

CRITICAL TIMES

Migrants and the Economy in Chiang Mai and Mae Sot

August 2009



By Khun Aung & Soe Lin Aung

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Part 1

INTRODUCTION

1.1 Background and Rationale

Towards the end of 2008, the collapse of the housing market in the United States triggered a severe economic recession that quickly spread to other parts of the world, creating what many have called a global economic downturn. As a country heavily dependent on export-oriented industries, Thailand has deeply felt the effects of this downturn, with various sectors and industries known to be suffering. In response, Thailand has adopted recovery measures aimed at protecting and stimulating domestic economic activity, including safety net mechanisms for Thai workers affected by the downturn.

However, these recovery measures have not included migrant workers. Even though migrants are a crucial part of the Thai economy's success in recent decades, and a part of the fabric of everyday life in Thailand, the Thai government has made no effort to protect migrants in these difficult economic times. Indeed, recovery packages offering safety nets to workers in Thailand formally exclude all migrants from other countries, including those who pay into the social security system.

This report examines the impact of the current economic downturn on migrants in Chiang Mai and Mae Sot in order to expose the current and future situation of migrants and to be better able to respond and provide recommendations for appropriate interventions. Based on a combination of interviews, focus group discussions, and survey results from a total of 441 migrants from Burma in Chiang Mai and Mae Sot, this study's major research findings are, in some ways, anything but surprising. Migrants from Burma and their families, disproportionately employed in sectors dependent on export and foreign direct investment (FDI), are facing new and considerable social and economic difficulties according to the current economic downturn.

These difficulties are not uniform: gender and sector, for example, lead to noticeably differentiated statistical results. In addition, this study is essentially an initial assessment: more conclusive findings would require a longer-term study. Still, a relatively short time-frame was an integral piece of how this report has been conceptualized. With the global economic context still very much in flux, and conditions for migrants apparently deteriorating, a sense of urgency has underwritten the approach to this study. Waiting is a luxury to avoid. This study's findings, informed by more than a decade's worth of institutional experience, are plenty clear: migrant communities are experiencing severe negative impacts from the global economic downturn. MAP believes this means that migrants should no longer be ignored, and that policy responses are desperately needed.

1.2 Summary of Findings and Recommendations

The central research question driving this study is: What are the effects of the economic downturn on migrant workers and their families in and around Chiang Mai and Mae Sot? In seeking to answer this question, the following objectives informed our approach.

- Determine the effects of the economic downturn on migrant workers in and around Mae Sot and Chiang Mai.
- Determine if and how the effects differ according to key variables, including but not limited to gender, sector, documentation, work schedule, work experience, and sending community inside Burma.
- Determine especially how the economic situation impacts key indicators, including but not limited to wages/income, working hours, remittances, and personal and family situations, including domestic violence.
- Propose policy recommendations regarding how to better protect migrants' rights during this economic downturn.
- Mobilize the policy recommendations through advocacy networks.

In pursuing these objectives, we used a range of qualitative and quantitative research methods, including in-depth interviews, focus group discussions, informal interviews, and surveys. A total of 470 migrants contributed to our research findings, mostly through surveys, which were aimed at ascertaining year-on-year changes in the lives of migrants and their families. The following groupings of key indicators emerged over the course of our research, and they are reflected in the main findings summarized below:

- Income and income-related indicators
- Workplace-related indicators
- Secondary indicators

Income and income-related indicators include changes in migrants' lives according to how much they are paid—for example, year-on-year income, saving, spending, and support to family members, all measured against rising goods prices and a changing exchange rate. The main workplace-related indicators include working hours (regular and overtime), working conditions, accidents in workplaces, dismissal of workers, and relationships between Thai people and people from Burma (often but not always the relationship between management and workers). Secondary indicators—the imperfect label is certainly not meant to imply these factors are less important—include family problems and domestic violence, the ability to change jobs and/or find new work, and the potential for reverse migration.

1.2 (A) Overall Findings

This study's central research finding is that year-on-year changes in the lives of migrants and their families, due to economic conditions we know to be among the worst in

decades, are substantial and adverse. These negative impacts are concentrated in the following areas:

- Declining income
- Declining ability to save
- Declining ability to support family members
- Decline in labour mobility
- Rising retrenchment

Declining income, ability to save, and ability to support family members are largely income- and wage-related indicators that suggest both immediate impact and long-term ripple effects, as falling savings and remittances in particular may not reveal the full extent of their impacts for some time to come. Declining labour mobility refers to new jobs being considerably more difficult to find now than before. This less-fluid labour market means that migrants' ability to find safe and secure employment is significantly reduced, as moving from one job to another when necessary has become more difficult. Rising retrenchment rounds out this profile of negative impacts; increased redundancies, though not always directly traceable to the economic downturn, are widely reported by migrants and migrant organizations to be a major piece of the recession's effects on migrant workers.

In Chiang Mai and Mae Sot, gender-based data analysis consistently reveals that women are shouldering a disproportionate share of current economic burdens, especially according to income and income-related indicators. Sectoral cross-analysis reveals that in Mae Sot, factory workers are most likely to be experiencing the adverse year-on-year changes listed above—especially semi-skilled workers, and especially workers at knitting factories. Semi-skilled workers and workers at knitting factories are also most likely to see falling working hours, including falling overtime hours. In Chiang Mai, research findings are less sector-specific, in part due to the local economy's comparatively smaller dependence on export-oriented industries.

1.2 (B) Recommendations

In light of this study's identification of the economic downturn's significant negative impacts on migrants and their families in Chiang Mai and Mae Sot, MAP Foundation offers several targeted local and national recommendations.

Local recommendations include requesting that relevant local authorities work closely with migrant communities to ensure that working and living standards do not deteriorate further than they already have. Accomplishing this means that local authorities should continue to strengthen relationships with migrant communities, and include them in local services, facilities, and events.

National recommendations include requesting that the Royal Thai Government: (1) allow migrants to contribute to and benefit from the Thai Social Security System; (2) cease excluding migrants from relevant stimulus packages, special payment measures, or

subsidy plans; (3) monitor and enforce existing labour laws, including minimum wage, working hours, and severance pay; (4) lift travel restrictions for migrants, ensuring they can fill labour deficits efficiently, and do so without endangering their personal safety or welfare; and (5) cease the constant threats of deportation, which create social tension and disharmony within the fabric of Thai society. More broadly, the Thai government should pay special attention to better integrating migrants and their families into Thai society—in the workplace, at educational facilities, and in social and religious activities—in recognition of both the rights of migrants and the daily social and economic contributions they make to Thailand.

1.3 Notes on the Text

This report is based on research conducted in Chiang Mai and Mae Sot between June and August of 2009, and it represents a collaborative effort undertaken by MAP staff, volunteers, interns, and community partners. The Chiang Mai and Mae Sot research results are based on, in effect, two discrete data sets: (1) the Chiang Mai data set, which comprises 1 interview, 1 focus group discussion, and a survey sample size of 90; and (2) the Mae Sot data set, which comprises 15 interviews, 4 focus group discussions, and a survey sample size of 331. Interviews, discussions, and surveys were conducted in Burmese, Thai, and Shan, with some necessary translation into English.

Data analysis has included both qualitative and quantitative approaches, with an emphasis on the qualitative in order to feature migrants' own words and testimonies as strongly as possible. However, given the urgent timeframe of the study, quantitative analysis has been necessary for much of our survey analysis, the surveys functioning as a means to reach many migrants quickly and efficiently. In addition, secondary information has been drawn from a variety of sources, including news reports, academic texts, and governmental and non-governmental publications. The formulation and implementation of this study, it goes without saying, is deeply informed by MAP Foundation's thirteen-year history of working within, among, and on behalf of migrants and their families in Thailand.

The limitations of this report mainly stem from its necessarily brief research period, including its relatively small qualitative data set and its informal approach to survey sampling. A longer research period would have allowed for a more comprehensive survey, as well as more in-depth qualitative research. Still, as outlined at the outset of this Introduction, we felt we could not afford such an approach. In that sense, we offer this study as an initial assessment, rather than a fully definitive claim. One way of reading it is as an invitation to further investigation. First and foremost, though, we offer it as an invitation to further action.

MAP Foundation would like to thank the Yaung Chi Oo Workers Association, the All Burma Student Democratic Front, the Migrant Learning Center in Chiang Mai, the Regional Center for Social Science and Sustainable Development at Chiang Mai

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PART 2

THE DOWNTURN IN CONTEXT

2.1 ASEAN and the Global Economic Downturn

With many ASEAN countries featuring export-driven economies, the regional-level impact of the global economic downturn has been significant. Initially, analysts say, a sense of immunity marked ASEAN countries' response to the spreading economic recession. Thanks to the structural economic reforms born of the late 1990s Asian financial crisis, it was thought, Southeast Asian nations would not seriously share in the adverse impacts of this economic downturn. However, with world trade shrinking for the first time since just after World War II, the reach of this crisis has not spared ASEAN nations. Regional economic growth is expected to shrink to near zero in 2009, down from 5.2% in 2008¹. Even if conditions improve within the next year, forecasts of slowed growth rates are likely to remain reality².

Unemployment levels have proved among the more distressing indicators available, with the ILO describing a jobs crisis—probably the most concentrated effect of the economic climate—that will persist in coming years³. Some experts have called for policymakers to watch for continued ripple effects in certain sectors, communities, and areas already badly affected by this recent economic cycle⁴. Chris Ng, UNI Apro Regional Secretary, delivered the keynote address at a July 2009 conference entitled “Regional Conference on Impact of the Global Economic and Financial Crisis to the Vulnerable Sectors in the Region: Civil Society Voices and ASEAN.” “As a result of the global recession,” he said, “joblessness, precarious informal employment and unprotected flexible work are on the rise everywhere in the region, especially in the export-oriented ASEAN economies. These developments mean growing human and family misery in many societies, aggravated by the fact that most countries in the region do not have a sustainable system of job unemployment insurance and effective social protection.”⁵

¹ Tai Hui, “ASEAN – The Region’s Financial Sector Amid the Perfect Storm” (paper presented at ASEAN Roundtable Discussion on Economic Crisis), June 2009.

² Lim Teck Ghee, “What can ASEAN do to address rising poverty levels and social unrest?” (paper presented at ASEAN Roundtable Discussion on Economic Crisis), June 2009.

³ Chris Ng, UNI Apro Regional Secretary, “Confronting the Employment and Social Challenges in ASEAN” (Keynote Address, Regional Conference on the Impact of the Global Economic and Financial Crisis to the Vulnerable Sectors in the Region: Civil Society Voices and ASEAN), July 2009.

⁴ Ghee, “What can ASEAN do to address rising poverty levels and social unrest?” June 2009.

⁵ Ng, “Confronting the Employment and Social Challenges in ASEAN,” July 2009.

Despite this grim reality, not enough regional commitment has been made to address the poverty and social impacts arising from the current economic situation. At the Hua Hin meeting of ASEAN Heads of State in March 2009, discussions centered on addressing financial institutions—and, in particular, strengthening free-trade commitments to forestall any rise in economic protectionism—not on alleviating poverty and negative social impacts at local levels. This approach is indicative of a broader tendency at the regional level to focus recovery and stimulus packages not on social safety net programs, but on top-down structural measures meant to protect banking, finance, and manufacturing⁶.

