968**
Suburbs	40,561	288,760	8,912	27,224	35,820	48,382	**85,293**
Central	28,261	124,952	7,299	7,014	48,010	33,712	**83,570**
North	7,316	143,996	244	1,366	355	416	**7,915**
North-east	3,968	5,700	1,895	2,854	2,342	669	**8,205**
South	28,063	234,066	5,531	3,477	11,131	3,489	**44,725**
Total	**139,158**	**848,987**	**28,739**	**47,649**	**114,779**	**94,929**	**282,676**

MoU = memorandum of understanding, NV = nationality verification.
Source: Department of Employment, Ministry of Labour, Thailand.

2.2.5 Gender

Women account for 39% of MoU workers 43% of NV workers. They often work in households (domestic work), the garment sector, and seafood processing factories. Women make up about 40% of Cambodian and Myanmar migrant workers and almost 50% of Lao migrant workers.

Despite the Mekong Subregion's conservative traditions regarding female behaviour, it has become more common for female migrants to cross borders. Employers at factories often prefer female workers. There are even female migrant workers in construction and agriculture, because migration with family members or friends and villagers is not rare in Thailand. Some recruitment agencies also recommend that employers hire workers from the same village or family, because this can dissuade them from running away and prevent them from feeling homesick.[12]

[12] Base on the author's interviews with a recruitment agency in Bangkok (August 2014) and one employer in Rayong Province in Thailand (November 2014).

3. Background of the Workers' Movement

This section reviews the basic socio-economic conditions in the Mekong countries. The migration of workers to Thailand is mainly explained by the (i) population structure in each country, (ii) lower unemployment rate in Thailand and fewer job opportunities in the home country, (iii) higher wages in Thailand and lower wages in the home country, (iv) labour market mismatch in Thailand, and (v) long land border and lack of strict border control.

3.1 Population structure

Thailand still has a larger population than its neighbouring countries. However, it is facing the challenge of an ageing population with a diminishing number of children. The growth rate of the working-age population (aged 15–64) has decreased drastically from 18% in 1985 to 2% in 2015 (Table 1.5).

In neighbouring countries, young people and children make up a larger share of the population. In Cambodia, Lao PDR, and Myanmar, about 30% of the population is under 15 years old in 2010. However, in Thailand, the proportion of this age group has been less than 20% since 2010.[13]

[13] United Nations Population Statistics.

Table 1.5: Population Structure and Labour Force Population in the Mekong Subregion

Country	Item	1985	1990	1995	2000	2005	2010	2015
Myanmar	Total population	38,508.8	42,007.3	44,710.9	47,669.8	49,984.7	51,733.0	53,897.2
	Labour force population	21,605.1	24,429.5	27,100.8	30,186.4	32,190.8	33,717.5	36,159.5
	Growth rate of labour force	14%	13%	11%	11%	7%	5%	7%
Lao PDR	Total population	3,680.1	4,247.8	4,857.8	5,342.9	5,745.0	6,260.5	6,802.0
	Labour force population	131.3	150.2	171.0	190.5	210.7	230.5	259.2
	Growth rate of labour force	13%	16%	14%	12%	13%	16%	12%
Cambodia	Total population	7,743.1	9,008.9	10,694.5	12,197.9	13,320.1	14,363.6	15,577.9
	Labour force population	4,240.6	4,758.5	5,399.9	6,748.2	7,931.5	9,040.5	10,013.4
	Growth rate of labour force	12%	12%	13%	25%	18%	14%	11%
Thailand	Total population	52,041.5	56,582.8	59,266.1	62,693.3	65,864.0	66,692.0	67,959.4
	Labour force population	31,847.7	36,932.6	39,923.8	43,545.8	46,191.1	47,955.5	48,806.6
	Growth rate of labour force	18%	16%	8%	9%	6%	4%	2%

Source: United Nations Population Statistics.

3.2 Unemployment rate and job opportunities

In Thailand, the unemployment rate has been decreasing since the late 1990s. Since 2010, it has decreased to less than 1%, and labour shortage has become a serious issue. This and the lack of job opportunities in the neighbouring countries have motivated the movement of migrant workers in the Mekong Subregion.

