

# Recent Trends in Migration Flows and Policies in Thailand\*

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## 1. INTRODUCTION

The main purpose of this report is to explore the consequences of the recent economic crisis on Thailand's labor market and its international labor migration flows. In addition to reviewing the recent developments in migration policies, issues concerning international cooperation and the social integration of foreign workers are also discussed.

## 2. RECENT TRENDS IN THE DOMESTIC ECONOMY AND LABOR MARKET

Thailand's impressive domestic growth came to an end in 1997 when the Thai government decided to float the Baht on 2 July 1997 after 13 years of pegging it to the US dollar. The collapse of the Thai economy was triggered by both internal and external problems (see Chalamwong 1998). The crisis and turmoil forced Thailand to seek financial support from the International Monetary Fund. According to the Index of Human Development released in early December 1999, the crisis pushed almost one million Thai people back under the poverty line, making the total of 8.3 million or 13 percent of the total population (UNDP 1999b).

In 1998, per capita GDP was over 30 percent lower dollar terms than in 1997. The industrial sector contracted by 11.8 percent and the service sector by 10.4 percent. Only the agricultural sector continued to expand in 1998, which it did by 2.3 percent. The change value of Baht did lead to an improvement in the current account however: it went into surplus for the first time in many years in 1998. It is believed that the sharp decline in the Thai economy reached bottom in the third quarter of 1998.

In September 1999, the Thailand Development Research Institute (TDRI) forecasted that from 1999 to 2001 the Thai economy would continue to recover slowly with annual real GDP growth rates of 2.5, 2.4 and 3.7 percent. As a result of greater investment, the industrial sector is expected to contribute to the improvement

in total GDP faster than agriculture and services. The inflation rate should continue to be low throughout the forecast period, ranging from 1.1 percent to 2.4 percent. All the external balances are expected to continue to experience positive growth rates. These forecasts are in line with a more recent survey conducted by Reuters which polled a number of independent research houses in Thailand and gave a consensus forecast of GDP growth of 4.3 percent in 1999 and 4.8 percent in 2000. The main driving force will come from external factors such as strong growth in the United States.

The impact of the crisis on the production and service sectors has changed the labor market from being in shortage to surplus. The average unemployment rate jumped from 1.5 percent in 1997 to 4 percent in 1998<sup>1</sup> and increased slightly again in 1999 to 4.1 percent. The crisis also affected the labor force participation rate. The labor force participation rate fell by approximately 1 percent in 1998 to approximately 69 percent; it returned to 70 percent in 1999 (see Table 1). The recovery in the labor market is confirmed by an analysis of the quarterly employment data as shown in Table 2. The number of unemployment rate surveyed by the National Statistical Office dropped from 1.13 million (3.41%) in the third quarter (peak season) of 1998 to 1.04 million (3.13%) of the same quarter in 1999.

The high level of unemployment has spurred the government to seek creative solutions. The policies adopted include the promotion of labor export, limiting the number of work permits granted to alien workers, stepping up law enforcement against illegal workers and creating short-term employment in the public sector through government borrowing (e.g., loans from Miyazawa's plan, the ADB and the World Bank).

## 3. RECENT TRENDS IN INTERNATIONAL MIGRATION

Thailand is a net importer of foreign workers (both legal and illegal): for documented migrants it is a net export (173,600-191,700 = 18,100) whereas for

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**Table 1 Population and employment in Thailand, 1996-1999, Averages of Round 1 (February) and Round 3 (August)**

Unit: '000

Items	1996	1997	1998	1999
2 Population	59,898	60,500	61,099	61,704
3 Persons over 13 years old	45,756	46,567	47,149	47,854
4 Labour force	32,325	32,780	32,749	33,546
5 Employed persons	31,166	31,714	30,776	31,041
- In agriculture	14,137	14,315	14,056	14,078
- In non agriculture	17,029	17,400	16,720	16,963
6 Unemployed persons	498	495	1,309	1,378
- Looking for work	115	138	440	396
- Not looking but available for work	383	357	869	981
7 Seasonally inactive labour force	661	571	664	608
8 Persons not in labour force	27,574	27,719	28,351	28,678
- Persons under 13 years old	14,142	13,933	13,950	13,850
- Persons over 13 years old	13,432	13,787	14,401	14,828
10 Unemployment rate (%)	1.54	1.51	4.00	4.11
- Looking for work (%)	0.36	0.42	1.34	1.18
- Not looking but available for work (%)	1.18	1.09	2.65	2.93
11 Seasonally inactive labour force rate (%)	2.04	1.74	2.03	1.81
12 Participation rate	70.65	70.39	69.46	70.10