2.2 Thailand and the Global Economic Downturn

With exports accounting for almost 70% of its GDP, Thailand proved very much exposed to the effects of the global economic downturn, and its economy has suffered accordingly. Thailand's economic growth estimates for 2009 range from -2.5% to -4.5%⁷. In January 2009, total year-on-year export values were down 26.5%, the largest drop since the financial crisis of 1997. Year-on-year import values were down 37.6%⁸. These significant figures help explain why, in 2009's first quarter alone, the Thai economy had already contracted 7.1% year on year⁹. Moreover, the demand for Thai exports that fueled recovery in 1997 has largely dried up. Though some optimism exists for improvements in export sectors, analysts are less sanguine about the prospect of them driving recovery again¹⁰.

Thailand's approach to stimulus and recovery, routed mainly through a package approved by the Thai Cabinet in January 2009, includes several strategies. Among them was the attempted injection of more than 3 billion THB into the Thai economy in the first quarter of 2009. The government also raised taxes on petrol and tobacco to compensate for an expected shortfall in tax revenue. Then, beginning in mid-March, the government distributed stimulus checks worth 2000 THB each to about 9 million low-income workers who were part of the social security system—a move designed to increase spending and reinforce consumer confidence. Non-Thai low income workers who had paid into the system were excluded from this package. Laid off workers were also promised a six-

⁶ Ghee, "What can ASEAN do to address rising poverty and social unrest?" June 2009.

⁷ Apisan Yanuch (MAP), "The Economic Crisis Focuses on Thailand" (Presentation at Two Destinations, One Origin Conference), 6 June 2009; "Myanmar's Overflow: Migrant Workers Battered by the Slump," *The Economist* Print Edition, 19 March 2009.

⁸ "Thailand Exports in January Drop 26.5%," Thailand Board of Investment Press Release, http://www.boi.go.th/thai/how/press_releases_detail.asp?id=3159 (last accessed 25 August 2009).

⁹ "Myanmar's Overflow," *The Economist*, 19 March 2009.

¹⁰ Suphachai Sophastienphong, "Will the global financial crisis sink Thailand?" *The Bangkok Post*, 5 March 2009.

month half-rate salary package on top of the severance pay protected in the labour laws. Interest rates on bank loans have also been cut, and vocational job training programs were announced to address rising unemployment¹¹.

Meanwhile, the government has remained committed to deepening Thailand's dependence on export-oriented economic activity. At the March 2009 ASEAN meeting at Hua Hin, Thailand reportedly took a key role in emphasizing the need for continued free trade discussions, including around the ASEAN-Australia-New Zealand free trade agreement (FTA) signed at that meeting¹². The Democrat-led government's continued insistence on export promotion raises questions about Thailand's ability to weather the current economic crisis, and prepare for future economic recessions.

2.3 Burma and the Global Economic Downturn

Despite Burmese officials' statements to the contrary, there is evidence that Burma's economy—which is notoriously difficult to monitor, given a paucity of available statistics—has significantly felt the effects of the global economic downturn. In particular, Thailand's imports of Burma's natural gas are known to be down. Furthermore, the prices for natural gas have plummeted—they are roughly half what they were at their peak, in 2007. Thus, since in previous years it has been natural gas alone that has kept Burma's economy growing in positive figures, Burma's growth rate this year is projected to be at or near zero. The remainder of Burma's GDP profile also features decreasing returns: migrant remittances, commodity prices, and foreign investment are all expected to decline in 2009¹³.

Burma's economic woes made news in December 2008 when General Thein Sein, Burma's Prime Minister, suggested the country's rubber plantations could absorb two million migrants returning to Burma from various destination countries, including Thailand¹⁴. The claim, reported in state-run media, was part of a broader regime position that the economic climate had not seriously affected Burma. However, in addition to the decline in commodity prices noted above, there is more reason to believe the agricultural sector in particular has been hurt this year. Agricultural products, the second-largest source of export revenue for Burma, largely go to China and India, between them amounting to about \$600 million annually. But earlier this year, a crop export negotiation

¹¹ "Thailand passes Bt116-billion economic stimulus package," *The Nation* (Business Desk), 14 January 2009.

¹² Jacques-chai Chomthongdi, "Thailand and the World Financial Crisis," *The Globalist*, 20 April, 2009.

¹³ "A Legacy of Mismanagement: The State of Burma's Economy" (Interview with Sean Turnell), *Mizzima News*, 3 July 2009.

¹⁴ "State Aims to Build Up Industrial Nation Based on Agricultural Sector: Prime Minister Addresses Meeting on Development of Agricultural Sector and Boosting of Export Items," *New Light of Myanmar*, 2 December 2008.

with Indian buyers apparently broke down due to price inflation, and up to 1 million tons of crops went unsold, cutting into the agricultural export profile¹⁵.

The threat of currency devaluation has been another concern raised in the wake of the economic recession. According to analysts, decreased border trade with China and Thailand, the decline of Chinese and Thai currencies, and the rise in Burma's foreign currency reserves—due in no small part to the influx of international aid after Cyclone Nargis—have created a fluctuation in currency with potentially damaging effects¹⁶.

2.4 Focus: Migrants in Thailand and the Global Economic Downturn

Thailand's multi-faceted recovery package, discussed above, notably does not include migrants. The stimulus checks are only for low-level civil servants, or people who are part of the national Social Security scheme, both of whom can only be Thai citizens¹⁷. Nor has any other attempt been made by the Thai government to mitigate the difficulties migrants and their families are facing during this recession period.

As a practice of exclusion, this approach—or more precisely, the lack thereof—is all the more striking given that the highest concentration of unemployment figures is in garment, textile, and shoe industries, all of which depend heavily on migrant labour¹⁸. The Ministry of Labour reports 34% unemployment in these sectors, which is the highest figure they quote for any sector. The second highest figure pertains to the electronics sector, at 31% unemployment¹⁹. Therefore, while the Thai government attempts to implement a recovery plan, its approach is somewhat self-limiting: without addressing the jobs crisis in these export-oriented industries—these industries being those that drive the Thai economy—their full recovery would seem an unlikely prospect. Moreover, as this study shows, the idea of a jobs crisis is not, for many migrants, a thing of abstract observation; it is a tangible, daily reality, a challenge that is all too real for migrant communities in Thailand.

Further complications for migrants from Burma and their families arise from the fact that over the past year, in part due to aid inflows following Cyclone Nargis, the Burmese kyat has increased by a quarter against the Thai baht, significantly decreasing the value of migrants' remittances from Thailand back to family in Burma²⁰. This factor has serious implications for migrants' families, insofar as many families inside Burma rely on money

¹⁵ Yeni, "Soaring Kyat Means More Economic Turmoil for Burmese," *The Irrawaddy*, 26 January 2009.

¹⁶ Ibid.

¹⁷ "Stimulus package approved," *The Straits Times* (Breaking News), 13 January 2009.

¹⁸ Apisan Yanuch (MAP), "The Economic Crisis Focuses on Thailand," 6 June 2009.

¹⁹ Ibid.

²⁰ "Myanmar's Overflow," *The Economist*, 19 March 2009.

sent from abroad for basic survival costs²¹. It is also a further reason why the Burmese economy is likely to be struggling more than the generals claim²². Declining remittance prospects and a bleak outlook on employment opportunities in Thailand have led some analysts to see a relatively small amount of reverse migration—migrants returning from Thailand to former sending communities in neighbouring countries—as nonetheless indicative of a larger rising trend²³. However, it is not a trend that is immediately visible to people working closely with migrant communities²⁴.

²¹ Sean Turnell, Alison Vicary, and Wylie Bradford, “Migrant Worker Remittances and Burma: An Economic Analysis of Survey Results,” *Burma Economic Watch* (Sydney, Australia: Macquarie University), 2008.

²² “A Legacy of Mismanagement,” *Mizzima News*, 3 July 2009.

²³ See for example Anthony Faiola, “A Global Retreat as Economies Dry Up,” *The Washington Post*, 5 March 2009.

²⁴ Moe Swe (Yaung Chi Oo Workers Association), interview, 14 August 2009.

Part 3

ASSESSING CHIANG MAI

3.1 Introduction

Within the context of global economic crisis, this report seeks to determine how the economic crisis has impacted the wages, incomes, working hours, remittances, and personal and family relationships of Burmese migrant workers—and their relationships with Thai workers—in Chiang Mai. To be able to unearth the impacts of this economic crisis on migrant workers in Chiang Mai, this report draws on statistical data from quantitative research consisting of 90 surveys conducted in Chiang Mai by MAP Foundation staff and volunteers in June, July, and August 2009. Random sampling methods were used when distributing questionnaires to migrant workers.

The numbers of both documented and undocumented workers from Burma in Chiang Mai are estimated to be around 100,000, with Shan migrants constituting a majority²⁵. In our survey, 83.3% of the respondents are Shan, 4.4% are Burman, another 4.4% are Pa-O, 3.3% are Kachin, and a remaining 4.4% are Arkhar, Chinese, Indian, and Lisu. We divided the ages of survey respondents into four groups: 21.2% are 15-20 years old, 30.6% are 21-25 years old, 25.9% are 26-30 years old, and 22.4% are above 30 years old. In Chiang Mai, most migrant workers are employed in the informal economy sectors. This survey samples respondents from different labor sectors in Chiang Mai: 24.4% are workers from construction sites, 17.8% are vendors, 12.2% are waiters, 10% are domestic workers, 8.9% are workers from agriculture, and the rest work on furniture, in factories, or as daily laborers. In terms of the gender distribution among the respondents, 30.7% are female workers and 69.3% are male workers²⁶.

To find out how seriously has the global crisis impacted on Burmese migrant workers in Chiang Mai we will examine three types of indicators:

- Firstly income and income-related indicators: we will study the variation of income and income-associated indicators such as wages, savings, and remittances. We will find out whether their living standards are affected by studying their expenditures and the price of commodities they consume, and we will study how they feel about the hardship of supporting their family compared to this time last year.

²⁵ Women Work together, Chiang Mai Mail Vol. VIII No. 11 (March 17- March 23, 2009), <http://www.chiangmai-mail.com/317/chiangmaifemail.shtml>, accessed on (August 19, 2009)

²⁶ 27 female, 61 male and 2 didn't answer the question.

- Secondly workplace-related indicators: we will study their work, employment, and labour-mobility related indicators such as job availability for migrant workers, overtime jobs, wage payment time, rate of worker lay-off, and reverse migration.
- Thirdly we will study their family relationships and the relationship between Burmese migrant workers and local Thai people.

These categories of indicators roughly correspond to the categories used for analysis in the Mae Sot assessment.

3.2 Income-Related Indicators

3.2 (A) Wages

When we asked the respondents of the survey whether, compared to this time last year, their labor wage has increased, remained the same as last year, or has decreased: 21.2% responded their wages have increased, 48.2% responded their wage has remained the same, and 30.6% responded their labor wage has decreased. According to these statistics, the majority of migrants' salaries and wages were not affected. However, it's important to take a note that 30.6% is still a large number of migrant workers whose labor wages have been reduced. Since before the global economic crisis hit Thailand migrant workers were paid way below minimum wages already²⁷, further reduction of their labour wage will leave them with serious financial difficulties. One of MAP's program leaders report that most domestic workers and shopkeepers get between 3500-4000 baht a month. Female construction workers get paid between 120-130 baht per day whereas male migrant workers get paid between 140 and 150²⁸. Migrants living in huts on construction sites have to pay for their hut and electricity. The minimum wage in Chiang Mai in 2008 was 168 baht per day²⁹, and in 2009 no changes to minimum wage have yet been announced.