In the neighbouring countries, on the other hand, industrial development has begun but has not expanded fast enough to absorb the growing labour force. Myanmar experienced a long period under government junta control, with economic sanctions imposed by the European Union and the United States, and the economy was closed from 1988 to 2016. In Cambodia, even though the garment industry has been booming since the mid-1990s, the employment opportunities it created could not meet the needs of the growing younger population. The recent relocation of factories and investment from Thailand to the neighbouring countries, as explained in the previous section, is still at an early stage, and has not yet created enough job opportunities for young people.

3.3 Higher wages in Thailand

Minimum and average wages are two to three times higher in Thailand than in the three neighbouring countries. In 2013, the Government of Thailand raised the minimum wage to B300 per day across the country and the average wage rose to more than $300 per month. Neighbouring countries also attempted to increase the minimum wage. In Cambodia, the minimum monthly wage increased from $60 in 2010 to $128 in 2014, and to $140 in 2016. In Myanmar, the minimum wage was MK3600 ($2.80) per day in 2015 (Table 1.6), which means workers can earn an a average of $80–$90 per month.

Table 1.6: Comparison of the Wage Levels in the Mekong Subregion ($)

Wage level	Thailand Bangkok	Cambodia Phnom Penh	Lao PDR Vientiane	Myanmar Yangon
Worker	113	363	111	127
Engineer	323	669	173	338
Minimum	9.09 (daily, 2013)	140 (monthly, 2016)	77 (monthly, 2012)	2.8 (daily, 2015)

Note: The wage level for workers and engineers shows average monthly wage level. The minimum wage in each country is in daily and monthly figures according to each country's regulations.
Source: Japan External Trade Organization website.

3.4 Labour market mismatch

Due to the recent expansion of higher education in Thailand, younger Thai workers have begun to avoid 3D sector jobs among lower-skilled jobs, and this has led to a serious labour market mismatch. The gap between the additional demand for workers and the new workforce entrants with an education attainment higher than primary school was estimated at 800,000 persons in 2012 (Chan, 2009; Vasuprasat, 2010). Migrant workers have filled this gap.

3.5 Long land border with weak border control

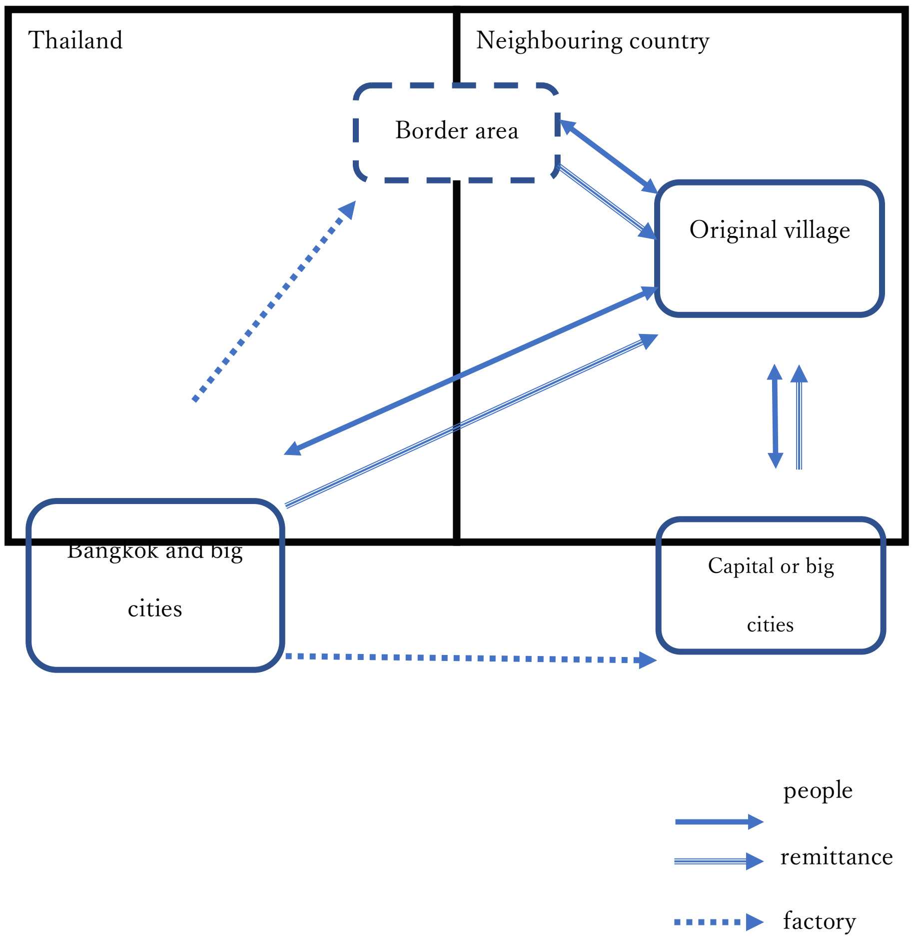
Thailand has a long land border with its neighbouring countries. The border it shares with Myanmar is more than 1,800 kilometres long. The land border between Thailand and Cambodia is about 800 kilometres long, and that between Thailand and Lao PDR is about 1,700 kilometres in length. Borders always play mixed, contradictory roles as bridges, gateways, and meeting points, and as barriers, obstacles, and points of separation (Diener and Hagen, 2012). Thailand's border with neighbouring countries has played mixed roles as well. As a bridge, special economic zones have been developed recently to create more employment, and the economic corridor connecting the neighbouring countries has become more dynamic. At the same time, the subregion's border areas in the have experienced unwelcome activities, such as illegal drug smuggling, hazardous waste disposal, human trafficking, and illegal wildlife and timber trafficking. Historically, the long, mountainous land border between Thailand and Cambodia and poor border management due to Cambodia's lack of capacity have allowed these crimes to flourish (IOM, 2015). This border has large and small checkpoints along its length, and many natural border-crossing points for local people. However, it is not possible to control the border completely.