Source: Labour Force Surveys, National Statistical Office, 1999.

**Table 2 Population and employment in Thailand, 1996-1999**

Unit: '000

Items	1996		1997		1998		1999	
	Round 1	Round 3	Round 1	Round 3	Round 1	Round 3	Round 1	Round 3
Population	59,750	60,045	60,351	60,649	60,949	61,248	61,551	61,857
Persons over 13 years old	45,643	45,867	46,336	46,799	47,032	47,265	47,734	47,974
Labour force	31,899	32,750	32,000	33,560	32,144	33,353	32,811	33,242
Employed persons	30,099	32,232	30,266	33,162	29,413	32,138	30,025	32,056
- In agriculture	12,146	16,127	11,938	16,691	11,640	16,472	12,553	15,602
- In non agriculture	17,953	16,105	18,328	16,471	17,773	15,666	17,472	16,454
Unemployed persons	642	354	698	292	1,480	1,138	1,716	1,040
- Looking for work	120	110	180	96	403	476	476	317
- Not looking but available for work	522	244	518	196	1,077	662	1,240	723
Seasonally inactive labour force	1,158	164	1,036	106	1,251	77	1,070	146
Persons not in labour force	27,852	27,297	28,350	27,088	28,806	27,896	28,741	28,615
- Persons under 13 years old	14,107	14,178	14,015	13,850	13,917	13,983	13,817	13,883
- Persons over 13 years old	13,745	13,119	14,335	13,238	14,889	13,913	14,924	14,732
Unemployment rate (%)	2.01	1.08	2.18	0.87	4.60	3.41	5.23	3.13
- Looking for work (%)	0.38	0.34	0.56	0.29	1.25	1.43	1.45	0.95
- Not looking but available for work (%)	1.64	0.75	1.62	0.58	3.35	1.98	3.78	2.17
Seasonally inactive labour force rate (%)	3.63	0.50	3.24	0.32	3.89	0.23	3.26	0.44
Participation rate	69.89	71.40	69.06	71.71	68.34	70.57	68.74	69.29

Source: Labour Force Surveys, National Statistical Office, 1999.

undocumented migrants the estimated figure in 1998 was 932,200 (986,900-54,700). The total net migration balance, 914,100 was equivalent in 1998 to almost 70 percent of the average number of Thai unemployed. It has therefore been suggested that if the government could get rid all of the illegal immigrants out of soils, the employment situation for Thais would improve considerably.

## Immigration

### Documented immigrants

The legal immigrants who are granted permanent residence under the Alien Act of 1978, or permission to take up temporary employment under the Immigration Act of 1978 and the Investment Promotion Act are

semi-skilled and skilled workers. As is shown in Table 3, the number of foreign citizens in Thailand increased from 63,600 in 1997 to 69,750 in 1998 (a rise of almost 10%). These immigrant workers seemed to increase from every country except Korea which was experiencing similar economic turmoil. The largest increase in 1999 was of Taipei Chinese. The majority of the Taipei Chinese are businessmen. The countries which have continually ranked among the principal source countries are Japan, the United Kingdom, America, India, China and Australia. In general these foreigners work for the multinational corporations.

### *Illegal immigrants*

Illegal immigrants have become visible in the Thai society after the government decided in 1995 to implement a regularization policy in order to bring them under some form of control. Given that the number of illegal immigrants has increased and that illegal workers have spread all over the country, it is clear that the government has failed to bring the problem under control. The number of illegal workers increased by almost 100 percent in four years, from 525,000 in 1994 to 987,000 in 1998 before falling to 653,000 in 1999 (see Table 4). The decline in number of illegal workers in 1999 was due to the fall in demand resulting from the crisis and increased low enforcement.