²⁷ Thailand: The plight of migrant workers, Amnesty International: June 2005, Page-11

²⁸ Interview ID 2, Sai Soe, POSH program leader

²⁹ Announced minimum wage rate since 1 June 2008, MAP Foundation, http://www.mapfoundationcm.org/eng/news/minimumwage_07_08.html

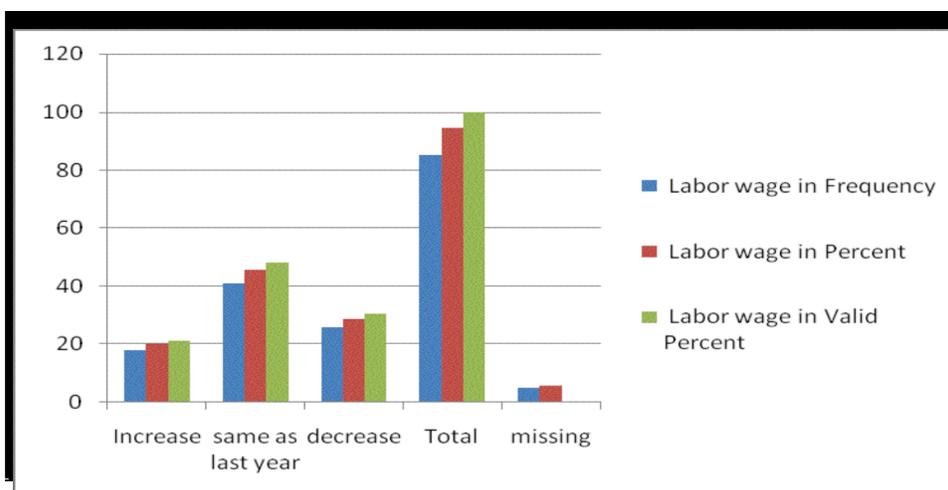


Figure 1

When we compare year-on-year wage changes from five of the most common work sectors in Chiang Mai, we found that 31.8% of construction workers, 22.2% of domestic workers, 57.1% of agriculture workers, 33.3% of waiter and 26.7% of vendors responded that their wage has decreased. On the other hand, 18.2%, 11.1%, 0%, 22.2%, and 53.3% of them respectively responded that their wage has increased. From these five work sectors in Chiang Mai, these statistics suggest that workers in agriculture and construction are seeing income-related impacts of the global downturn more than workers in other sectors. suffer the impacts of global economic crisis more than workers any other work sectors.

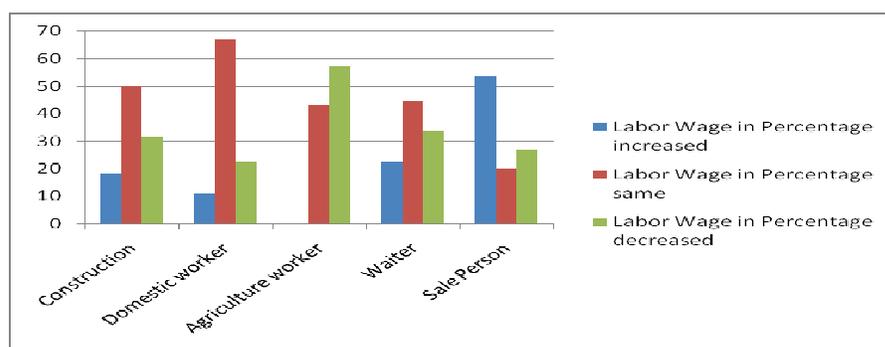


Figure 2

When we look at wage reduction distributions, we discovered that female migrant workers face wage reductions more than male workers do, although the differences are not very large. These differences are: 36% of total female respondents report that their labor wages were reduced, while 29% of total male workers' wages were reduced. On the other hand, only 8% of female workers said their salary has increased, while 26% of male migrant workers said their salary has increased. This statistic suggests that higher percentages of women are suffering from wage reductions compared to workers who are men. Women were already getting paid less than male workers since before the economic

downturn, so further wage reduction could leave migrant women with serious financial difficulties. Likewise, unregistered workers suffer wage reductions more than registered workers do; 42% of the respondents with no work-permit card reported suffering from wage reduction while 29% of respondents with work-permit cards suffer the same wage reduction. Therefore, female migrant workers and undocumented migrant workers are likely those suffering the most severe financial difficulties currently.

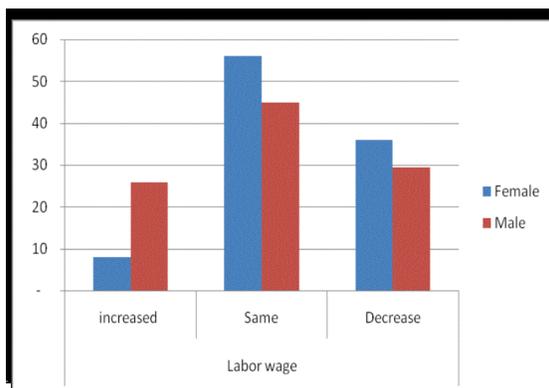


Figure 3

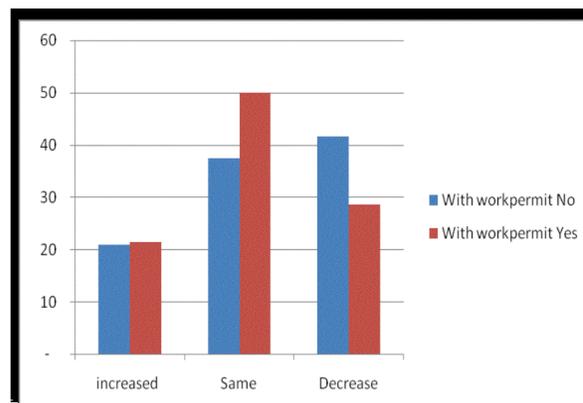


Figure 4

3.2 (B) Living Standard

In order to understand whether the economic crisis has impacted migrants' living conditions, we asked if the price of food and other necessities that they need to use has increased, remained the same, or decreased compare to this time last year. The responses were as follows: 77% report an increase, 16.9% say prices remained the same as last year, and only 6% report a decrease. According to Sai Moe, a Shan construction worker,

“Compared to last year, the food price has doubled. Last year it cost us about 200 baht for a bin of rice. But this year it cost us about 420 baht...”³⁰

Another person said,

“Last year we can buy food for 10 baht. But this year, we can't buy anything with 10 baht....”³¹

When we look at their personal and family expenditures, 59% of survey respondents said they have increased their family and personal expenditures, while 28.4% said they have had to reduce expenditures.

Those who answered that their labor wage has either “increased” or “remained the same as last year” are the ones that could afford to increase their family expenditure in order to

³⁰ Interview ID 3, focus group discussion with four male construction workers.

³¹ Interview ID 3, focus group discussion with four male construction workers.

buy and consume the same amount of food and other necessities as previous year. The statistic shows that 76% of those whose wages have increased and 68.3% of those whose wages have remained the same as last year are able to increase their expenditures. For those whose wages have been reduced, only 32% of them are able to increase their family expenditures, while 52% of them have had to reduce their family expenditure. The average expenditure per day, including traveling costs, for a married migrant worker couple in Chiang Mai for this year is about 100 baht³².

While most migrant workers were living with just enough food for survival, further reduction of their expenditure when the commodity price is increasing will leave them with inadequate food, such that they are likely to suffer from malnutrition—particularly since the work they do is hard labour, extremely strenuous, and thus requires high levels of fitness. For those whose wages were not reduced, they are also financially affected by the increase in prices of food and other necessities that they need to consume.

3.2 (C) Remittances and Savings

In order to understand migrants' income and savings, we asked them whether they manage to save more, less, or the same amount of money compare to this time last year—and whether they manage to send money back to their home or not. According to the data from research, only 7% of respondents managed to save more, and 31.1% manage to save the same amount as last year. 60.5% of respondents said they can't save as much as they did last year.

When asked if they manage to send money back to home this year, 41.2% of the respondent answered “yes” and 52.2% of the respondent answered that they don't manage to send money back to their home. And although about 40% of respondents could send money back to their home in Burma, most of them said that the amount is a lot less than previous years. Also they try hard to send money, because the family members left behind survive based on remittances. According to estimates, migrant workers sent home about 500,000-600,000 kyat per year in the previous economic climate. A female Shan construction worker wrote in her comment,

“I manage to send money back to my home, because my family back in Burma asked me. But the amount I sent to them this time is a lot less than previous years. My salary is not very good this year, and I also need to spend some money for myself.”(Questionnaire No. 55)

And a 31 year-old female Pa-O construction worker wrote in her comment,

“They have reduced my wage 25 baht less per day. I tried my best to send money back to my home at least once in three months. I can still work now, but I need to save money. When I get older I'll not be able to work.” (Questionnaire No. 18)

³² Interview ID 1, Female shopkeeper

Because most migrant workers came to Thailand due to economic difficulties back home in Burma, they are expected by their family members to earn money and support the family who are left behind. It also costs a lot of money to come to Thailand, such that some even have to borrow money to come to Thailand. For those people, it's especially important for them to send money back in order to give back what they borrowed before coming to Thailand. When asked "If you could not send money back to home will there be a problem?" 57% responded that their family would face serious problems. A domestic worker from Shan State wrote in her comment,

"I borrowed money and mortgaged my farm to pay for my trip to Thailand. I owed a lot of money, and I need to give it back soon. So I must send money back to my home." (Questionnaire No. 43)

And a 25 year-old male migrant worker from Shan State said,

"If I don't send money back home at least once in every two or three months, my family will have huge financial problems, as both of my parents are old now. In my village, almost every young person came to Thailand for work. All the people left behind in the village are either old people or children. But here in Thailand, everything is getting very expensive this year. My income and my expenditures are equal, so there is no extra money to send to them. I don't know what will happen now." (Questionnaire No. 25)

3.3 Work and Labour Mobility

3.3 (A) Job Opportunities for Migrants

In order to grasp the job availabilities for migrant workers during this economic crisis period, we asked if it's harder, the same as last year, or easier to get a job this year compare to this time last year. The findings show that 69.7% of the respondents reply it's harder to get a job, 21.3% report "it's the same as last year," and only 9.0% of the respondents said it's easier to get a job. Thus, it's true that the availability of jobs for migrant workers has decreased during this economic crisis. When we cross-analyze this indicator by gender, the findings show that 73% of female respondents and 67.2% of male respondents said it's harder to get a job this year compare to previous years, while 19.2% and 23% of them respectively said it is the same as last year. Therefore, this statistic suggests that both female and male workers find it harder to get a job.

3.3 (B) Working Hours

When asked if working hours have increased in this year compare to last year, ironically only (9%) of the respondents said their working hours have increased, while 59% and 32% reply that their working hours have remained the same as last year or decreased respectively. One of the reasons is because of job scarcity. Migrant workers often are left

with no job for many days in a month since most of the migrant workers in Chiang Mai work in small construction sites and other domestic jobs such as repairing houses, etc., which offer less consistent employment than factories.

A Shan migrant worker who paints furniture products wrote in his comment,

“There are very few furniture painting workplaces in Chiang Mai, and the wage they provide isn’t very good. Sometimes, I only get to work for a week or two per month in the year. The salary is very low and I don’t get paid when there is no work to do.” (Questionnaire No. 4)

A gas deliverer wrote,

“When there is no order for gas delivery, I don’t even have money to buy food for myself....” (Questionnaire No. 57)

Cross-analysis shows that 27.3% of female workers and 35.2% of male workers responded that their working hours have decreased. While 63.6% of female workers and 55.6% of male workers said their working hour remained the same, about 9% of both said their working hours has increased. Therefore, gender differences in regard to changes in working hours are not statistically significant.