4. Points for Discussion in this Report

Workers in the Mekong Subregion migrate within and beyond their home country borders to seek better opportunities. Factories and other enterprises in the region also relocate within and beyond home country borders to optimise opportunities and minimise costs. In the era of the ASEAN Economic Community, an overview of the overall migration system in the region is needed to inform the future development strategy of the Mekong Subregion (Figure 1.3).

Considering the new development trends in the region, there is a need for serious study of migration in the Mekong Subregion, including workers' decision to work within or beyond their home country border, the related consequences, and the employers' and enterprises' situation and their attitude towards migrant workers. Moreover, it is important to understand the policy environment, including migration policies and the Mekong Subregion's development.

Figure 1.3: Mobility of People, Money, and Factories



Source: Author.

Therefore, the following chapters, grouped under three perspectives – those of the migrant workers, industry, and government – analyse migration in the Mekong Subregion. All of the chapters were mainly based on the survey conducted in 2015–2016.

Part I: Migrant Workers' Choices and the Consequences in Cambodia

Chapter 2, by Luch and Kouch, examines the impact of international and internal migration on the households of origin of Cambodian migrant workers. Remittances have contributed to increased education and health expenditure, debt repayments, and house improvement in the country. Chapter 3, by Hatsukano, examines why migrant workers who returned to Cambodia chose to return, and the degree to which they utilise the migration experience in their subsequent economic activities.

Part II: Upgrading of the Garment Industry in Thailand

Thailand’s garment industry employs foreign workers in the country. It has often been argued that using migrant workers as cheap labour may disrupt the upgrading of the industry. Chapters 4, 5, and 6 examine the situation in the garment industry in Thailand and its employment of Myanmar migrant workers.

Chapter 4, by Mizuno, reviews the garment industry in Thailand and Myanmar, and examines how the industry is upgrading productivity and relocating factories to Myanmar in search of growth opportunities. Chapter 5, by Kohpaiboon and Jongwanich, considers the enterprises’ view on employing migrant workers and the relationship with productivity improvement. A survey of garment firms suggests that the decision to upgrade is independent of that to hire foreign workers. Chapter 6, by Yagura, analyses the development of Myanmar workers’ skills based on a survey of the workers . The human resource management practices of garment firms can influence Myanmar workers’ motivation to develop skills.

Part III: The Government of Thailand’s Policy

Chapter 7, by Aoki, examines the relationship between Thailand's migrant management policy and its regional development strategy. The Government of Thailand has started to consider providing development assistance to the neighbouring countries to better manage the flow of migrant workers.

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