The government has also failed to control the spread of illegal workers. Before 1994, illegal workers could be found generally in farming, fishing, construction, footwear, garments and textile factories in the 4 or 5 main border provinces (see Chalamwong and Sevilla 1996). Recently, however, illegal workers have been found in almost every region in Thailand (see Table 5). This is despite the implementation of several cabinet resolutions issued between 1992 and 1999 with the aim of combating the problem. The latest cabinet resolutions were issued on 3 August 1999; these allow illegal immigrants to stay and work in Thailand for one more

year. The Department of Employment, Ministry of Labour and Social Welfare hired the Migration Center at Chulalongkorn University to estimate the demand for illegal immigrants working in 3D jobs in 1999. The study indicated that the government should allow 86,895 illegal immigrants to work in 18 activities within 37 provinces (see Chantavanich 1999).

The numbers of registered and non-registered illegal workers in 1998 and 1999 are presented in Table 6. The total number of illegal workers was estimated at 987,000 in 1998. The government requested the employers to bring illegal workers under control by reporting and renewing their special permission to remain and work in the country. However after the end of the grace period less than 294,000 (equivalent to under 30% of the estimated total number of illegal workers) had received permission to stay.

Since then, the government has continued to crack down on non-registered illegal workers. By April 1999, more than 334,000 illegal workers had been arrested and deported by the immigration police. In 1999, according to the Department of Employment, the remaining non-registered illegal workers numbered approximately 564,000 and those who had been registered numbered 89,000. The total number of illegal workers in Thailand decreased then in 1999 from 987,000 to 653,000. It should be noted that the ratio of non-registered to registered workers has increased considerably from 70:30 in 1998 to 86:14 in 1999. This reflects the failure by the government to convince the employers to bring in their illegal workers to register. The authorities may have to change the emphasis of their enforcement efforts by focusing more on the employers of illegal workers rather than the illegal workers themselves.

The sectoral distribution of the illegal workers who were granted permission to stay in 1998 is set out in Table 7. The majority of the illegal workers were concentrated in agriculture and related activities (32.2%) and construction (30.7%) followed by housemaids (13.6%). These activities have not been popular among

**Table 3 Nationality of aliens who received work permit in whole kingdom, 1997-1998**

Nationality	Number (Persons)				Change (1998-1997)
	1997	% Share	1998	% Share	
Japanese	10,224	16.1	11,368	16.3	11.2
British	7,903	12.4	8,934	12.8	13.0
American	7,128	11.2	8,023	11.5	12.6
Chinese	5,964	9.4	6,648	9.5	11.5
Indian	6,237	9.8	6,937	9.9	11.2
Filipino	2,117	3.3	2,397	3.4	13.2
Australian	2,480	3.9	2,764	4.0	11.5
German	2,340	3.7	2,607	3.7	11.4
Taiwanese	1,106	1.7	1,463	2.1	32.3
Vietnamese	1,291	2.0	1,326	1.9	2.7
Korean	636	1.0	595	0.9	-6.4
French	356	0.6	391	0.6	9.8
Others	15,800	24.8	16,298	23.4	3.2
<b>Total</b>	<b>63,582</b>	<b>100.0</b>	<b>69,751</b>	<b>100.0</b>	<b>9.7</b>

Source: Year book of employment statistics 1998, Department of Employment, 1999.

**Table 4 Illegal migrant workers in Thailand, 1987-1999**

Year	Illegal migrants
1987	40,000
1994	525,000
1996	717,000
1998	986,889
1999	652,878

Sources: Estimates, Ministry of Interior (1987, 1996), National Security Council (1994), Ministry of Labour and Social Welfare (1998-99).