3.3 (C) Overtime Jobs

When asked if their workplaces have overtime jobs, only 21.1 % responded yes, and 78.9% said they don’t have overtime jobs in their workplaces. It could be because the nature of migrant workers’ jobs in Chiang Mai—construction, vending, and domestic work—are different from garment factories, e.g. From the 21.1% of the respondents who said their workplace offers overtime hours, 42.1% said the overtime job has “increased” compared to this time last year, while 31.6% and 26.3% reply that overtime hours at workplaces has “decreased” and “remained the same as last year” respectively. 70% of the respondents answered that they get paid for their overtime jobs, and 50% of them said the payment has decreased. Only 12.5% said the payment for overtime jobs has increased. Therefore, although there is no big difference in the frequency of overtime job availability if we compare previous year with this year, the payment rate for overtime job has decreased in most of workplaces.

3.3 (D) Wage Payment Time

We also asked whether they get their wages more on-time or later if we compare to this time last year. The answer shows that 65.1% report that they get payment for their labor wage on time as last year, and only 14% responded that they get the wage a lot later than last year. When we conducted cross-analysis, the results show that 26.9% of female workers get paid a lot later than last year while the same situation apply to 8.6% of the male worker. Although the analysis shows that most of the migrant workers are getting

their payment on time, out of those who get paid a lot later, the majority are female migrant workers.

Some of the challenges faced by migrant workers when they get paid too late are that it becomes more difficult to pay for apartment fees, electricity and water bills, daily expenses, and children's school fees for those who have children³³. A Kachin domestic worker wrote in her comment,

“I receive my wage very late, so I often face problems with my room renters, as I can't give the room fee on time. So I have to break my promise to the person lending me money. That also hampers all my plans and arrangements.”
(Questionnaire No.11)

Some of them cope with the problems by using money from their savings or borrowing money from close friends.

3.3 (E) Job Losses Among Migrant Workers

To understand whether migrant workers are laid off or fired from their jobs, we asked “if there is any one force out of the job.” 62.5% of the respondents responded that there are people who get fired or get out from the jobs, while only 37.5% responded that no one has been fired from their workplace. The statistic shows that a lot of migrant workers are being fired from the workplaces. According to the comments given by the respondents, there are two reasons why their working colleagues have had to leave their workplaces: 1) fired by the employers and 2) because the salary provided to them isn't adequate for living in Thailand. To fire the migrant workers, employers used reasons such as the workers aren't skillful enough yet for the job, financial difficulties in workplaces, being late to work, and no job for workers. A construction worker wrote,

“The employer said some of the workers in our workplace are not skillful enough to perform the task. So he fired 7 women and 2 men from our workplace.”(Questionnaire No. 27)

A migrant worker who is working on a farm wrote,

“Because of the bad economic situation, the jobs are scarce for us. Last year, there were about 200 workers in our workplace and only about 40 of us are left in the workplace now.” (Questionnaire No. 41)

³³ Interview ID 3,

“The cost for room rental fees are different depends on the locations. Most of the migrants stay at the apartments that cost about 1000-1500 baht per months, while others rent a big house at 4000 and share the cost together. Together with the water and electric bills, the total rental fee for a person costs about 2000 baht per month.”

A construction worker wrote,

“Because the employer is not very good and the salary is very low, they got out of the workplace and looked for new jobs. It took some of them about 17 days to get a new job. For one of the women, she got her job very late that—if she didn’t have her relatives here in Thailand, she might have already suffered from starvation.”
(Questionnaire No. 38)

When we conducted cross-analysis between the job sectors and whether there has been layoffs, 87.5% of waiters, 73% of vendors, 71.4% of agriculture workers, 60% of construction workers, and 42.9% of domestic workers responded that workers at their workplaces have been fired (or) left jobs by themselves due to inadequate salary. The statistic shows that there are huge numbers of migrant workers have been laid off from every economic sector. From this it seems that most employers try to reduce the number of migrant workers from their workplaces rather than cut the wages of migrant workers³⁴.

3.3 (F) Reverse Migration

Reverse migration has been an issue discussed in some countries³⁵. However, although some migrants from Burma suffer from wage reduction or get fired from the workplace, they are largely still willing to work and remain in Chiang Mai. A Shan shop assistant working in Chiang Mai said,

*“My employer cut my salary because his income has also decreased, but I still want to work in Thailand and send back money to my family in Burma.”*³⁶

The relevant findings suggest that reverse migration isn’t taking place among migrant workers from Burma in Chiang Mai. When asked if those who were dismissed from the job went back to Burma or continued to stay in Chiang Mai and look for another job, 90.2% responded that they stay in Chiang Mai and look for new jobs, while only 9.8% responded that they went back to Burma.

3.4 Personal and Family Relationships and the Relationship between Thai People and Migrant Workers

3.4 (A) Family Relationships

³⁴ About 30% said their wage has been reduced from the same survey.

³⁵ For example: Mexican migrant workers in United States,
http://www.pe.com/localnews/immigration/stories/PE_News_Local_S_mexreturn24.229dd06.html

³⁶ Quoted in Economic crisis hits Burmese migrants, Mizzima News,
<http://www.mizzima.com/component/content/article/1843-economic-crisis-hits-burmese-migrants.html> (accessed on August 20, 2009)

When we asked if problems between family members have increased, decreased, or remained the same compared to this time last year, 10.7%, 38.7% and 46.7% responded that problems within the family have “increased,” “decreased,” and “remained the same” respectively. Meanwhile, 4% answer that they don’t know, because for some of them, they don’t have family members in Thailand and lost contact with their home too long ago. Those who try to avoid problems among family members report that it’s important for them to love one another, instead of fighting while living and working in other countries. Therefore the family relationships figures will not indicate migrants’ actual social and financial difficulties. However, some of the respondents who said that family problems have increased over the year comment that some of the causes of problems are family financial difficulties, low wages, job scarcity, and alcohol abuse.

According to a domestic worker,

“When our parents phoned us to send money back home, we (sisters and brothers working in Thailand) always have arguments about who must send the money (as all of us have financial difficulties this year).” (Questionnaire No. 20)

When we conduct a cross-analysis of family problems by gender, we found that 13% of females and 10% of males responded that family problems have increased, while 42% and 50% of female and male respondents said it remains the same as last year. 42% and 36% of female and male respondents said the family problems have decreased, while 4% of both said they don’t know.

3.4 (B) Rise in Xenophobia and Racism

There has been concern that migrant workers would become the scapegoats of the current global economic crisis, possibly leading to a rise in xenophobic and racist attitude towards migrant workers among host citizen³⁷. However, when we ask about the relationship between Burmese migrant workers and Thai workers compared to this time last year, 24.4%, 41% and 16.7% of the respondents said their relationship has become “better”, “remained the same as last year,” and “got worse” respectively, while (17.9%) of the respondent answer that they “don’t know.” Therefore, these statistics depict no significant change in the relationship between Thai workers and migrant workers. One of the reasons is because most of the jobs taken up by migrant workers are mostly “3D” jobs—dirty, dangerous, and degrading—that most Thai people are very unwilling to do. Thus, the job competition in those work sectors between Thai workers and migrant workers are very low.

³⁷ Khan A., Abimourched R., Ciobanu R., “The global economic crisis and impact on Migrant workers”, ILO Global Job crisis observatory <http://www.ilo.org/public/english/support/lib/financialcrisis/featurestories/story11.htm>, (accessed on August 20, 2009)

Some of the respondents highlight that the “Mae Joe incident” is one reason why the relationship between Thai workers and migrant workers from Burma has become worse. But most of the migrants comment that the relationship is getting better, because they try to participate and help Thai people whenever there are social ceremonies and occasions in villages.

3.5 Conclusion

From this study, we’ve found that the economic crisis has impacted the income of a considerable population of migrant workers, and the most underprivileged migrants—such as female migrants and undocumented workers—will suffer the consequences of it the most. In terms of work sectors, agriculture workers have suffered wage cuts the most compare to other economic sectors. Another impact of the economic crisis on migrant workers is that the rapidly rising food prices have forced some of the migrant workers to have less amount food, while others have to spend more money to have the same amount of food as they had in previous years. Most migrant workers have not saved much in this year, thus a lot of them couldn’t send money back to Burma. So the families of migrant workers that rely on remittances encounter serious financial difficulties in Burma.

We have also found that the total working hours of migrant workers have decreased, and most of them complained it’s because their jobs aren’t available everyday like in previous years. Most of the migrants in Chiang Mai don’t have to do overtime hours. But for those who have to do overtime jobs, they said the frequency of overtime jobs has remained the same as previous year despite a decrease in the payment for overtime jobs. Almost every work sector that employs migrant workers has laid off many of their workers, and those who get fired from the workplace will have difficulty getting a new job, as the majority of migrant workers said it’s harder to find a job in this economic climate. In spite of such difficulties, there is no sign that a lot of migrant workers are likely to go back to Burma. And although in many countries migrant workers have become scapegoats for the economic downturn, when we look at the relationship between local Thai people and migrant workers, the impact is minimal.

PART 4

ASSESSING MAE SOT

4.1 (A) Introduction

Mae Sot is a district on the Thai-Burma border in Thailand's Tak Province. Due to its geographic proximity to Burma, Mae Sot has long been a major destination for migrants leaving Burma to work in Thailand and for Karen refugees escaping the military offensives of the Burmese dictatorship. It has also been promoted as a site of increasing industrialization, when in the early 1990s companies were offered special incentives to invest there. Its major attraction as an industrial zone is the easy access to hundreds of thousands of non-unionised workers. The number of factories, especially export-oriented garment and textile factories, has grown considerably since the early to mid 1990s. Recent estimates put the number of fully registered factories at about three hundred—each factory of this type would employ between 100 and 1000 workers—while about another two hundred unregistered “home factories” would employ between 5 and 20 workers³⁸.

Mae Sot's migrant worker population is said to number between two and three hundred thousand. Migrants work in agriculture, construction, domestic work, shops and the market, call centres, the entertainment industry and on garbage sites, but factory work is by far the most common form of employment for migrants in Mae Sot³⁹. The meeting of a rapidly industrializing locality and a highly mobile labour reserve has not positively impacted local labour standards. According to one analysis of Mae Sot, “labour rights are constantly sacrificed in order to attract and maintain investment, raising questions as to who are the primary beneficiaries of capitalist development.”⁴⁰

Given the high concentration of export-oriented industries (EOI) in Mae Sot, it can be little surprise that the current economic downturn has produced severe negative impacts for Mae Sot's factories, and in particular for the migrants and their families whose livelihoods depend on them. Knitting factories, which produce warm clothing largely for very hard-hit US and European markets, are said to be struggling disproportionately, with

³⁸ Kyoko Kusakabe and Ruth Pearson, “Transborder Childcare Arrangements of Burmese Migrant Workers in Thailand” (Presentation at The International Workshop on Gender, Migration, and Citizenship in the Greater Mekong Subregion: Economic and Political Perspectives for a World of Crisis), June 2009.

³⁹ Aye Salam (Migrant Assistance Program (MAP) Foundation), interview, 18 June 2009.

⁴⁰ Dennis Arnold, *Capital Expansion and Migrant Workers: Flexible Labor in the Thai-Burma Border Economy* (Nakornpathorn, Thailand: Mahidol University), 2007.

demand dropping steeply alongside Thailand's broader 26.5% year-on-year contraction in export earnings⁴¹. Still, orders are known to be down at most factories across the board. The local chapter of the Federation of Thai Industries claims that orders have dropped by 12%, and "the talk," as one report put it, is overwhelmingly of layoffs, reduced working hours (especially overtime hours), and increased difficulty finding new jobs⁴².

