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Trends in Southeast Asia

MANAGING MIGRATION IN MYANMAR AND THAILAND: ECONOMIC REFORMS, POLICIES, PRACTICES AND CHALLENGES

AMPORN JIRATTIKORN

ISEAS Publishing
INSTITUTE OF SOUTHEAST ASIAN STUDIES
Trends in Southeast Asia
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FOREWORD

The economic, political, strategic and cultural dynamism in Southeast Asia has gained added relevance in recent years with the spectacular rise of giant economies in East and South Asia. This has drawn greater attention to the region and to the enhanced role it now plays in international relations and global economics.

The sustained effort made by Southeast Asian nations since 1967 towards a peaceful and gradual integration of their economies has had indubitable success, and perhaps as a consequence of this, most of these countries are undergoing deep political and social changes domestically and are constructing innovative solutions to meet new international challenges. Big Power tensions continue to be played out in the neighbourhood despite the tradition of neutrality exercised by the Association of Southeast Asian Nations (ASEAN).

The Trends in Southeast Asia series acts as a platform for serious analyses by selected authors who are experts in their fields. It is aimed at encouraging policy makers and scholars to contemplate the diversity and dynamism of this exciting region.

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By Amporn Jirattikorn

EXECUTIVE SUMMARY

• The migrant workforce in Thailand, the majority of whom are from Myanmar, is an integral part of the economy.
• The changing economic and political landscapes in both Myanmar and Thailand demand an assessment of the impact these changes will have on the migration patterns of Myanmar nationals.
• Over the last two decades, the ineffective and ambiguous registration programmes — Thailand’s main policy tool to manage foreign migrants — have produced gaps between policy goals and outcomes.
• Under the current military regime, Thailand’s policy towards migration remains unclear and as a result creates fear and uncertainty among foreign migrants.
• Myanmar also lacks a comprehensive and holistic migration policy. The new civilian government has begun to work with the Thai government through the process of regularization. Nonetheless, the policy reflects a short-term approach rather than a broader more long-term migrant worker policy.
• The recent developments in Myanmar raises concerns about the availability of the supply of migrants from Myanmar and the impact these transformations may have on Thailand’s economy.
• The return of a large number of Myanmar migrants could result in labour shortage in Thailand, an increase in the cost of migrant labour, and an eventual increase in the cost of production.
• A large wave of returnees could make it difficult for Myanmar to provide enough jobs to accommodate them. Further, foreign
remittance payments from Myanmar workers are a large source of revenue for the Myanmar government and the return of a large number of Myanmar migrants would result in significant financial losses for the government.

By Amporn Jirattikorn

Over the past two decades, a significant number of Myanmar nationals has migrated across the border in search of employment in Thailand. They have come to make up the largest group of migrant workers in Thailand, or about 80 per cent of Thailand’s foreign migrant population. In 2011, the Thai Ministry of Labour registered close to 1 million migrants from Myanmar, whereas the estimates of undocumented Myanmar migrants range from 2 to 6 million (Yang 2009, p. 489). These migrants make vital contributions in industry, agriculture, fishing, domestic work and construction, areas often shunned by Thai workers.

The pull of Thailand, whose population is about 67 million, is due to its geographic proximity to Myanmar and large supply of low-skilled jobs. The push factors include low wages, high unemployment, pervasive poverty in Myanmar, and armed conflicts in many ethnic areas. Despite the fact that migrant workers from Myanmar are an important component of the overall Thai economy, the Thai government has always perceived them as a threat to national security. Over the past two decades, Thailand’s migration policies have been shaped by fear that migrant workers would take jobs away from locals, cause a higher crime rate, bring diseases and become a permanent burden to the country. The situation worsened when the military coup took place in May 2014, followed by a large exodus of Cambodian migrants fearing a crackdown and a number of arrests and deportation of Myanmar migrant workers in several provinces. While, for many decades, the Thai government has been criticized for lacking an effective policy in dealing with foreign migrants, the civilian government of Myanmar has recently begun to implement migration policy as well as

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collaborating with the Thai government to ensure its migrant population receives standard rights protection. Although migration policies are typically national policies, bilateral management could provide an effective approach for better conditions for more than 2 million Myanmar migrant workers in Thailand.

This article discusses Thailand and Myanmar’s policies and practices towards Myanmar migrant workers in Thailand. It concerns broader changes in both countries as Thailand is currently under a military government, and Myanmar since 2011 has undergone a series of political and economic reforms. While the current military government of Thailand is seen as carrying an unclear policy that creates fear and uncertainty among foreign migrants, Myanmar’s recent reforms have posed challenges to Thailand’s labour force and to the future of Myanmar’s economy in many ways. Most significantly, Myanmar’s reforms are expected to improve domestic employment prospects, hence returning home has become an option for many Myanmar illegal migrants.

A recent survey of more than 5,000 Myanmar workers in Thailand by the International Organization of Migration (IOM) has revealed that most Myanmar migrant workers want to go home. While return is unlikely to happen in the near future, the departure of a substantial proportion of Myanmar migrant workers would have a major negative impact on the Thai economy. If this happened, the IOM predicted that Thailand could face a labour shortage of over 5 million in the next decade (Ashayagachat 2013). On the Myanmar side, while the reforms have increased demand for skilled and semi-skilled workers in Myanmar, this has yet to be seen in the low-wage and unskilled sectors. A large wave of returnees could make it difficult for Myanmar to provide enough jobs to accommodate them. Moreover, foreign remittance payments from Myanmar workers are a large source of revenue for the Myanmar government. The return of a large number of Myanmar migrants would result in significant financial losses for the government.