**Table 5 Illegal migrant workers by region, 1998**

Region	Total	% Share	Registered	% Share	Non-registered	% Share
BMA+Central	408,020	41.34	24,690	27.48	383,330	42.73
East	107,797	10.92	9,355	10.41	98,442	10.97
West	59,822	6.06	11,729	13.05	48,093	5.36
North	186,038	18.85	16,131	17.95	169,907	18.94
Northeast	49,838	5.05	209	0.23	49,629	5.53
South	175,374	17.77	27,748	30.88	147,626	16.46
<b>Total</b>	<b>986,889</b>	<b>100.00</b>	<b>89,862</b>	<b>100.00</b>	<b>897,027</b>	<b>100.00</b>

Source: Alien Occupational Control Division, Department of Employment, 1998.

**Table 6 Non-registered and registered illegal migrant workers in Thailand, 1998 and 1999**

Status	1998		Estimated	
	Workers	% Share	Workers	% Share
Non-registered	693,237	70.24	563,780	86.35
Registered	293,652	29.76	89,098	13.65
From:				
Myanmar	256,492	25.99	81,722	12.52
Laos	11,594	1.17	2,174	0.33
Cambodia	25,566	2.59	5,202	0.80
<b>TOTAL</b>	<b>986,889</b>	<b>100.00</b>	<b>652,878</b>	<b>100.00</b>

Sources: Alien Occupational Control Division, Department of Employment, 1998. Ministry of Labour and Social Welfare, May 1999.

**Table 7 Sectoral distribution of illegal migrant workers, 1998**

Activities	Registered workers	% Share
Agricultural	28,974	32.2
Construction	27,626	30.7
Fishery	6,945	7.7
Continuing business from fishery	5,883	6.5
Mining	1,381	1.5
Sea transportation	1,178	1.3
Manufacturing	5,688	6.3
Home maid	12,187	13.6
<b>Total</b>	<b>89,862</b>	<b>100.0</b>

Source: Department of Employment, 1998.

even low educated Thais since the booming of the industrial and service sectors. This picture has changed little since the outbreak of the crisis. A large number of low educated workers have opted to remain unemployed rather than take up 3D jobs. Many scholars believe that if the government could sharply reduce the number of low-paid illegal workers, then the local wage rate would rise thereby rendering the 3D jobs more attractive to unemployed Thai workers.

## Emigration

### Documented emigrants

As Table 8 indicates, Thai workers continue to seek better opportunities abroad. The lack of job opportunities and the fall in incomes as result of the economic crisis have acted as push factors; high wage levels in the countries of destination have acted as a pull

factor (see Chalamwong 1998). The number of workers going overseas increased from just under 184,000 in 1997 to nearly 200,000 in 1998, an increase of 4.3 percent. There has been a slight change in the relative importance of the destination countries. The ASEAN share declined by approximately 6 percent, due in particular to sharp falls in those going to Brunei and Singapore. The principal destination country in East Asia is Chinese Taipei. The number going there rose by 6,000 in 1998 to 107,000. East Asia therefore accounted for nearly 64 percent of the total flow. Since the outbreak of the crisis the proportion of female workers among those going abroad has increased. The male-female ratio was 7.4:1 in 1997 but fell to 5.2:1 in 1998. The proportion of females increased in all destinations except those in the West.

### Undocumented emigrants

It is difficult to estimate the number of undocumented Thai emigrants. Based on the sketchy

information indicated in Table 9, the number of illegal Thai workers abroad declined in 1998. This is probably due to stricter law enforcement in many countries (such as Japan and Singapore) and reduced job opportunities in other destination countries (such as Korea).

With regard to Japan, Ito (1999) found out that trend of irregular (overstaying) Thai migrants has been declining since 1992, from just over 55,000 in that year to 37,000 in 1998. The number of persons refused entry fell sharply from 5,200 to less than 400 over the same period. Furthermore, the number of detected unlawful entries dropped from almost 3,000 in 1994 to just over 1,200 in 1998. Nearly 500 Thai illegal immigrants were deported from Japan in 1997 (see Kondo 1999).