Yet the research conducted for this report also suggests that the economic climate, combined with Mae Sot's reliance on export-oriented textile factories, has invited some over-determined understandings of the economic downturn's effects on Mae Sot's migrants⁴³. Though the temptation has been to reach for too-easy conclusions, the effects of the economic downturn in Mae Sot are nothing if not nuanced, leading at times to some counterintuitive circumstances. Working hours, for example, are generally down but certainly not uniformly—for skilled workers who have not been the first to be dismissed, hours have increased, though usually without proper overtime compensation. And while factory closures are on the rise, many of them are not directly traceable to the economic downturn. In addition, while early reports of large-scale reverse migration—migrants in Thailand returning to former sending communities in Burma—appear to have been based on anecdotal accounts, some new migration trends have come about. Recently, for example, 600 retrenched women traveled to Rangoon and used a broker to secure jobs in Jordan⁴⁴.

It is necessary, then, to resist the urge to over-simplify analysis on the basis of a situation that seems pre-determined. As an attempt to refuse such an approach, this study acknowledges that the broad economic context—the macro-level situation, as it were—is not favorable to migrants in Mae Sot, nor their employers. Yet this study begins with small-scale analysis, testing assumptions about the effects of the economic crisis against the situation on the ground. Indeed, the results we've found are complex. However, we can still say that overall, the global recession has produced serious adverse impacts for migrants and their families in Mae Sot, leading to our position that Thai safety net measures, ostensibly oriented towards especially vulnerable sectors of society, must include migrant communities.

4.1 (B) Notes for Reading

⁴¹ Moe Swe (Yaung Chi Oo Workers' Association (YCO)), interview, 14 August 2009; "Thailand Exports in January Drop 26.5%," Thailand Board of Investment Press Release, http://www.boi.go.th/thai/how/press_releases_detail.asp?id=3159 (last accessed 25 August 2009).

⁴² Moe Swe (YCO), interview, 14 August 2009; interview, Zaw Min Oo (MAP), 21 August 2009; "Myanmar's Overflow: Migrant Workers Battered by the Slump," *The Economist* Print Edition, 19 March 2009.

⁴³ See for example Anthony Faiola, "A Global Retreat as Economies Dry Up," (*The Washington Post*, 5 March 2009) and Joseph A. Allchin, "Recession Bites: Compounding Misery for Migrants," (*Democratic Voice of Burma*, 1 June 2009).

⁴⁴ Zaw Min Oo (MAP), focus group discussion (FGD) 1, 24 June 2009.

These findings reflect a combination of quantitative and qualitative research methods reaching a total of 374 migrants. Four focus group discussions (with 28 migrants total), 15 in-depth interviews, and a survey with a sample size of 331 migrants took place between June and August of 2009. An informal approach to survey sampling means our quantitative figures will not be fully conclusive, though our qualitative data—from focus group discussions, interviews, and written statements within the surveys—is at least as informative itself. The four focus group discussions are cited as FGD’s 1-4 in the relevant footnotes. The survey took place in two tiers: a small-scale initial survey of 51 migrants is cited as Survey 1, while the more large-scale second survey of 280 is cited as Survey 2. Since surveys from both tiers came back to us at different times, we estimate their dates only generally by the month in which they were completed.

To protect our respondents, we have cited migrants’ comments and quotations by ID numbers rather than real names. Thus a citation that reads “Survey 2 ID 68” means the respondent’s ID is 68, and her or his comments come from the second survey. The exceptions are those people who are staff or volunteers with the Migrant Assistance Program Foundation—hereafter cited as MAP—or the Yaung Chi Oo Workers’ Association, hereafter cited as YCO. Their names are cited in full.

In addition, in the sections below, depending on the indicator, sometimes we will refer only to those respondents who answered a given question on a survey. Given as a percentage, this figure will exclude those who did not respond to the question at all. Other times it will be important to know how many migrants chose not to respond to a question—for example, if the percentage responding is relatively small, as in the case of our indicator for domestic violence. We have made an effort to clarify this distinction when necessary in the text. Also, “year-on-year” change means change compared to this time last year, which is a key form of comparison when examining industries, like garments and textiles in Mae Sot, that are highly cyclical.

Throughout the study, we have attempted to be as clear and communicative as possible, and to address potentially confusing instances when they arise.

4.2 Income-Related Indicators

This study has examined both the effects of the economic downturn on migrants’ incomes and secondary income-related indicators, such as savings, spending and remittances. The findings suggest that organizations working on the ground in Mae Sot, including but not limited to MAP Foundation and Yaung Chi Oo Workers Association, are correct in understanding income and income-related indicators to be an area where the economic downturn has produced some of the most noticeable negative impacts⁴⁵.

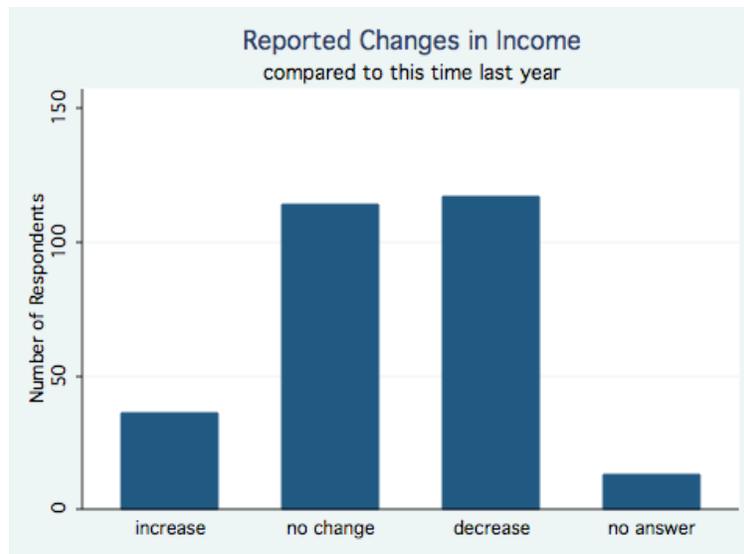
⁴⁵ Aye Salam (MAP), interview, 20 August 2009; Moe Swe (YCO), interview, 14 August 2009; Moe Swe (YCO), presentation at YCO, 27 May 2009.

According to this study, nearly as many respondents reported no change in income as reported a decrease in income. However, key indicators tied to changes in income prove illuminating. Strong majorities of respondents reported decreased ability to save, increased difficulty supporting family members (remittances), and curtailed spending, all against a backdrop of widely reported increases in goods prices⁴⁶. Thus, while income changes alone may prove a difficult variable to tie directly to the economic downturn, those indicators proceeding from it, all of which are year-on-year values, suggest some of the more convincing evidence that migrants are facing considerable economic difficulty from this recent economic cycle. See below for full statistical elaboration.

4.2 (A) Income

In recent years I got 75 baht per day, so in a fortnight around 1000 baht or more. After water and electricity fees, monthly I would get nearly 2000 baht. But this year we have to try hard for 1000 baht for the whole month, because the job situation is not so good. We have more financial hardship.

- FGD 1 ID 6⁴⁷



(Figure 1)

A plurality of those surveyed for this study reported a decrease in income compared to this time last year (a “year-on-year” decrease). Percentage responses are informative. While 43.8% of respondents report a decline in year-on-year income, and only 13.4% of respondents report an increase in income, a full 42.7% of respondents report no change in

⁴⁶ Migrants in a recent focus group discussion estimated that year-on-year spending has decreased from 50-80 THB per day to 20-50 THB per day. For the increase in goods prices, see Section 4.2 (B). FGD 4, 26 August 2009.

⁴⁷ FGD 1 ID 6, bamboo furniture factory employee (female), FGD 1, 24 June 2009.

income. Still, given the rising prices of everyday goods (see Section 4.2 (B)), even an income that has not changed suggests economic difficulty. And an income that has decreased spells certain trouble.

Migrants report that at this time last year, which is a relatively high season, a knitting factory employee might have made 6000 THB in a month, while a garment factory worker would have made a bit more than 3000 THB including overtime hours (for distinctions between knitting and garment factories, see Section 4.3). Now the average income for factory workers is said to be closer to 2500 THB per month⁴⁸. According to one migrant, “*At this time wages are so low. I just get 30 to 90 baht per day. And spending costs have increased, so I cannot save money right now.*”⁴⁹

Cross-analysis by gender and sector produces more useful results. In particular, more women than men reported year-on-year income declines—47% of women to 39.1% of men (see Figure 2). These figures suggest that the burden of economic recession is shared disproportionately by women. And while factory workers were by far the most likely to report falling income (57% of them did so), the second most likely group to report falling income was a category we labeled “other,” i.e. people not working in factories, construction, agriculture, or domestic work. 39.6% of these respondents reporting falling income, which suggests that while factory workers are probably the most hard-hit by the economic downturn, its negative effects certainly reach beyond the factory floor.

Figure 2: “Reported Changes in Income by Gender”

GENDER	INCOME				total
	increase	no change	decrease	no answer	
male	21 11.73	79 44.13	70 39.11	9 5.03	179 100
female	15 15	34 34	47 47	4 4	100 100
no answer	0 0	1 100	0 0	0 0	1 0
total	36 12.86	114 40.71	117 41.79	13 4.64	280 100

Note: all changes year on year, with frequencies reported over row percentages.

These results suggest that while the economic downturn seems to have had a noticeably negative effect on migrants’ incomes in Mae Sot, the effect reveals some differentiation. Downward pressures on income are more likely to effect women than men, and factory workers more than any other sector. With women respondents more likely than men to work in factories, we can see that the differentiated results are not unconnected. The

⁴⁸ FGD 4, 26 August 2009.

⁴⁹ Interview ID 4, knitting factory employee (female), 1 August 2009.

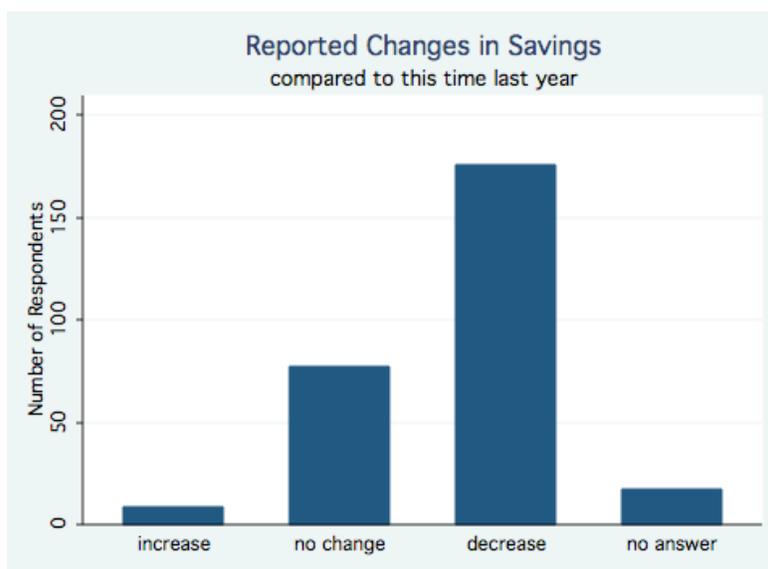
export orientation of Mae Sot's factories seems, in fact, to have caused disproportionate sectoral exposure to the global economic context, with migrants working in factories, and women in particular, reporting the most clearly negative impacts to income from this recent economic cycle.