This article explores three aspects of Myanmar migration in Thailand in relation to the policies and current changes in both countries. First, it discusses Thai and Myanmar government policies towards managing migration of Myanmar migrants in Thailand. Second, it investigates the gap in the policies and practices of the Thai government in managing
migration, providing social services, and bestowing rights on Myanmar migrants. Third, the article explores the impact of the current economic and political transformation in Myanmar. The question this paper asks is how Myanmar’s reforms impact on the decision of Myanmar migrants to return or to stay. In the end, it argues that in order to strengthen the economies of Thailand and Myanmar, both countries need long-term policies to manage migration.

OVERVIEW: THAILAND AND MYANMAR’S MIGRATION POLICIES

Thailand’s Policy

The year 1992 marked the first year Thailand started to adopt migration policy for unskilled foreign workers. Generally, Thailand’s laws prohibit the entry and employment of unskilled foreign workers. In 1992, when the Thai government began to recognize the need to employ migrant workers along the Thai-Myanmar border, Thailand did not have an existing legal framework to provide clauses for such initiatives. However, article 17 of the 1979 Immigration Act allows the Thai Cabinet to permit foreigners to enter and work in Thailand on a temporary basis (Martin 2007, p. 1). In 1996, the government started to issue cabinet resolutions and establish the framework for the legal registration of the illegal workforce on a yearly basis. This decision to use cabinet resolutions was based on the belief that the employment of migrant workers would be temporary and after a few years the situation would change, and there would no longer be any need to continue employing them (Chantavanich 2007, p. 2). For the two decades that Thailand has provided a legal framework for managing foreign migrant workers, its migration policy may be divided into three different periods.

The first period from 1992 to 2000 can be seen as the policies that put an emphasis on national security. In 1992, employers in nine Thai provinces along the Myanmar border were allowed to register the migrants they employed by issuing short-term work permits. However, only 706 migrants were registered, largely because employers were required to pay a 5,000 baht bond or bail fee that was to be returned
when they “turned over” their migrant workers to authorities when the work permits expired (Archavanitkul 1998, p. 8).

In 1996, the first actual registration of migrant workers took place when nationals from three countries which share substantial borders with Thailand, namely Myanmar, Cambodia and Laos, were able to register. Migrants from these three countries were registered under the “temporary stay awaiting deportation” category with a quota of 300,000 migrants in specified provinces and specified jobs. Migrants were allowed to register for a two-year stay (Asian Migrant Centre 2002, p. 24). Initially only employers in seven sectors, namely agriculture, fisheries, construction, mining, coal, transportation and manufacturing, and thirty-nine provinces could register migrants. In 1996, 323,123 migrants were registered, 88 per cent Myanmar, and 293,652 two-year work permits were issued. It is believed that many of the migrants registered in 1996 had already been in Thailand for several years (Martin 2007, pp. 2–3).

From 1992 to 2000, Thai government policies towards migrants were aimed at controlling the migrant population and restricting migrant influx by annual registration of “temporary stay”. The main emphasis of the registration programmes during this period was related to three types of restrictions imposed on the employment of migrant workers, namely the number of provinces allowed to hire migrant workers, the types of jobs migrant workers could undertake, and the quota on migrant workers to be employed. Srivarathonsul argues that between 1992 and 2000, the National Security Council (NSC), as the main agency responsible for migrant worker policymaking, perceived the migrant worker issue as a national security problem. National security concerns were therefore the main consideration for policy formulation (Srivarathonsul 2010, pp. 93–94).

The second period, from 2001 to 2006 can be seen as one of economic-oriented policy. Srivarathonsul maintains that in this period, national security concerns became less important. Utilizing migrant workers for economic development was the main priority (Srivarathonsul 2010, 2 Other unskilled migrants from countries such as China, Vietnam and Bangladesh are not allowed to work in Thailand. This discrimination is not explained by the Government.

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2 Other unskilled migrants from countries such as China, Vietnam and Bangladesh are not allowed to work in Thailand. This discrimination is not explained by the Government.
p. 99). Hence, the policy towards migrant workers became more liberal. There was also a change at the top of the policymaking hierarchy as the Ministry of Interior (MOI) came to replace the NSC as the main agency responsible for migrant worker affairs. The newly elected Prime Minister Thaksin Shinawatra opened registration fully for migrant workers in all occupations and in all seventy-six provinces without imposing any quotas (Chantavanich 2007, p. 6).

Chantavanich (2007) argues that this “wide-open” approach was based on the assumption that it would bring all illegal and underground migrant workers to the light, so that the government had an accurate number for future policy input. In 2001, Thai employers registered 568,000 migrants. While this number (which was the biggest ever registered) led the government to believe in the success of their registration programme, the total population of unregistered migrant workers has constantly outnumbered registered ones. The government offices estimated that the number of unregistered migrants would increase every year from 1.5 million in 2001 to 3 million in 2006 (see Table 1). This indicates, on the one hand, the lack of policies toward the large number of unregistered workers as well as the government’s failure to control the flow of migrant workers. On the other hand, this could be viewed as the government implicitly endorsing the employment of illegal migrant workers (Srivarathonsul 2010, p. 102).