### Remittances

Since 1990, the contribution of remittances from Thai workers abroad has increased every year, from THB 24,907 million to THB 58,845 million in 1998. This sharp increase is largely attributable to the

**Table 8 Number of Thai workers going abroad by country of destination and sex, 1996-1999**

Countries	1996			1997				1998				1999 <sup>2</sup>			
	Total	Male	Female	Total	Growth Rate	Male <sup>1</sup>	Female <sup>1</sup>	Total	Growth Rate	Male	Female	Total	Growth Rate <sup>3</sup>	Male	Female
<b>Middle East &amp; Africa</b>	22,607	93.4	6.6	17,421	-22.94	93.2	6.8	18,128	4.06	90.5	9.5	9,565	9.48	91.8	8.2
Saudi Arabia	1,825	89.5	10.5	1,510	-17.26	91.5	8.5	1,561	3.38	89.6	10.4	728	-9.23	90.0	10.0
Gatar	1,226	98.1	1.9	1,387	13.13	99.4	0.6	887	-36.05	98.4	1.6	646	50.93	98.7	1.3
Bahrain	232	50.9	49.1	237	2.16	62.4	37.6	368	55.27	59.0	41.0	213	6.50	57.3	42.7
Kuwait	885	92.2	7.8	1,010	14.12	87.9	12.1	986	-2.38	81.9	18.1	477	10.16	90.2	9.8
United Arab Emirates	951	90.9	9.1	847	-10.94	89.1	10.9	1,298	53.25	90.2	9.8	643	21.78	83.8	16.2
Libya	1,900	99.4	0.6	1,250	-34.21	99.9	0.1	1,545	23.60	99.9	0.1	764	-0.91	97.6	2.4
Israel	14,908	93.8	6.2	10,780	-27.69	93.7	6.3	10,644	-1.26	90.3	9.7	5,882	11.70	93.0	7.0
Others	680	90.3	9.7	400	-41.18	89.7	10.3	839	109.75	92.8	7.2	212	-31.39	88.4	11.6
<b>East-Asia</b>	110,516	79.9	20.1	114,975	4.03	83.0	17.0	122,327	6.39	81.7	18.3	64,894	9.97	82.1	17.9
Japan	10,118	37.5	62.5	10,099	-0.19	40.5	59.5	10,790	6.84	37.8	62.2	3,026	-44.45	50.1	49.9
Chinese Taipei	96,097	87.1	12.9	100,916	5.01	90.2	9.8	106,828	5.86	89.0	11.0	59,747	17.36	86.3	13.7
Hong Kong (China)	4,301	18.7	81.3	3,960	-7.93	11.3	88.7	4,709	18.91	17.0	83.0	2,121	-20.05	15.5	84.5
<b>ASEAN</b>	50,425	91.9	8.1	49,011	-2.80	94.1	5.9	45,671	-6.81	88.3	11.7	21,271	-13.37	84.4	15.6
Singapore	17,601	97.6	2.4	17,770	0.96	93.8	6.2	17,069	-3.94	97.4	2.6	11,679	18.17	96.1	3.9
Malaysia	9,363	75.5	24.5	8,860	-5.37	72.8	27.2	9,031	1.93	70.1	29.9	3,428	74.99	56.5	43.5
Brunei	20,714	95.6	4.4	17,671	-14.69	98.6	1.4	15,246	-13.72	89.1	10.9	4,260	-58.80	85.0	15.0
Others	2,747	82.6	17.4	4,710	71.46	83.7	16.3	4,325	-8.17	87.7	12.3	1,904	-19.73	84.4	15.6
<b>Non-Asian OECD countries</b>	1,888	64.7	35.3	2,264	19.92	69.5	30.5	5,609	147.75	75.4	24.6	1,891	-92.30	72.2	27.8
United States, Europe & Australia	1,326	60.3	39.7	1,238	-6.64	59.4	40.6	2,624	111.95	73.9	26.1	1,672	38.99	73.0	27.0
Others	562	75.3	24.7	1,026	82.56	86.1	13.9	2,985	190.94	76.8	23.2	219	4.29	71.7	28.3
<b>Total</b>	<b>185,436</b>	<b>84.7</b>	<b>15.3</b>	<b>183,671</b>	<b>-0.95</b>	<b>88.1</b>	<b>11.9</b>	<b>191,735</b>	<b>4.39</b>	<b>83.9</b>	<b>16.1</b>	<b>97,621</b>	<b>-16.46</b>	<b>83.4</b>	<b>16.6</b>
<b>% by region</b>															
Middle East	12.2			9.5	-22.20			9.5	-0.32			9.8	3.63		
East-Asia	59.6			62.6	5.03			63.8	1.92			66.5	4.19		
ASEAN	27.2			26.7	-1.87			23.8	-10.73			21.8	-8.52		
Non-Asian OECD countries	1.0			1.2	21.07			2.9	137.33			1.9	-33.78		