4.2 (B) Secondary Income-Related Indicators

I can't support my parents because I'm not in a good job situation. My brother and sisters are also not okay—they also can't support with any money. Sometimes, we argue with each other. My older brother came to stay in Thailand in 1999, but he couldn't send any money for support. He is not okay by himself. I feel very sad, because our parents are unhappy.

- Survey 2 ID 6⁵⁰

These indicators prove somewhat more dramatic than income alone as an indicator. Of those surveyed who responded to the question about savings, 67.1% reported a decrease in savings—that is, a decreased ability to save compared to this time last year (Figure 3)⁵¹. Much of this decline in savings is likely to be falling income, but a widely reported rise in the price of everyday goods could be related as well. A full 85% of respondents reported increases in the price of goods. In fact, in written statements, discussions, and interviews, many migrants pointed to a lack of balance between income and goods prices—the increase of the latter far outpacing the increase of the former, leading to a widening gap between what goods costs and how much migrants can afford to pay for them—as a major factor in rising economic struggles.



⁵⁰ Survey 2 ID 6, carpenter (male), July 2009.

⁵¹ Migrants report that at this time last year, a household could save at least 2500 to 4000 THB per month. Now the limit is closer to 1500 THB (FGD 4, 26 August 2009).

(Figure 3)

According to one knitting factory employee, “*Spending costs are more than income, so recently I have not been saving money...Now everything is expensive but workers’ wages are not increasing, so workers are in trouble.*”⁵² And a Burmese woman who works in construction says that despite her monthly salary not changing compared to last year, “*I am not saving money, because the spending cost is more than income.*”⁵³ A male construction worker said family problems have increased compared to this time last year, “*because the family’s income and spending are not balanced.*”⁵⁴

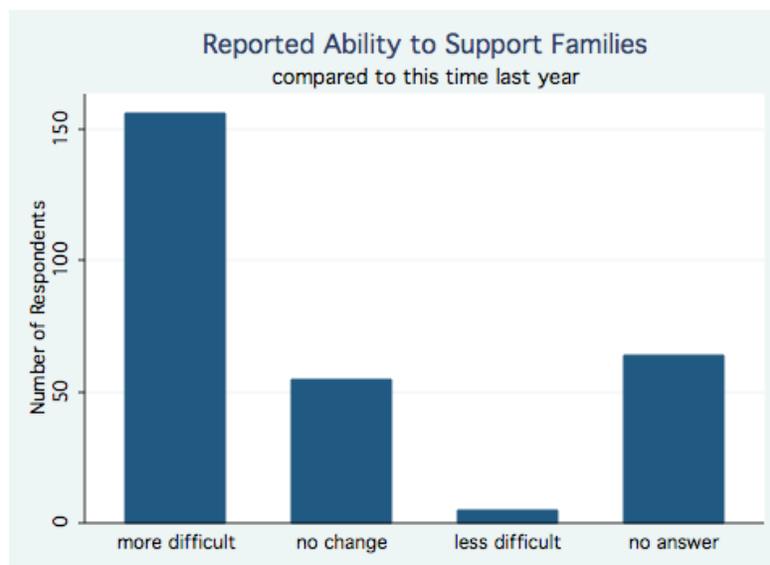
Again, in examining savings, cross-analysis by gender and sector suggests noticeable differentiation by both variables. 68% of women versus 60.3% of men report a decline in the possibility of saving money, while factory workers, who for our study are more likely to be women than men, are the sector most likely to report a decline in savings. 70.1% of factory workers report a decline in savings, alongside strong majorities reporting the same for construction, agriculture, and “other” occupations.

Migrants’ reporting on their ability to support family members also suggests an increase in year-on-year economic troubles, and highlights the fact that migrants alone are not solely sharing the burden of recession—their families are as well. Of those surveyed who responded to the question about supporting family, 72.2% reported increased difficulty supporting family compared to this time last year (Figure 4). These figures suggest a “ripple effect” involving families of migrants. However, while this effect may encompass some distance in the form of cross-border remittances, it may also remain fairly local, as 61.1% percent of respondents report having family in Thailand, while 38.8% do not. Thus, while these figures probably suggest a drop in remittances, they also reflect the difficulty migrants are having supporting families who have joined them in Thailand.

⁵² Interview ID 2, knitting factory employee (male), 1 August 2009.

⁵³ Interview ID 3, construction worker (female), 3 August 2009.

⁵⁴ Survey 2 ID 7, construction worker (male), July 2009.



(Figure 4)

A Burmese tailor who reported a decline in income said, “*I have not provided money for my family this year.*”⁵⁵ Similarly, a construction worker said, “*I could not support with money as much as last year.*”⁵⁶ According to a Burmese knitting factory employee who cited increased difficulty supporting his family, “*If I cannot send money to parents, they have to face health problems and social problems, and they have difficulty with daily costs.*”⁵⁷

Further compounding a likely drop in remittances is the exchange rate between Thai baht and Burmese kyat. In the past year, the kyat has increased by a quarter against the baht, leading to a decline in the value of money migrants remit to communities in Burma⁵⁸. Indeed, a strong majority (62.2%) of migrants report a less favorable exchange rate compared to this time last year, a factor often cited by migrants as a central piece of their current economic difficulties⁵⁹. In a recent focus group discussion, migrants reported that a year or two ago, they could sometimes send money monthly in 100,000 kyat units, which then amounted to 2500-2800 THB. Now, remitting 100,000 kyat costs at least 3000 THB. These days, said one migrant, “*Only a few people transfer money back to Burma.*”⁶⁰

These secondary income-related indicators, namely savings and the ability of migrants to support family members, reflect considerable economic difficulty compared to this time

⁵⁵ Survey 1 ID 32, tailor (male), July 2009.

⁵⁶ Survey 1 ID 43, construction worker (male), July 2009.

⁵⁷ Survey ID 68, knitting factory employee (male), July 2009.

⁵⁸ “Myanmar’s Overflow: Migrant Workers Battered by the Slump,” *The Economist* Print Edition, 19 March 2009.

⁵⁹ FGD 2, 5 July 2009.

⁶⁰ FGD 4, 26 August 2009.

last year. As indicators, they may be among the most conclusive figures this study has found, with strong percentages supporting the comments of workers and activists on the ground. Furthermore, that fact that these indicators in particular are some of this report's most convincing suggests that while some immediate impact is noticeable from the current economic climate (in falling income, for example), the most pronounced effects may not reveal themselves for some time yet. A kind of impact delay may well be expected, as the full extent of migrants' increased difficulty saving money and supporting family members—whether in Burma or in Thailand—may take some time to become clear. These figures suggest that it might only be after a year or two or more of lost savings and no remittances that the full picture of the economic downturn's impact on migrants and their families will emerge.

4.3 Workplace-Related Indicators

For the purposes of this report, key workplace-related indicators include working hours (including overtime hours and overtime pay), working conditions (including accidents at workplaces), and retrenchment, or dismissals of workers. Again, all of the survey findings refer to year-on-year changes. While likely not among the most conclusive results this study has found, these indicators do help round out a picture of what migrants are facing amidst this current economic cycle, particularly with respect to working hours.

This research has shown that working hours are down for semi-skilled workers, who are also more likely to have been dismissed from their jobs. Yet for skilled workers, working hours have increased, as employers have hesitated to dismiss them. Despite declines in orders, fewer workers on the factory floor has meant, in some cases, more hours for them⁶¹.

Thus, examinations of working hours and dismissals should reflect concentrations of data, and in some cases opposing data, according to skilled and semi-skilled workers. This study's findings seem to reflect as much, though the necessarily informal approach to building a sample size did not include fully tabulating which respondents were skilled and semi-skilled. We approach these particular statistical data with some caution, then. In addition, a further condition complicates dismissals: that of factories closing and then reopening under a different name, oftentimes during campaigns by workers to make claims against employers. This issue is considered in greater detail below.

4.3 (A) Working Hours

As noted above, working hours as an indicator of the effects of the economic downturn is very difficult to track. Working hours data considered alone—that is, the pure number of hours a migrant is likely to work on a given day, not taking overtime into

⁶¹ Moe Swe (YCO), interview, 14 August 2009; Aye Salam (MAP), interview, 20 August 2009.

consideration—provides scant indication of year-on-year change according to the current economic climate. Without cross-analysis by sector, our basic results for working hours are as follows:



(Figure 5)

Of those migrants surveyed who responded to this question (which excludes the “no answer” responses), 59.5% report no change in working hours, 28.4% report an increase in working hours, and 12% report a decrease in working hours. Taken at face value, this data suggests that if working hours have changed for a given migrant, then they are more likely to have increased than decreased. But with such a strong majority reporting no year-on-year change at all, drawing such an inference would probably be unfair. Working with this data in isolation, in fact, reveals little suggestive information. Cross-analysis by sector suggests only that year-on-year change in working hours is concentrated among respondents who work in factories, and the same goes for overtime hours. In addition, a strong majority of respondents (61.2%) report they do not receive overtime pay—that is, increased pay for hours logged as overtime. In addition, reports from migrants suggest that semi-skilled workers have seen a rise in informal and irregular work and work schedules, alongside steep cuts to working hours⁶².

4.3 (B) Working Conditions

This study’s results for working conditions are among the least conclusive findings it has generated. A kind of intuitive approach suggests that with a decline in factory earnings, which by all accounts appears to be the case, issues of occupational health and safety would command fewer financial resources and less attention. While this situation may in fact be true—this study is not enough to prove otherwise, at least—it is not reflected in our research findings. 71.9% of respondents, in fact, report no year-on-year change in general working conditions, with the remaining 28% quite evenly split between migrants

⁶² Zaw Min Oo (MAP), interview, 21 August 2009.

reporting improved working conditions, and migrants reporting worse working conditions. These proportions hold when exposed to cross-analysis by both gender and sector. This may in part be due to the generally bad working conditions that persist at all times — there may be little room for deterioration.

Our results for accidents in the workplace appear to be similarly inconclusive. A majority of respondents (51%) report no year-on-year change in accidents in the workplace, though remaining respondents were more likely to report a decline in workplace accidents rather than a rise in workplace accidents (39.1% to 9.7% respectively). Roughly speaking, these proportions also hold according to cross-analysis by gender and sector. Again, over-generalizing from these figures would be a mistake. While this study does not make clear that working conditions, workplace accidents, and general occupational health and safety issues have become worse compared to this time last year, it certainly does not prove the opposite either. As an initial inquiry, these results are inconclusive.

4.3 (C) Retrenchment

As already noted, retrenchment is one of the more complicated indicators that exist for gauging the effects of the economic downturn. This study's quantitative data can offer little to the conversations already surrounding this issue. Since few survey respondents (2.8%) identify their current employment situation as jobless, and since most workers know people who have been dismissed from their job (retrenched), we framed the relevant question here in terms of whether or not anyone has been recently dismissed from the respondent's own workplace. 45% of respondents said yes, while 54.9% said no. Undoubtedly that "yes" percentage is very high. Thus, with close to half of our respondents reporting their employers dismissing workers, we can say that significant retrenchment is probably part of the current economic cycle's effects on migrants in Mae Sot.

However, qualitative data and reports from organizations and activists based in Mae Sot — again, including but not limited to MAP Foundation, Yaung Chi Oo Workers Association, and related staff and volunteers — suggest a more complex picture. This picture revolves around three main factors: (1) the employment dynamic linking skilled and semi-skilled workers, which has already been touched upon; (2) the differences between knitting and garment factories; and (3) the fact that many recent factories that have closed have then subsequently reopened elsewhere in Mae Sot — a familiar strategy used by employers when workers make labour rights demands, which are often linked to not receiving wages properly or regularly⁶³. The first factor, the issue of skilled versus semi-skilled labour, and how it relates to worker dismissals, has been considered in the introduction to Section 4.3. Suffice it to say, here, that retrenchment as an indicator is not uniform: it is likely concentrated among semi-skilled workers more than skilled workers.