It was also during this period that the government initiated a regularization programme to ensure that the future flow of migrant workers would be more systematic. In 2003, the Ministry of Labour of Thailand and Myanmar signed a Memorandum of Understanding (MOU) on migrant worker employment. The MOU arrangement would allow Thailand to import future Myanmar workers through official channels (Srivarathonsul 2010, p. 3). In principle, under the MOUs, Thai employers have their need for migrants verified by Thai authorities. Sending country governments recruit and select migrants to fill these jobs and issue them passports, so that they can receive entry visas at the appropriate Thai embassy or consulate. Migrants travel to Thailand and report to their Thai employers, receive two-year work permits that are renewable once, and are entitled to the same wages as Thai workers (Martin 2007, p. 3).
<table>
<thead>
<tr>
<th>Year</th>
<th>Registered</th>
<th>Unregistered (estimate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>568,289</td>
<td>931,711</td>
</tr>
<tr>
<td>2002</td>
<td>409,339</td>
<td>1,590,661</td>
</tr>
<tr>
<td>2003</td>
<td>288,780</td>
<td>1,711,220</td>
</tr>
<tr>
<td>2004</td>
<td>849,552</td>
<td>2,711,220</td>
</tr>
<tr>
<td>2005</td>
<td>705,293</td>
<td>2,294,707</td>
</tr>
<tr>
<td>2006</td>
<td>460,014</td>
<td>2,539,986</td>
</tr>
</tbody>
</table>

Total migrant workers (estimate): 1.5 million, 2 million, 2 million, 3 million

Note: The figure for unregistered migrants is an estimate provided by the Ministry of Interior (MOI). In addition, in 2007 the MOI provided an estimate of a total of 2.46 million low-skilled migrants from the three neighbouring countries working in Thailand, of whom 1.4 million were unregistered. Huguet, Chamratrithirong and Richter (2011, p. 11) argue that this could well be a conservative estimate and there is no reason to believe that the number has decreased since then.

While MOUs were signed between Thailand, Laos and Cambodia in 2002, the MOU between Myanmar and Thailand took a long time to negotiate. It was signed in 2003. The MOU, however, did not materialize until 2009 and the annual migrant registration programme remains the main policy tool for controlling migrant workers (Srivaraathonsul 2010, p. 104).

The third period of Thailand’s migration policy starts from 2009 when national verification began to materialize and the policy of formal recruitment was started. This period can be seen as a step towards implementing “regularization” strategies. As stated, the MOU aimed to recruit migrants directly from the sending countries. However, by 2001, only 1,513 migrant workers were recruited from Myanmar. The relatively small number of workers entering Thailand through the MOU process is probably due to the fees, the number of administrative steps required and the time involved in the process (Huguet, Chamratrithirong and Richter 2011, p. 10). Because the formal recruitment of migrant workers through the MOU process was relatively ineffective, the government of Thailand decided to regularize migrants from the three neighbouring countries who were already in Thailand and to allow them to obtain a work permit if their nationality was verified by the government of the country of origin (Huguet, Chamratrithirong and Richter 2011, p. 11).

The regularization strategies thus contain two methods for legalizing irregular migration in Thailand: (a) import of workers directly from neighbouring countries with temporary passports; and (b) nationality verification (NV) of registered workers already in Thailand to enable them to acquire legalized status by means of temporary passports. In the meantime, the annual registration of migrants already in Thailand would continue only until these two principal means of regularization were achieved (Hall 2011, p. 19).

In 2009, Thailand reported that there were a total of 1.3 million registered workers from Myanmar, Cambodia, and Laos who resided illegally in the country and needed further verification of nationality to become legal migrants by February 2010. Migrant workers who do not enter NV and all irregular migrants would be deported from the kingdom (Rabibhadana and Hayami 2013, p. 254). Given the practicalities of Thailand’s NV process and the large number of workers (1.3 million)
involved, officials from neighbouring countries were requested to come to Thailand to verify the nationality of their workers and issue temporary passports. In 2005, the process started for Cambodian and Laotian migrants. However, from 2003 to 2009, Myanmar reportedly insisted that if the process was to be undertaken, all Myanmar migrants had to return to Myanmar, i.e. to Pa-an in Karen State. Due to the distance and the number of workers who would have needed to return to undertake the process, the NV of Myanmar migrants did not progress (Hall 2012, p. 7).

It was not until the end of 2009 when the Myanmar government established three border posts in Myawaddy, Tachilek and Kaukthaung, that the verification process could be carried out. However, one month before the deadline, only 26,902 Myanmar migrants (out of 1.1 million Myanmar migrants eligible to submit the NV document) had gone through the process at the three centres. The lack of information on national verification and distrust towards the Myanmar government were major reasons for the low turnout. As a result, the ministry extended the time for the NV until the end of 2012 (Rabibhadana and Hayami 2013, p. 254). In 2012, with rapid political and economic changes in Myanmar, the government decided to open offices in Thailand, which helped to speed up the NV process. As awareness of the process increased and its benefits for migrants became more apparent, the NV of Myanmar migrants has progressed. Despite ongoing challenges in NV, over the past several years, Myanmar has successfully issued over 1.7 million passports to migrants in Thailand. Nonetheless, Thai statistics show that only around 750,000 Myanmar workers with passports have applied for Thai work permits. These contradictory figures may be due to various reasons, such as exploitation on the part of the broker, the confusing application process and associated costs, or migrants deciding not to sign up for the NV process.3

Besides the NV programme, this period saw the reopening of migrant registration for “temporary stay” due to an increasing number

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of undocumented migrants in Thailand. The idea was initiated by rights
groups, which campaigned for the reopening of migrant registration to
allow all migrants to enter NV. At the same time, the business sector
called for new registration rounds to address ongoing shortages of low-
skilled workers. In 2011, the new registration for “temporary stay” was
carried out for all migrant workers (Hall 2011, p. 23).

As of 2014, Thailand has a total migrant worker population of 2.23
million, including 1.82 million who entered the country illegally. Of the
total, 1.74 million are from Myanmar, 395,000 from Cambodia and about
96,000 are from Laos.