<sup>1</sup> Calculated from number of Thai workers traveling to work overseas through Don Muang labor check-point.

<sup>2</sup> January to June 1999.

<sup>3</sup> Percentage change from January to June 1999 in comparison to the same period in 1998.

**Table 9 Undocumented Thai emigrants**

Country	1997	%	1998	%
Japan <sup>1</sup>	38,191 (22,138)	34.0	37,590 (21,119)	36.3
Korea <sup>2</sup>	8,200	7.3	2,528	2.4
Taiwan <sup>3</sup>	5,342	4.8	5,342 <sup>6</sup>	5.2
Malaysia <sup>4</sup>	36,121 (5,549)	32.1	36,121 <sup>6</sup>	34.9
Singapore <sup>4</sup>	5,000	4.4	2,400 <sup>7</sup>	2.3
Greece & Israel <sup>4</sup>	4,000	3.6	4,000 <sup>6</sup>	3.9
Others <sup>5</sup>	15,600	13.9	15,600 <sup>6</sup>	15.1
Total	112,454	100.0	103,581	100.0

Note: Number in parentheses were female.

- Sources:
- <sup>1</sup> Number of overstayers, from Watanabe (1998, Table 6).
  - <sup>2</sup> Number of overstayers, from Park (1998, Table 5).
  - <sup>3</sup> Number of illegal workers, from Lee (1998, Table 10).
  - <sup>4</sup> Estimated by Department of Employment, Ministry of Labour and Social Welfare.
  - <sup>5</sup> Number of registered illegal immigrants, from Pillai (1998, Table D).
  - <sup>6</sup> Assumed to be the same figure as in 1997.
  - <sup>7</sup> From Atipas (1999, p. 6).

depreciation of the Thai currency. The volume of remittances received by June 1999 was THB 25,448 million; it is therefore expected that the end of year figure will be the same as that of 1998 (see Table 10).

Warm Singh (1999) surveyed 461 return migrants in rural villages in Thailand and found that all migrants remitted money and goods to their families at least once after migrating. Thai families are becoming increasingly dependent upon remittances. Warm Singh estimated that migrants remitted at least 60 percent of their earnings. The majority of Thai laborers in Malaysia and Singapore remit less than THB 10,000 (USD 250) a month, those in Japan approximately THB 35,000 (USD 875), and those in Chinese Taipei approximately THB 15,000 (USD 375). This amount of money is much more than could be earned locally (i.e., USD 75 a month). The study also found that in all but a few exceptional cases the remittances received by families were spent economically and productively.

#### 4. RECENT DEVELOPMENTS IN MIGRATION POLICY

##### Controlling illegal migrants

In the past, the government focused on controlling and making use of the several hundred thousand illegal migrants by implementing the existing laws and regulations. At the same time, the government tried to prevent new inflow of workers, a task which is rendered difficult by the length of the border which stretches for thousands of kilometers. However, judging from the rising trend in the number of illegal workers from neighboring countries during this period, as shown in Table 4, the government has not been successful. The Ministry of Labour and Social Welfare reported on 1 May 1999 that it estimated the number of unregistered illegal immigrants at 898,000 while the number of registered illegal migrant workers was only 89,000. The

**Table 10 Workers' remittances in Thailand, 1980, 1985, 1990-1999**

Year	Remittances		
	Millions of THB	Growth (%)	% of exports of goods
1980	7,703	-	5.8
1985	23,796	208.9	12.4
1990	24,907	4.7	4.3
1991	26,018	4.5	3.6
1992	28,620	10.0	3.5
1993	30,995	8.3	3.4
1994	32,188	3.8	2.9
1995	42,235	31.2	3.1
1996	45,777	8.4	3.3
1997	51,910	13.4	2.9
1998	58,845	13.4	2.7
1999*	25,448	-56.8	2.6

\* January to June 1999. Since the liberalization of the exchange currency has occurred in March 1991, the actual revenue from the Thai workers in overseas might be more than the amount of money sent through banking system. Indeed, due to the fact that workers could bring their money liberally with them (up to USD 5,000), there are less workers who transfer money through banking system.