⁶³ Zaw Min Oo (MAP), interview, 21 August 2009; Aye Salam (MAP), interview, 20 August 2009; Moe Swe (YCO), interview, 14 August 2009; Aye Salam (MAP), interview, 18 June 2009.

The second factor, which concerns the differences between knitting and garment factories, is related to retrenchment in the sense that knitting factories are more likely to be affected by the current economic context than garment factories⁶⁴. The reason for this greater exposure is that factories referred to as knitting factories largely produce knitted pieces of clothing for cool- and cold-weather consumption in US and European markets. This particular export focus means October through April has long marked the low season for knitting factories, with at best only irregular employment available during that period, while April through October has marked the high season. But with US and European economies especially highly impacted by the recent economic cycle, the current “high season” for knitting factories appears, unsurprisingly, to be featuring a reduced level of economic activity, with some knitting factories not having re-opened for high season around April at all⁶⁵.

As a result, in contrast to garment factories, which tend to feature more consistent year-round employment and an export focus less directly tied to US and European markets, knitting factories and their employees are likely more negatively impacted by year-on-year changes from the global recession. Indeed, interviews conducted for this study have shown that migrants working at knitting factories are reporting significant declines in working hours, and in some cases severe difficulty finding employment at all⁶⁶. We can also say, then, that among factory workers, irregular work and joblessness—if not retrenchment strictly speaking—are probably concentrated among knitting factory workers more than garment factory workers. Though additional reports suggest construction workers in Mae Sot to be seeing increases in irregular work and joblessness, research conducted for this report has produced less information in this regard about migrants working in agriculture, domestic work, and “other” occupations⁶⁷.

The third factor provides further complication, in that factory closures (and the dismissals involved) have sometimes been followed by the same factories reopening elsewhere in Mae Sot, with the purpose of discarding workers who have made labour rights demands, usually related to wages or working conditions⁶⁸. This strategy, which precedes the current economic cycle, has not suddenly abated. Some recent large-scale dismissals, then, may be more correctly attributed to a broader Mae Sot context of historically adversarial industrial-labour relations, rather than to the economic downturn. But now employers blame the economic downturn.

The Han San Factory, which is a knitting factory, provides one example. After a group of workers joined together to claim back wages they were owed, largely money for food, more than two hundred workers were dismissed. According to one such worker,

⁶⁴ Min Min (MAP), interview, 20 August 2009; Aye Salam (MAP), interview, 20 August 2009; Moe Swe (YCO), interview, 14 August 2009.

⁶⁵ Moe Swe (YCO), interview, 14 August 2009.

⁶⁶ Zaw Min Oo (MAP), 20 August 2009; Moe Swe (YCO), interview, 14 August 2009.

⁶⁷ Moe Swe (YCO), interview, 14 August 2009.

⁶⁸ Aye Salam (MAP), interview, 20 August 2009.

*The company changed its name and reopened again. 180 employees were left in the factory. Each one received 4000 THB per month. Out of the employees who were fired, 130 went back to work with the company because they had no job and faced difficulties.*⁶⁹

Another worker from the factory confirmed the same, noting that “*the boss changed the name of the company, gave it a new name, and then reopened again.*”⁷⁰ Given that the relevant dispute had to do with wages, it is possible that the employers’ decision to withhold wages was due to a drop in earnings traceable to economic conditions. However, this basic strategy is very familiar to labour rights activists in Mae Sot, so there is some hesitation to connect this instance and others like it—one MAP staff estimated there have been about seven such similar cases recently—directly to the context of global recession⁷¹. At best we might say, here, that the economic downturn has aggravated already tense relations between workers and employers, acting as a kind of heightening agent more than as an originary catalyst.

An additional complicating factor relating to this third category is the way in which the global downturn has functioned as a kind of excuse for employers to engage in substandard labour practices. The coordinator of MAP’s labour rights project in Mae Sot cites the case of the Hi-Act Knitwear Factory as representative, noting that about five other factories—all of them knitting factories, which suggests they are large factories, employing many workers—have seen similar cases⁷².

The Hi-Act case involved the local Labour Protection Office mediating a dispute between factory management and 240 of the factory’s five hundred workers in August of 2008. On August 23, the workers’ demand was met, with management compensating, according to Thai labour law, for three months’ previously unpaid wages (at the minimum wage, then and now, of 151 THB per day). Relations between workers and management were mutually satisfactory through the end of the year. Then in January of 2009, management dismissed ten of the previous 240 workers, citing a decline in factory earnings. The remaining 230 workers were dismissed in April of 2009, again with the employer claiming decreased earnings. Then in the following May and June, the factory announced vacancies, and by the end of June the total factory workforce returned to the full five hundred⁷³. In this case, we can say that the economic downturn served as a sort of cover for factory management to dismiss “troublesome” workers. Including the roughly five other factories that have seen similar events unfold, a total of almost seven hundred workers have approached MAP’s labour rights project with related complaints⁷⁴.

⁶⁹ Interview ID 4, 1 August 2009.

⁷⁰ Interview ID 5, 1 August 2009.

⁷¹ Aye Salam (MAP), interview, 18 June 2009; Aye Salam (MAP), interview, 20 August 2009.

⁷² Ibid.

⁷³ Ibid.

⁷⁴ Ibid.

It would be a mistake, then, to understand the current economic context as being fully responsible for year-on-year changes in retrenchment rates—at least some dismissals, and probably many dismissals, are due to an antagonistic culture of industrial-labour relations that long precedes the recession we see now. Other dismissals are likely related to cyclical production schedules. In addition, retrenchment is more likely among semi-skilled workers and workers at knitting factories, which again reflects the annual cycle. During normal low peak seasons, the employer finds some work for the skilled workers, while those doing less-skilled work have to fend for themselves. Overall, despite the considerable complexity underlying retrenchment as an indicator, groups and individuals that focus on monitoring the migrant situation in Mae Sot—Yaung Chi Oo Workers Association, for example—do not hesitate to point to rising dismissals as a key indicator of the economic downturn’s effects on migrant workers in Mae Sot⁷⁵. That 45% of this study’s respondents report retrenchment at their own workplaces suggests such a position is not un-substantiated.

4.4 Secondary Indicators

Secondary indicators include, for the purposes of this study, labour mobility (including both changes in the availability of jobs and whether dismissed workers stay in Mae Sot or return to Burma), family dynamics (including domestic violence), and changes in the relations between Thai and Burmese people, which is often a management-employee relationship. We have given the term “secondary” to this set of indicators not to suggest they are somehow less important than other indicators, but mostly as an imperfect way of suggesting they describe indirect effects—effects of effects, or ripple effects. Even so, we recognize that for many migrants, some of the issues described here may register as fully immediate effects, rather than delayed through any sort of ripple process. Acknowledging this section’s label as flawed, then, we offer the relevant research findings below.

4.4 (A) Labour Mobility

This study’s labour mobility results are some of the clearest findings this research has produced. The operative messages are (1) that migrants’ ability to find new jobs, which includes moving between jobs to escape abusive labour practices, is likely significantly reduced compared to this time last year; and (2) that migrants who have been dismissed from jobs recently are highly unlikely to be returning inside Burma, which suggests that reverse migration as a trend appears to be unfounded.

Of those surveyed who responded to the question about year-on-year changes in the possibility of migrants finding new jobs, a strong majority (61.6%) report that finding a new job is more difficult now than at this time last year. Few respondents (1.9%) report that finding a job has become easier, while 36.4% of respondents report that finding a job has become neither more difficult nor easier (see Figure 7). Moving between jobs has

⁷⁵ Moe Swe (YCO), interview, 14 August 2009.

never been particularly easy for migrants in Thailand, but according to these figures, it may be even more difficult now—a sobering prospect, given that a fluid job market, which the current market apparently is not, is most likely to allow migrants to find relatively safe and secure employment.

Figure 7: “Reported Changes in the Difficulty of Finding a Job”

Finding a Job	Frequency	Percentage	Cumulative
more difficult	159	61.63	61.63
no change	94	36.43	98.06
less difficult	5	1.94	100
Total	258	100	

Note: all changes year on year.

As for where workers are going upon being dismissed from jobs, this study is again reasonably conclusive: an extremely strong majority (95.4%) of respondents report that dismissed workers are staying in Mae Sot rather than returning to Burma (see Figure 8, below). The reason for this is likely that despite a decline in the possibility of migrants finding new work in Mae Sot (Figure 7), the possibility of finding satisfactory work in Burma remains even smaller. Despite General Thein Sein’s claim to the contrary, then (see Section 1.2 (C)), migrants are essentially reporting with their feet: the labour market in Burma, unsurprisingly, is still viewed as inferior to that of Thailand, even amidst the current economic downturn. As a corollary, we can also say that it is unlikely that the recession is increasing reverse migration from Thailand into Burma, in spite of apparent reverse migration trends—that is, migrants returning to sending communities from destination countries—in other parts of the world⁷⁶.

According to one Burmese factory worker, returning to Burma is not a good option: *“I have been living in Mae Sot for four years. My economic situation is not okay now. Income and spending are not balanced. Therefore, even if I want to go back to Burma, I cannot go back. So I am very depressed.”*⁷⁷ A bamboo furniture factory employee put it differently: *“We came here because of trouble. If we go back there will still be trouble.”*⁷⁸

Figure 8: “Where Migrants Report Retrenched Workers Go”⁷⁹

Retrenched Workers	Frequency	Percentage	Cumulative
return inside Burma	4	4.55	4.55
stay in Mae Sot	84	95.45	100

⁷⁶ Anthony Faiola, “A Global Retreat as Economies Dry Up,” *The Washington Post*, 5 March 2009.

⁷⁷ Survey 2 ID 14, factory worker (female), July 2009.

⁷⁸ FGD ID 6, bamboo furniture factory employee (female), 24 June 2009.

Total	88	100
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Note: this question asked of migrants who knew of recently retrenched coworkers where those specific coworkers went after being retrenched.

4.4 (B) Family Dynamics

This study's quantitative data suggests that family dynamics—that is, relationships between family members, including domestic violence—have shown little noticeable change according to the current economic conditions. Of those surveyed who responded to the question about whether family dynamics have improved, become worse, or not changed compared to this time last year, a strong majority (59.8%) report no change, while remaining respondents were somewhat more likely to report family dynamics as having become worse (23.5%) rather than improved (16.5%). However, with only 67% of those surveyed choosing to respond to this question, we hesitate to generalize too much from these figures.

Indeed, these low figures in themselves suggest that migrants are reluctant to discuss issues of domestic violence and may not want to disclose what happens in the family. Since several organizations in Mae Sot offer refuge to victims of domestic violence, it is impossible to differentiate between the impact of the economic crisis, and the impact of the interventions where a successful intervention would generally see a rise in reported cases. The lack of response on behalf of our respondents suggests that this is an area that should be further investigated.

Figure 9: “Reported Changes in Family Dynamics”

Family Dynamics	Frequency	Percentage	Cumulative
became worse	44	15.77	15.77
improved	31	11.11	26.88
no change	112	40.14	67.03
no answer	92	32.98	100
Total	279	100	

Note: all changes year on year.