Myanmar’s Policy

Myanmar lacks a comprehensive and holistic migration policy or an
effective migration management body. In the past, the Ministry of Foreign
Affairs was responsible for regular deployment of Myanmar migrants
overseas. Today, the Overseas Employment Service under the Ministry
of Labour is the main agency responsible for migrant worker affairs.
However, regular migration was limited to higher skilled workers going

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Myanmar</th>
<th>Cambodia</th>
<th>Lao PDR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular migrants entering through MOUs</td>
<td>168,486</td>
<td>27%</td>
<td>62%</td>
<td>11%</td>
</tr>
<tr>
<td>Migrants completed NV</td>
<td>917,212</td>
<td>85%</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td>Total number of regular migrants</td>
<td>1,085,698</td>
<td>76%</td>
<td>19%</td>
<td>5%</td>
</tr>
<tr>
<td>Registered but irregular migrants</td>
<td>1,533,675</td>
<td>623,648</td>
<td>696,338</td>
<td>213,689</td>
</tr>
</tbody>
</table>

Source: Ministry of Labour, Thailand.
to Korea, Malaysia and Singapore, and generally relied on workers using expensive private recruitment companies and personal connections. As a result of this policy gap on issues pertaining to migration, combined with ethnic armed conflicts in Myanmar, workers have migrated irregularly to find work outside their own country for the survival of their family (Hall 2012, p. 4).

Statistics on Myanmar’s international migration flows are based on estimates as most Myanmar nationals have migrated irregularly. Hall (2012, p. 4) argues that irregular migration of Myanmar workers is a result of both destination countries having limited systems for the legal entry of Myanmar nationals and Myanmar having limited systems for regular migration of its workers overseas. Not only is regular migration from Myanmar expensive but migrants are also unable to gain official documents or access to formal migration quotas to Malaysia, Singapore and South Korea, due to not having connections with immigration officials.

Even though more than 3 million Myanmar nationals have migrated illegally to Thailand over the past two decades, Myanmar still lacks policies to assist its migrant populations. Many issues related to migration, such as formal migrant remittance policies, and the means to facilitate regular employment, have not been dealt with effectively. As a result of ineffective policy, informal systems have been developed. Networks of informal brokers have also been established at the village level across Myanmar, linked to trafficking networks at all borders, to facilitate this irregular migration to neighbouring countries (Hall 2012, p. 4).

In terms of remittance, procedures by which migrants overseas could send money back to their families formally were also limited. The government controlled remittance flows by sanctioning remittances through government banks and taking a 10 per cent service fee on the transactions (Rabibhadana and Hayami 2013, p. 253). Due to this high fee and the cumbersome services, remittances from Myanmar overseas workers tend to be channelled through the informal banking system, known as hundi, which developed at the community level in both destination countries of migrants and in Myanmar (cf. Turnell 2009, p. 30). As of 2012, the Central Bank of Myanmar has received only US$566 million (or 1.1 per cent of GDP) worth of remittances in
comparison with neighbouring Bangladesh, where monetary authorities managed to get their hands on nearly US$14 billion (or 12 per cent of GDP) in remittances, channelled through their formal banking system by an overseas workforce of roughly the same size (The Economist 2013). While today, several of Myanmar’s private banks have connected with banks in Thailand to provide new channels for remittances, the traditional hundi system, which is cheaper and quicker than the formal banking system, remains popular.

However, since 2010, after the new civilian government came to power, more policies with regard to migration of Myanmar nationals to Thailand can be seen. At this time, the government began to pay attention to the process of regularization, and has attempted to protect Myanmar migrants in Thailand. Several meetings between Myanmar delegations and officials of Thailand’s Ministry of Labour have focused on migrant protection, improving the NV process and addressing the education of migrant children.

At the end of 2011, eight years after the MOU was signed, a legal process of migration for manual or domestic workers from Myanmar to Thailand began. In December 2011, the Ministry of Labour opened overseas recruitment offices in Yangon. As of 28 February 2012, 14,571 Myanmar migrants had already departed Myanmar and entered Thailand legally. In January 2012, Myanmar also started to issue a new electronic NV passport to workers. It opened five new NV centres in Thailand (in Bangkok, Chiang Mai, Samut Sakorn, Samut Prakarn and Surat Thani provinces), in addition to the existing three centres, to speed up the NV process and reduce costs (Hall 2012, p. 7).

It can be argued that since 2010, after the new civilian government came to power, Myanmar has been more proactive in its migration policy. Government officials have been active in lobbying Thai policymakers for new amnesty registrations for Myanmar migrants living and working without documents in Thailand. As a result, in 2011 the Thai government opened registration for amnesty for migrants in Thailand. However, its policy can be said to reflect more on the specific pressures placed on the Myanmar government rather than a desire to address the poor conditions that Myanmar migrant workers face in Thailand, to implement a wider migrant worker policy or to deal with protection concerns. Since 2009,
the Myanmar government has worked towards ensuring progress in processes to make its registered migrants fully legal through the NV process in Thailand (Hall 2012). However, at present, the cost for NV remains relatively high and broker exploitation persists.

The Current Situation of Myanmar Migrants in Thailand

After taking power in May 2014, the Thai military government announced its new policy of dealing with illegal labour in the country. The National Council for Peace and Order government (NCPO) established a Committee on Solving Migrant Problems on 10 June 2014 with the mission to conduct an “environmental cleansing” operation to build a “pleasant” society (Thame 2014). The policy targeting the large number of undocumented migrants under the operation called “migrant workers regularization” led to widespread fear among migrant workers. Round-ups of migrant workers were reportedly conducted on a daily basis. There have been reports of mass arrests and deportation, such as in the case of migrants without valid immigration documents and work permits; migrants with passports whose work permits indicate a different workplace; and migrants possessing expired passports and work permits (The Labour Rights Groups in Thailand 2014).