Source: Bank of Thailand.

growing number of unregistered foreign workers reflects the lack of progress since the 1996 regularization program.

The illegal workers have both positive and negative impacts on Thai society. The positive impacts include helping the country to solve problem of labor shortages in 3D jobs, stimulating new investment along the border areas, encouraging Thai workers to secure higher level of employment through undertaking the appropriate training. The foreign workers fill the vacant positions in fisheries and related activities, rice milling, other back-breaking activities and services. Employers may be saving USD 0.3 billion per year in labor cost from hiring illegal immigrants (see Sontisakyotin 1998).

Hiring undocumented migrants can create all kinds of social problems. These negative impacts include those on social and national security, economic and politics. With million illegal migrants scattered around the country, no one can deny that it will increase crime and more stateless babies will be born. Their families compete for public health and schooling with Thai citizens. Further, contagious diseases such as venereal diseases, tuberculosis, malaria, elephantiasis and HIV/AIDS are believed to be carried by large number of illegal migrants. Hiring cheap labor distorts wages rates and deters Thais from entering the labor market which in turn results in increased demand for illegal immigrants. In addition, hiring illegal workers for low wages and low welfare standards could attract the attention of international organizations who monitor labor and human rights issues thereby damaging the country's reputation.

#### ***Recent initiatives with regard to illegal immigrants (July 1999)***

As the term of employment of registered illegal migrant workers approached expiration (due 4 August 1999), the government decided to grant another one-year extension for the employment of 86,500 of them. In July 1999, the National Committee on Employment, chaired by Prime Minister Chuan Leekpai, agreed with the conclusions of a review on illegal migrant workers' employment conducted by a Sub-committee headed by the Deputy Prime Minister Korn Dabaransi. The sub-committee requested the Ministry of Labour and Social Welfare to conduct a survey to estimate the demand for manual laborers among labor intensive industries in 76 provinces. The results revealed that the business operators were demanding a total of slightly over 303,000 illegal migrant workers. Demand was highest in the fisheries; the agricultural sector, construction and the clothing industry also reported considerable demand.

On the basis of this information, the government decided on 3 August 1999 to grant 86,895 foreign workers of Myanmar, Laotian or Cambodian nationality permission to stay until 31 August 2000. Potential employers were given 90 days within which to report to the provincial authorities bringing with them the documents of the illegal immigrants which they wanted

to employ. They were also required to pay a THB 1,000 deposit charge for each worker. Though registered these foreign workers would retain their illegal status. They would be employed in 18 labor-intensive activities categorized into 5 groups. The first group, comprised of fisheries and related activities, rubber plantations, market gardens, palm plantations, coffee plantations, sugar cane plantations, pig farms and shrimp farms was allocated almost 85 percent of the total. With the exception of construction, which was allocated 8 percent, the other sectors received only tiny proportions.

This present policy is supposed to be a final extension for the limited number of illegal migrant workers to which it applies. Unregistered alien workers will be arrested and deported by the immigration and border patrol police after the end of 90 days grace period. The immigration police had already deported over 350,000 unregistered illegal migrants by May 1999. The Ministry of Labour and Social Welfare has announced that the government hopes to keep the number of illegal migrant workers below 200,000.

#### ***Outcomes of the recent deportation policy***

It is too early to evaluate the effectiveness of the recent strict enforcement of the laws against illegal workers. The recent reports have indicated that many have become stranded in the Moei River (which divides Thailand and Myanmar) and in jungle surrounding on Thai territory. Repatriations to Myanmar have been blocked by Rangoon's decision in October 1999 to close its border with Thailand following the seizure of the Burmese Embassy in Bangkok by five armed dissidents.