4.4 (C) Thai-Burmese Relations

Migrants' perceptions of how Thai-Burmese relations have changed year on year was one indicator we thought could be quite instructive, as that relationship often represents an employer-employee relationship. However, this study's statistical findings offer little insight in this area: a very strong majority (74.5%) of respondents report no significant change in relations between Thai and Burmese people, while the remaining respondents are almost evenly split between that relationship improving (11.8%) and that relationship becoming worse (13.6%). These figures, of course, are not sufficient to conclude that Thai-Burmese relations have in fact not changed year on year. However, they do not

prove the obverse, either. They shed little if any light on employer-employee dynamics, except to suggest that they have not deteriorated enough for this indicator to reflect as much. They may also reflect little interaction generally between these two communities.

4.5 Conclusions

This study's findings suggest the following conclusions, organized thematically as above, to be best supported by available qualitative and quantitative data. Additional sections on gender and sectoral analysis are provided here in order to spotlight the differentiated results this study has produced. See previous sections for precise percentage data.

4.5 (A) Income-Related Findings

- While income alone is not the most illuminating indicator, it is instructive nonetheless: against rising goods prices, very few migrants' wages are increasing, many migrants' wages are not changing at all, and a plurality of migrants surveyed reported an actual decline in wages.
- Secondary income-related indicators, especially declines in savings and the ability of migrants to support family members, suggest clear adverse year-on-year change. Furthermore, these indicators are likely to manifest themselves only in the long-term, such that delayed ripple effects may yet constitute the most negative impacts from the current economic cycle. Sharply reported decreases in the ability of migrants to support other family members is also evidence that remittances have declined.
- As a set of indicators, this study's income-related findings are among the clearest it has generated, such that there is significant reason to believe that income is an area where the economic downturn has hit migrants and their families very strongly, with continuing ripple effects likely to persist in the long-term.

4.5 (B) Workplace-Related Findings

- This study suggests adverse effects to working hours are likely concentrated among semi-skilled workers and employees at knitting factories, although even for skilled workers reporting higher working hours, a persistent lack of proper overtime compensation mitigates potential gains.
- Despite the particular complexity of retrenchment as an indicator, this study finds reason to believe that rising worker dismissals are likely to be a significant piece of the economic downturn's impacts on migrants and their families in Mae Sot. Almost half of this study's respondents report dismissals at their own workplaces, which supports accounts by local staff who point to dismissals as a key negative indicator.
- Taken as a whole, workplace-related indicators provide a complicated picture of the downturn's impacts. Still, though this study's quantitative findings offer little elaboration upon qualitative data from activists and staff on the ground, it is

probably that workplace-related indicators in general, and dismissals in particular, are a significant piece of the recession's adverse impacts on migrants in Mae Sot.

4.5 (C) Secondary Findings

- This study's findings on labour mobility suggest noticeable negative effects from the current economic context, including most significantly a year-on-year rise in the difficulty migrants face finding new jobs. Also, relevant data suggests few migrants who lose jobs in Mae Sot return inside Burma, while some who do return inside Burma do so to connect with a broker to go elsewhere, rather than remain in Burma.
- The only finding of any import on domestic violence was the reluctance of migrants to address this issue.
- Thai-Burmese relations have not deteriorated enough for survey results to reveal as much. However, there is significant reason to believe that employer-employee relations, which is what Thai-Burmese relations often mean for migrants, have been negatively aggravated by the economic recession, such that tensions born of long-term adversarial industrial-labour relations are likely worse now than at this time last year.
- The lack of a fluid labour market suggested by this study's findings means migrants may be facing considerably more difficulty finding safe and secure employment.

4.5 (D) Gender-differentiated Findings

- Cross-analyzing research findings by gender suggests women are more likely than men to experience negative impacts from the current economic downturn. Income is the indicator that most strongly reflects this differentiation, with women considerably more likely to report falling income than men. Secondary income-related indicators also suggest significant gender differentiation, with women again more likely to report adverse year-on-year change.
- Workplace-related findings and secondary findings also suggest variation according to gender, particularly with respect to year-on-year changes in working hours. Since factory work is the sector most likely to reflect a change in working hours compared to this time last year (see below), and because women are more likely than men to work in factories, it is not surprising that women are more likely than men to report a change in working hours. That the most-reported change is an increase rather than a decrease in working hours suggests this data set to be more representative of skilled workers than semi-skilled workers.

4.5 (E) Sector-differentiated Findings

- Cross-analyzing research findings by sector consistently suggests factory workers, and knitting factory workers in particular, are experiencing disproportionate adverse impacts from the global recession, likely due to the export orientation of

- many of Mae Sot's factories. Income-related indicators reflect this dynamic probably most clearly, while working hours as an indicator does so as well.
- Migrants working in construction, agriculture, and domestic work reveal findings less clearly differentiated by sector, though this difference may be due to the fact that this study reached fewer workers in those sectors than in factory work, since factory work is the most common form of employment for migrants in Mae Sot. However, the "other" occupation category reported findings closer to factory workers than these other sectors, suggesting the negative impacts reflected in the factory sector may be concentrated there, but probably not limited to factories alone.

PART 5

CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

Reports continue to suggest that job losses are at the forefront of the worldwide impacts of the global economic downturn⁸⁰. One forecast predicted that 2009's global unemployment levels may rise from eighteen to thirty million, with a possibility of fifty million unemployed if deteriorating conditions persist. Since construction, manufacturing, and service sectors are shouldering the greatest burdens from the downturn, it is probable that the global jobs crisis is affecting migrants and their families disproportionately—these sectors have long featured the highest levels of migrant employment⁸¹.

Nonetheless, around the world, countries continue to protect only those they consider their own: national workers. The US, UK, and Australian governments have all recently enacted mechanisms designed specifically to increase local employment opportunities at the expense of foreign migrants' opportunities. Thailand, as we have noted, is similarly exclusionary towards migrant workers. Migrants from Burma, who overwhelmingly travel to Thailand or Malaysia to seek work abroad, are seeing overseas lifelines disappear, their opportunities dwindling and fading away. All over the world, the global economic downturn has severely affected those who can afford it least—migrants working hard in places far from home, and family members struggling at home who are receiving smaller and smaller checks from abroad, or none at all.

Migrant rights activists and advocates, as well as migrants and their families themselves, are left with a troubling question. When will the world's untold millions of migrants receive the protection they deserve, protection for which they have long fought and organized?

This study argues for that protection by beginning with on-the-ground research, foregrounding new challenges for migrants that have arisen due to the global economic downturn. As an initial assessment, this study finds that year-on-year changes in the lives of migrants from Burma and their families, many of which are likely best attributed to current economic conditions, are substantial and adverse. In Chiang Mai and Mae Sot, income and income-related indicators—including falling wages, falling savings, and the declining ability of migrants to support other family members, whether in Thailand or through cross-border remittances—suggest an immediate negative impact that will be

⁸⁰ Ng, "Confront the Employment and Social Challenges in ASEAN," July 2009.

⁸¹ Azfar Khan, Rola Abimourched, and Ruxandra Oana Ciobanu, "The global economic crisis and the impact on migrant workers," International Labour Organization, April 2009.

distributed through long-term ripple effects for years to come. Labour mobility appears to be significantly down as well, with rising worker dismissals representing a further significant adverse impact.

However, not all workers are experiencing these effects evenly. Cross-analysis by gender, for example, suggests women to be bearing the burden of economic trouble more than men, particularly with regard to income, savings, and support for other family members. In Chiang Mai, quantitative cross-analysis by sector sheds little light on qualitative evidence suggesting construction workers may be feeling the brunt of the recession. But in Mae Sot, all available data suggests migrants working at factories are most likely to experience adverse year-on-year change, likely due to the heavy export orientation of the district's garment and textile factories.

Migrants themselves are not without anxiety. Zaw Min Oo, a longtime factory worker and an outreach volunteer for MAP Foundation, says, "*Before I was very proud of Thailand, because we could find good income and good jobs, and everything was okay for me. Now I am very worried. The whole world is facing this economic downturn.*"⁸² Concerns for the future, combined with strength in the face of new, compounded struggles, are at the heart of what we heard from migrants over the course of this research.

The March 2009 meeting of ASEAN Heads of State, a meeting convened specifically to address the global economic downturn, suggests troubling signs for what lies ahead. High-level attention to structural management of free-trade economic infrastructure, which constituted the nucleus of the meeting's discussion, cannot be the end of regional attempts to restore economic growth and stability. There must be meaningful and inclusive social safety net mechanisms as well. Achieving this well-balanced approach to recovery means that at regional, national, and local levels, a genuine social dialogue must take place. Will all of the relevant stakeholders at the table—not only government officials and civil society actors, but also workers and migrants themselves—we can ensure that the road to recovery is fair, prosperous, and swift.

The road to recovery cannot be for Thai citizens alone. It must also include the migrants and their families who have done so much, socially and economically, to build the Thailand we know today.

5.2 Recommendations

Living on the periphery of society, migrants' experience of the current financial turmoil will not remain limited to its immediate impacts; they will also be affected by the ripples it will bring later. Thus, the recommendations that we propose, while offered in response

⁸² Interview ID 10, Zaw Min Oo (factory worker, MAP outreach volunteer), 1 August 2009.

to the current economic situation, should not be considered merely as short-term responses, but also as long-term interventions.

Migrant workers are a part of the civil society of Thailand—and as such, when the economy is hurting, they hurt too. Policies of exclusion, and tolerance of exploitation of certain sectors of society, harm the fabric of society, creating antagonism and anger. Migrants need to be included in all aspects of civil society, including having access to special benefits and protections offered by the government in response to the economic crisis.

Migrants have been further distanced from the rescue packages by the multi-leveled restrictions under which they live. Easing restrictions would allow migrants to respond more quickly to changing daily realities—and this in turn would contribute to Thailand's economy being better equipped to deal with unstable markets.

If migrants are ignored in these critical times, their social safety nets will continue to wear thin, and community structures may break down. In order to survive, migrants have already started to look for work in other countries. This trend may increase.

In light of these conditions, we offer the following local and national recommendations.

5.2 (A) Local

MAP Foundation, on behalf of migrant workers and their families in Chiang Mai and Mae Sot, would like to request that local authorities:

- Work closely with migrant communities to ensure that living and working conditions do not deteriorate further. To accomplish this, we urge local authorities to continue to build relations with migrant communities and to include migrant communities in local services, facilities, and events.

5.2 (B) National

MAP Foundation, on behalf of migrant workers and their families in Chiang Mai and Mae Sot, would like to request that the Royal Thai Government:

- Make provisions for migrant workers to be able to contribute to and benefit from the Thai Social Security System.
- Ensure that any economic stimulus package, special payment measure, or subsidy plan benefit migrant workers without discrimination.
- Monitor and enforce the application of labour laws to ensure that legal conditions of work are respected, including minimum wage, working hours, severance pay etc. In particular, the Ministry of Labour must be vigilant in ensuring that employers do not use the economic crisis as an excuse to dismiss workers.

- Lift restrictions on travel for migrants. Migrants with greater mobility can move to where labour is needed faster and more safely and are therefore more reliable. Such mobility should include both travel within Thailand and cross border to the home country so that migrants can more easily respond to their financial situation with temporary movements.
- Pay particular attention to the integration of migrant workers and their families into Thai society. Integration can be facilitated in the workplace, at educational facilities, and in social and religious activities.
- In order to achieve integration and social cohesion, we believe that the constant threats of deportation to migrants must cease. These include not only the daily threats posed by employers, immigration, and police but also the annual threat of mass deportation at the end of every registration period. The illegal, temporary, and precarious state of being that migrants live with, and with which the local population is confronted, creates social disharmony and tension.

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