The crackdown on migrant workers came from the military perception that migrants are a source of social problems. According to them, migrant workers undermine social “stability” and are associated with narcotics, crime, and communicable diseases. The NCPO operation is seen as an attempt to securitize the issue and to pave the way to the establishment of special border economic zones in order to keep migrant workers away from metropolitan areas such as Bangkok. However, the crucial importance of foreign workers to the Thai economy prevented a heavy-handed operation. The military government soon declared that they were “well aware of the role and importance [which] foreign labor from our neighboring countries play[s] in Thai economy and development” (Thame 2014).

Besides the crackdown on foreign migrants, several problems occur as part of the regularization policy. According to the earlier agreement, the Myanmar government issued temporary passports to migrant workers
which were valid for six years. The Thai government only issues two-year visas to Myanmar migrant workers which could be renewed only once, therefore, the maximum visa period is four years. Moreover, under the MOU, there is a three-year period after which migrants are required to return to their country of origin. In late 2013, the Thai and Myanmar governments agreed to amend the MOU, extending the maximum four-year visa and reducing the three-year period after which migrants are required to return to their country of origin to only a single day return. According to the *Bangkok Post*, this change has not been endorsed by the caretaker cabinet, which has no power to sign agreements that legally bind the next government (*Bangkok Post* 2013a).

On 25 March 2014, the Ministry of Labour proposed a Cabinet Resolution to allow migrants whose employment term has been reached, to stay for 180 days as a special case or until the new functioning government will be taking office (Hall 2014). On 21 September 2014, when the 180-day special period had ended, the Myanmar Embassy and officials from the Thai Department of Employment agreed in principle that migrants could “return” to Myanmar by literally crossing the border at three border processing offices in Mae Sai (Chiang Rai), Mae Sot (Tak), and Ranong. Migrants whose employment term had reached the four-year maximum may renew their work permit through the office of the Foreign Worker Administration or the assigned agents. The assigned agents will be responsible for reapplying for visas and work permits for migrants. Upon completing the necessary documents, the Myanmar Embassy will send the list of applicants to the three border processing offices. Migrants will have to go to the border processing offices in order to leave Thailand and re-enter. At present, according to the Chiang Mai office of the Foreign Worker Administration, there has been a small number of migrants who finished their four-year contracts applying to renew their work permits. Due to the delay in the government’s decision, which has left migrants fearful of arrest and deportation, some whose visas had expired discarded their old passports and paid officials for new passports with new names.

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4 Interview with an official at Chiang Mai Office of the Foreign Worker Administration, Chiang Mai, 23 January 2014.
Adding to the already confusing and ineffective policy, in June 2014, the National Council for Peace and Order government allowed a round of registration for temporary permits the deadline for which was October 2014. It is reported that a large number of legal migrant workers who were about to complete their four-year employment contracts, confused with the unclear policy and not wanting to return home for three years, went through registration for temporary permits to extend their employment. As such, they lost their legal status and thus access to social security benefits (Mizzima 2014).

As Thai policy remains chaotic, the Myanmar government announced a policy to change temporary NV passports to permanent passports for all Myanmar workers in Thailand. Only workers with Myanmar ID cards and house registration could get new passports (Deboonme 2014). These unrealistic requirements cause anxiety among migrants, as these are documents many workers never had, and the procedure to acquire them is slow and expensive (due to the need to bribe officials). Moreover, many Myanmar migrants have different names on their temporary passports and official documents (Karen News 2014). Analysts claim that Myanmar’s decision to require the new identity verification processes has opened up a central role for unregulated Myanmar agencies to assist workers remaining in Thailand to acquire ID cards and house registration in Myanmar (Hall 2014).

FROM POLICY TO IMPLEMENTATION

The article has discussed current problems regarding unclear policy on migration issues. This section, however, aims to introduce some evidence “from the ground” to explain why the policies are a failure.

Before the discussion of why the registration programmes have failed to persuade migrants to register, and what needs to be done to help improve the conditions of Myanmar migrant workers in Thailand, the paper will present some demographic data on Myanmar migrants in Thailand, so that the question of why a large policy gap persists may be understood.

Migrants from Myanmar form a large part of the “unskilled” or low-status working population in all provinces of Thailand, but they
are particularly highly represented in border areas with industries such as Mae Sot and Ranong, in agricultural areas such as Chiang Mai province, and in industrial areas around Bangkok (Asian Migrant Centre 2002, p. 25). As Thailand shares a 2,401-kilometre stretch of border with Myanmar, migrants tend to arrive at the border areas first before they can be mobile enough to move into the interior. This has, in turn, created migrant towns in many border provinces, such as Ranong and Tak provinces. Beside border provinces, Samut Sakorn, as the largest producer of frozen seafood in Thailand, attracts tens of thousands of Myanmar workers who are ethnic Mon, Karen/Kayin and Bamar. Chiang Mai, on the other hand, has become home to a large population of Shan migrants due its provincial border with Shan State in Myanmar and a great deal of demand for cheap labour.

It should be noted that there are significant differences in patterns of migration and working conditions, as well as social and cultural contexts, between the border and the interior (Rabibhadana and Hayami 2013, p. 244). Most migrants working in the border areas cross the border accompanied by or seeking the assistance of friends and relatives who are already in Thailand, whereas those who live and work in interior towns such as Samut Sakorn or Bangkok manage to acquire jobs with the help of an agent. In the mid-1990s, Myanmar migrants in Thailand came predominantly from border areas where there were armed conflicts, or where the military was implementing polices of forced relocation and forced labour. But in the 2000s, as the economic situation deteriorated, migrant networks and recruitment expanded, and the need for migrant labour in Thailand developed, Myanmar migrants increasingly came from all over Myanmar (Ford 2013, p. 91).