Industrial and business operators in the Tak border province have resisted attempts by the authorities to root out and expel illegal immigrant workers. They have demanded that the authorities stop repatriating Myanmar workers since it seriously affects business in the province, particularly the garment and food industries. Almost all the factories in Tak have been shut down since 1 November 1999 due to labor shortages. The government had rejected a proposal to extend the duration of the permission to stay granted to undocumented workers in 1996. In fact, in the Tak province only 2,000 workers in the construction and agriculture sectors benefited from the 3 August 1999 decision (see Anjira and Spamar 1999).

The Immigration Police classified the illegal workers into three groups. The first group, the most urgent sought, are those suspected of trafficking workers into Thailand. The second group is of those who enter and exit the country frequently, causing a disturbance. The third group is composed of those coming to Thailand illegally to take up employment. In the case of this third group, the police will not prosecute immediately but will instead give time to make the necessary adjustments (see Chaipayorn 1999).

The Thai Chamber of Commerce has petitioned the Labour Ministry to remove the ban on the

employment of illegal immigrants. They have complained that there are not enough Thais to fill the vacancies left by foreign workers. They also proposed that the government allow Myanmar nationals to be employed in Thailand as cross-border workers. The Ministry has accepted the petition and will respond to it in the first half of 2000.

## 5. INTERNATIONAL CO-OPERATION

In order to prevent illegal migration and illegal employment, the government has sought to conclude with origin countries bilateral and multilateral agreements including those concerning formal and informal information exchange between agencies dealing with immigration. The government already benefits from the formal exchange of information on international crime as well as with regard to maritime safety.

The most significant breakthrough thus far comes from the International Symposium on Migration: Towards Regional Co-operation on Irregular/Undocumented Migration held in Bangkok in April 1999. It was attended by Ministers and representatives from the Governments of Australia, Bangladesh, Brunei, Cambodia, China, Indonesia, Japan, Korea, Laos, Malaysia, Myanmar, New Zealand, Papua New Guinea, the Philippines, Singapore, Sri Lanka, Thailand and Vietnam as well as Hong Kong (China). Together, the 18 countries and the one Special Administrative Region unanimously approved "The Bangkok Declaration on Irregular Migration." It is as yet to soon to evaluate the effectiveness of the declaration.

## 6. INTEGRATION OF FOREIGN WORKERS

In order to investigate the extent of foreigners' integration and the means by which it occurs a very good database is required. Unfortunately, a good data on the personal background and situation of foreign workers is not available. Since 1995, when Thailand started to register illegal migrants, personal records of each worker granted a work permit have been collected in paper form by the Immigration Office; these have never been made available to the public. Information concerning wage rates, the existence of employment discrimination on the basis of nationality has been monitored by the relevant agencies and scholars however. Further, it is known that in theory at least foreign workers (both documented and undocumented) are protected by labor protection laws. The social security system (such as health insurance, accident compensation and employees' provident fund) is also available to foreign workers. In practice, the extent of labor protection and access to the social security system made available to foreigners is limited.

As has been noted earlier, foreigners' access to the labor market is subject to restrictions concerning the sector and their qualifications.

Subject to certain conditions set out in various acts such as the Immigration Act, the Board of Investment Act and other related regulations, foreign workers are permitted to bring over dependent members of their family.

In order to facilitate the foreign workers' integration the Ministry of Education allows both public and private schools to offer courses in language and culture. Many foreign businessmen and factory workers take advantage of this possibility. Many foreigners who are interested in coming to work in Thailand have the opportunity to learn about Thai society in their own countries, for example, in many countries schools and colleges offer courses in Thai language and culture.

According to Articles 7 and 8 of the Nationality Act, 1965 (revised 1992), children born in Thailand of illegal immigrants, foreign diplomats or professionals are automatically granted nationality.

## ENDNOTE

- <sup>1</sup> The average between round 1 (low season) and round 3 (peak season) of the Labour Force Survey.

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