With regard to entering Thailand, migrants from Myanmar are usually able to cross to the Thai side without much difficulty. In some areas of the Thai-Burma border, such as near the town of Mae Sot and Mae Sai, the borders are demarcated by only a shallow river, hills or jungle. In addition, border passes for migrants are easily obtained at three official checkpoints between Thailand and Burma (Chiang Rai, Mae Sai district; Tak, Mae Sot district, and Ranong). A border pass allows migrants to stay on the Thai side for a certain period but many migrant workers overstay in order to work in Thailand. Those wishing to gain access to the inner
part of the country, where jobs are more abundant and wages are higher. They often seek services from labour smugglers. In order to get to the inner part of the country, migrant workers pay labour smugglers a fee ranging from 3,000 to 15,000 baht, depending on the nature of the entry points, the difficulties involved in passing through the security checkpoints, and the final destination (Srivarathonsul 2010, p. 117).\(^5\)

Having described the broad pattern of migration from Myanmar into Thailand, let us now turn to the discussion of why migrants do not want to be registered. It can be argued that the policy gaps in the Thai case come from two main factors: macro-structural factors and registration programmes. At the structural level, the strong demand for cheap migrant workers, the abundant supply of migrant workers from its neighbouring countries, and corruption system have made the policies to control these workers virtually ineffective (Srivarathonsul 2010, p. 5). As for the registration programmes, its main flaws include inflexibility, employers’ unwillingness to cooperate, and a lack of strong law enforcement against unregistered workers.

Despite various policy reforms and new initiatives, the Thai government has not been successful in improving the management of migrant workers. Thailand now has two different co-existing registration programmes, the NV and formal recruitment and the annual registration of migrants. The problems thus occur on many levels.

In the annual registration system for temporary stay, many flaws crop up. First, migrant workers are registered by a single employer. In this system, they are not allowed to change employers unless they are re-registered. In this case they would have to pay the full fee again. Second, employers who pay in advance for the work permits of migrant workers often hold the original copy to maintain control over the workers, for fear of losing them before the fee is repaid. This means that migrant

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\(^5\) Several of my informants from Shan State who crossed the border to seek work in the city of Chiang Mai told me that they paid the traffickers between 5,000 and 8,000 baht.
workers are at risk of deportation and are unable to access healthcare because photocopies of documents are not recognized by the authorities (Srivarathonsul 2010, p. 5).

As for the NV, according to the Migrant Workers Rights Network, the NV system forces them to pay as much as 10 times the official cost for their documents in Thailand (Karen News 2014). The fees associated with the legalization under the MOU involved fees for two different phases. First, migrants need to have registered with the government for temporary stay, which costs 3,800 baht. The temporary stay fee is already very high for migrant workers, whose monthly income is around 4,000–6,000 baht. Once temporary stay registration is completed, migrants are required to go through NV in order to obtain temporary passports and visas. Latt (2013) argues that unlike the temporary stay registration, NV has both political and financial constraints.

As for the financial constraints, in the past, the Myanmar government did not set up offices in Thailand but required all the applications to be transported to Nay Pyi Daw. Once Nay Pyi Daw confirms the applicants’ citizenship status, Thailand issues a temporary travel permit for migrants to cross the border into Myanmar to receive a temporary passport. Given the complexity of this process, migrant workers have to rely on brokers to complete the national verification process for them due to a lack of knowledge of the process and the language barrier (Srivarathonsul 2010, p. 140). Thailand contracted twenty-two officially recognized private companies to provide application services. The official fees for NV are supposed to be 200 baht for a Myanmar passport and 500 baht for a two-year Thai visa. The companies charge migrants between 4,800 and 6,500 baht (Latt 2013, p. 49). Migrants who have previously registered for a temporary stay, paying already 3,800 baht, are required to spend another 4,800–6,500 baht for NV.

Regarding political constraints, Latt further argues that the majority of Myanmar migrants in Thailand came from ethnic areas of conflict and left Myanmar to escape state violence, thus the act of submitting biographic data to the Myanmar government is politically challenging. In the national verification process, the Myanmar government requests detailed information, including data on parents, grandparents, siblings, in-laws, spouse and his/her siblings, and their occupations and addresses.
Migrants submitting this information fear that they would endanger their relatives in Myanmar (Latt 2013, p. 49).

In addition to the registration problems, the fact that Thailand has to rely on Cabinet resolutions to define government policies on migrant workers creates problems at the ground level. The frontline government staff and offices dealing with migrant issues are often unsure of the current attitude or policy emphasis of the government, and thus say that they have to first consult with higher authorities when confronted by advocacy or policy reform demands (Asian Migrant Centre 2002, p. 154).

While one of the objectives of the registration policy is to ensure migrant rights and protection, gaps between policy goals and outcomes persist. The annual cost of registration per worker is 4,500 baht, in which 1,000 baht of this amount is for healthcare insurance. The healthcare fee confers on each worker the right to the 30-baht medical system. However, from the perspective of the workers, the economic and social costs of registration surpass its merits (Rabibhadana and Hayami 2013, p. 253). All these charges add up to a multi-billion baht revenue for Thailand. In mid-2011, nearly one million migrants registered for temporary stay. This amounted to about 4 billion Thai baht, including healthcare charges. There are no clear statistics for how much migrants have made use of this healthcare, totalling 1 billion baht. My interviews with Shan migrant workers in Chiang Mai reveal that they tend not to use official hospitals for many reasons; the language barrier, bad treatment by nurses, and the distance and inaccessibility of government hospitals.

Besides the issue of healthcare services to migrants, the commitment of the Thai government to protect migrant rights and enhance migrant skills is still not evident. Migrants in Thailand, especially from Myanmar, continue to be regarded as the most exploited, excluded and abused sector of Thai society (Hall 2012). Particularly in the seafood industry, migrants are reportedly conned into working on fishing boats and up doing so under inhumane conditions.

Another concern is related to migrant children. Because thousands of Myanmar migrants started arriving in Thailand during the 1980s, many now have families and children who were born and grew up in the country,
with the estimated number of such second-generation migrants (below eighteen years of age) being 200,000. While policies and practices have made some attempt to provide reasonable conditions for workers, there has been no accompanying policy concerning the families of workers.

THE IMPACT OF MYANMAR’S REFORM

Recently, the Thai Government has increasingly acknowledged the need for migrants from neighbouring countries (particularly Myanmar whose workers make up approximately 80 per cent of all migrants in Thailand). There is an increased realization that this need is not temporary and that effective means to manage migration in the long term are required. In 2013, the concern over labour shortage grew when a Thai economist, Terdsak Chumtohsuwan, suggested that singles should pay more tax. He pointed out that Thailand is facing a labour shortage as a result of an increasingly ageing population and a decline in birth rate, which could lead to a stagnant economy and stretched healthcare schemes. Therefore, a “bachelor’s tax” would be one way of subsidizing senior citizens and alleviating the burden of those who choose to bear children (Bangkok Post 2013b). Although this was taken as a joke, it tells us about the country’s worrying population trends and the problems Thailand faces as an ageing society. The risk of a population-age imbalance demands that the government address migration with long-term policies.

The recent developments in Myanmar have also led to questions about the availability of the supply of migrants from Myanmar and the impact these transformations may have on Thailand’s economy. A survey by the International Organization of Migration (IOM) of more than 5,000 Myanmar workers in Thailand revealed that most Myanmar migrant

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6 Thailand was classified as an ageing society in 2005 when the number of people aged over sixty reached 10 per cent of the population. This number is expected to reach 20 per cent by 2027. See Fernquest (2013) <http://www.bangkokpost.com/learning/learning-from-news/372232/single-no-children-thailand-future> (accessed 3 December 2014).
workers want to return home. Many migrants say that they are looking to return to Myanmar within a few years (Ashayagachat 2013). If this were to happen, the IOM predicted that Thailand would face a labour shortage of over 5 million in the next decade. The departure of a large number of Myanmar migrant workers, particularly of low- and semi-skilled workers, would have a major negative impact on Thailand’s labour situation. This section considers the impact of Myanmar’s economic reforms on two important aspects of the migration issue: what impact there might be if a large number of Myanmar migrants return home, and whether or not migrants contemplate return.

The literature on Myanmar migrants living in different migrant towns in Thailand shows that migrants in different places differ in terms of working and living conditions, cultural adaptation, and modes of connecting with the homeland in Myanmar. Rabibhadana and Hayami (2013, pp. 243–83) studied the border town of Mae Sot, and the interior town of Samut Sakorn, and found that in the case of the interior town, migrants tend to be documented. Many of them send their children back to Myanmar for education, and remittances are sent regularly for their children’s school fees and living expenses. In the border town, however, most of the Myanmar migrants tend to be undocumented. They raise their children in Mae Sot because they cannot afford to send regular remittances to their parents to look after their children. Rabibhadana and Hayami maintain that while mutual dependence of childcare and remittance migrants sent home for their children’s education are significant to maintaining cultural and social ties with the homeland, physical proximity to the homeland, such as in the border town of Mae Sot, does not indicate the strength of migrants’ ties to it. On a structural level, they argue that Thailand is not a uniform space; each location has its historical, cultural, economic, and industrial dynamics, which in turn shape different living and working conditions for migrants, as well as their intention to stay or return.

While Rabibhadana and Hayami argue for the need to take into account different locations that migrants are migrating to, Jirattikorn (2015) studies the prospect of return among Shan migrants in Chiang Mai, northern Thailand acknowledging a variety of factors which influence an individual’s decision to return. Jirattikorn maintains that
while changes in social or political conditions in the homeland, i.e. Myanmar’s reform, may influence migrants’ decision to return, there are in fact more personal factors which contribute to motivation for return among migrants. These include marriage while in the destination country; having children in the new country of residence and the need to socialize them in the host country; the number of family members who have migrated; the acquisition of citizenship or permanent residence in the host country; length of stay in the host country; and their age at the time of migration. Moreover, Jirattikorn argues that in the case of Shan migrants in Chiang Mai, due to its extensive network of Shan migrants, the relatively high number of children who are fully adapted to Thailand, and the language and cultural proximity between the Shan and the Thai, many of them would probably prefer to remain in Thailand.

Hence, while there are many factors which motivate the migrants’ decision to return, this article, however, would argue on different grounds that there are in fact a large number of migrants who may never return. It never occurs to the governments of Thailand or Myanmar that migrants would probably never go back. Surely, many surveys would indicate that migrants contemplate eventual return. Yet the contemplation of return does not mean that migrants will actually return. For Thailand, although many officials working on migrant worker issues understand this situation, there has been very little groundwork to prepare for this possibility. Integration and assimilation of migrant workers have not been widely discussed in policymaking. The Thai government will have to deal with this population who may never return at one point, lest it continue to remain ambiguous in its migrant worker policy goals. For Myanmar, it is not clear whether there has been any concern over the fact that some of its population may never return. However, a Thai official at the Immigration Office commented that:

The Myanmar government does not need to worry about this population since the majority of them are ethnic minorities. Thailand is the one which has to be concerned since their permanent settlement is our burden. I am worried that migrant children now acquire better education. Some have come to take
better jobs than Thai kids. In the future, these people will be better off than their Thai counterpart. Are we going to do anything to prevent this?\footnote{Interview with a Thai official at the Immigration Office, Chiang Mai, 20 January 2015.}

**Impact on the Thai and Myanmar Economies**

While over the past few years, a growing number of Myanmar political exiles have returned to their home country due to a series of political reforms, the improvement of Myanmar’s economy has yet to fully progress to attract a large number of low-skilled migrants to return. While increased foreign direct investment (FDI) and overseas aid will generate job opportunities, the expectation is far higher than reality. The IOM reveals that in 2013, Myanmar licensed only 100 FDI projects. This number is hardly enough to absorb the resident jobless (Oxford Analytica 2014). Over the past two years, there has been some evidence to suggest the demand for skilled and semi-skilled workers in Myanmar is increasing. In recent years, a considerable number of multinational corporations, such as hotel chains, have started to recruit Myanmar skilled workers from Singapore who want to return to work in their home country. However, this has yet to be seen in sectors dependent on low-skilled workers.

With regard to increasing employment opportunities in the future, a number of foreign firms interested in investing in Myanmar will probably wait for the outcome of the national elections scheduled for late 2015. The election results, and how the international community responds to the results, will be crucial in determining business prospects. Only if the international response to the outcome of the election is positive will the flow of foreign capital be expected to create enough jobs to absorb a wave of return migrants.

Another concern for the prospects of Myanmar’s future economy is a lack of small-scale producers in the agricultural sector. A majority
of Myanmar migrants in Thailand were originally from rural areas with farming backgrounds. In Thailand, a majority of them held jobs in various industries and in the construction sector. Studies about return migrants maintain that the migrants have gained technical training and skills during their stay abroad, and hence they would be less likely to go back to the job they had prior to migration (Bovenkerk 1974, p. 17). Chantavanich and Vungsiriphisal (2012, p. 238) report that migrant workers employed in manufacturing and the tourism/hotel industry constitute up to 36.3 per cent of all respondents in their survey. They argue that the skills migrants acquire while working in Thailand will make them a good productive workforce for the manufacturing and tourism/hotel sectors upon return to Myanmar. While it is almost certain that return migrants will be less likely to engage in farming upon return, little has been done by the Myanmar government to promote small-scale producers in the agricultural sector.

Economists are concerned that the agricultural sector in Myanmar remains largely undeveloped. The contribution of labour-intensive agriculture to economic growth has been small. Currently, the issue of land grabbing has also become a widespread problem in Myanmar. Migrants who decided to return may either find that their land has been seized, or have no intention to return to agriculture due to having acquired new skills in Thailand. Hence, it is predicted that the labour shortage in agriculture will continue, and the development of the agricultural sector in Myanmar will remain largely undeveloped. Economists predict that if Myanmar is able to maintain its recent pace of economic growth, it could generate 10 million new jobs in the industrial and manufacturing sectors by 2030 (Oxford Analytica 2014). However, if Myanmar is to improve its economy in all sectors, government policy on agricultural development should be stipulated alongside serious attempts to solve land-grabbing problems.

Besides the issue of the return of economic migrants, Myanmar also needs to be ready to take in some 150,000 refugees living in nine official camps along the Thailand-Myanmar border. These refugees have lived in camps for years without opportunities to improve their skills and will likely return to agricultural work. Finding the means and land for their livelihood remains challenging for the government.
As for Thailand, some Thai firms whose commercial viability depends largely on low wages are considering relocation to Myanmar in order to remain competitive. This would enable them to circumvent Thailand’s labour shortage. However, small- and medium-sized enterprises which are unable to relocate will be badly impacted by the return of Myanmar migrants (Oxford Analytica 2014). A recent survey conducted with 100 employers in Chiang Mai reveals that Thai employers are most concerned with three related factors in the event that actual return occurs: increased labour shortage, the fact that employers will have to pay more wages to keep migrants, and an eventual increase in the cost of production (Jinnasit 2013). As the IOM predicted, Thailand could face a labour shortage of over 5 million in the next decade. Creating long-term policies in managing issues of migration is thus an urgent issue.

CONCLUSION

This article attempts to explain why Thailand’s policies in managing migration have not been successful. It focuses primarily on Myanmar migrant workers, since they have been one of the largest groups of migrant workers in Thailand. The Thai government’s failure to manage its migrant worker population can be explained in light of three main factors. First, at the macro level, the demand for cheap labour, the abundant supply of migrant workers — particularly from Myanmar — and the corrupted system have made policies to manage migrant workers ineffective. Second, the failure occurs as a result of ineffective and ambiguous registration programmes. The registration programme’s main flaws include inflexibility, a lack of cooperation from employers, and a lack of strong law enforcement against unregistered workers. Lastly, as Thailand lacks a long-term policy on migration, it relies on Cabinet resolutions in defining its policies on migrant workers. The problem in this short-term approach is the arbitrariness and lack of consistency in migration policies, which can swing whichever way the incumbent Cabinet wants. There is little transparency or predictability, and therefore little coherence in policy formulation.

With regards to the question of whether migrants would eventually return, this article argues that thousands of Myanmar migrants would
probably never return. Many of them have family members and children born in Thailand. Some of them have lived in Thailand for almost two decades. While many surveys indicate that Myanmar migrants contemplate eventual return, contemplation does not mean actual return. Despite an awareness on the part of the Thai government, little has been done to prepare for this possibility. Integration and assimilation of migrant workers have not been widely discussed in policymaking circles. With respect to Myanmar, while foreign remittances from Myanmar workers are a large source of revenue for the Myanmar government, facilitation of remittance flows remains cumbersome.

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MANAGING MIGRATION IN MYANMAR AND THAILAND: ECONOMIC REFORMS, POLICIES, PRACTICES AND CHALLENGES

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