

# **Country Report**

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**Thailand**

**by**

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# **The Economy, Labour Market and International Migration in Thailand, 2005**

## **Executive Summary**

By Yongyuth Chalamwong

The Thai economy in 2005 has experienced a slow down from previous year. It was due mainly to a continued upswing of world oil prices, impacts of tsunami since late 2004, returning of bird flu, strong movement of separatist insurgency in the three southernmost provinces and severe flood in ten of provinces in the North and in the South. The growth rate of GDP in 2005 is estimated at 4.4 percent, a one- percent lower than predicted.

Thailand Development Research Institute (TDRI) predicted economic growth (at constant price) of 2006 should be around 6.2 percent as a result of the government invests Baht 1.5 trillion in Mega-projects in the next 5 years. However, it will be very difficult for Thailand to maintain its growth rate as expected when the country has to face several risk factors such as continuation of rising oil prices, bird flu, trouble in the three southernmost provinces as well as political turmoil.

In contrast, the labor market continued to perform even better than last year as one can notice from the unemployment rate dropped to lower than 2.0 percent of workforce for three consecutive years. It was contributed by improvement in economic performance since 1999, which generate growth of GDP more than 4 percent has generated enough new positions to absorb both new work force and existing unemployed workers

Thailand has been classified as a net importer of foreign workers since the country allowed illegal immigrant workers from neighboring countries to be registered in 1996. The total net migration balance in 2005 should be more than 1.5 million.

The number of legal immigrant workers who are granted permanent residence and permission to take up temporary employment under the Immigration Act of 1978 and the Investment Promotion Act increase sharply from 121,411 persons in 2004 to about 143,110 persons in 2005. These immigrants seem to increase from every country. The principal source nationalities have been Japanese, British, Indian and Chinese.

The stock of illegal immigrant workers from neighboring countries (Myanmar, Laos and Cambodia) in 2004 has been 1,512,587 when quasi amnesty was introduced that year. The flexibility and strong commitment of the government policies have encouraged the employers to register their illegal workers.

The emigration policy of the government has not changed from the previous year. It continues to maintain the existing market, and encouraging placement agencies and workers to find new markets. The trend of emigrants has slightly increased from previous year accounted for 148,596 in 2004 as compared to 147,769 in 2003. The three most active markets were Taiwan, Israel and Singapore.

Since 1998, the contribution of remittances from Thai workers abroad has some what fluctuated but on the rising trends. The volume of remittances received in 2004 reached Baht 65,124 million slightly lower than Baht 66,571 of the previous year.

Outcome of the 2005 migration policy was another year of extension of existing registered undocumented workers when registration period for illegal workers from the three neighboring countries expired in late June 2004.

After the granting period was expired in June and extended until August 2005, the number of registered undocumented workers who received work permits dropped to 0.7 million as

compared to more than 0.8 million in 2004. The reduction of registered workers is not unexpected since the government allowed only those existing registered workers in 2004 to renew their work permits. Currently, the government has been in the process of importing about 0.1 or 0.2 million workers from Laos or Cambodia to meet local demand

## **The Economy, Labor Market and International Migration in Thailand, 2005**

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### **1. Introduction**

The Thai economy in 2005 has experienced a slow down due mainly to many factors. They include a continued upswing of world oil prices, prolongation impacts of tsunami since late 2004, returning of pandemic bird flu, strong movement of separatist insurgency in the three southernmost provinces and severe flood in ten of provinces in the North and in the South. In contrast, the labor market continued to perform even better than last year as you can notice from the average unemployment rate dropped to lower than 1.5 percent of workforce. The country has continued to depend on registered undocumented workers from neighboring countries. It was 1.51 million documented in 2004 as a result of issuing of quasi-amnesty once again in late 2003. In 2005, the government has extended the existing registered workers from the three neighboring countries for another year. So far, the authorities concerned still struggle to find an effective means to manage such largest number of registered immigrants and a strong demand from local employers.

### **2. Recent trends in domestic economy and labor market**

#### **2.1 Recent Trends in the Domestic Economy**

The Thai economy grew 6.2 percent in 2004, slightly lower than the previous year. Meanwhile, the estimated of growth rate of GDP in 2005 would be only 4.4 percent. The sharp drop of the Thai economy in 2005 is due mainly to many factors. Firstly, negative impacts of Tsunami which has occurred since December 2004, has continued to be felt throughout 2005. Secondly, the eruption of pandemic Bird Flu again during 2005. Thirdly, a slowly increase in domestic demand due to sharp rising of oil prices and rising inflation. Fourthly, Flood in the north and the south and drought in the northeast have devastated impacts in property and agricultural production in ten of thousands of families in rural areas. And finally, the incidence of the separatist movement in the three southernmost provinces which claimed more than 1,100 lives and 1,600 injuries since January 2004 has not been fully controlled by the government (Table 2.1).<sup>1</sup>

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<sup>1</sup> It is believes that violence caused by four groups: the National Revolutionary Front-Coordinate (BRN-C), a separatist youth movement called Pemuda, the Pattani Islamic Mujahideen and the Pattani United Liberation Organization. Of the four groups, the BRN-C is the most active and effective.

Table 2.1 Trends of the Thai Economy, 2004 to 2006

	2004	2005	2006
Real GDP growth (%)	6.2	4.4	5.2
Inflation (%)	2.8	4.6	4.3
Exports (million baht)	3,822,794	4,393,740	4,945,115
Growth rates (%)	18.2	14.9	12.5
Imports (million baht)	3,773,153	4,743,066	5,332,895
Growth rates (%)	22.6	25.7	12.4
Balance of Trade (million baht)	49,641	-349,326	-387,781
Current Account (million baht)	265,812	-163,301	-198,524
Percent of GDP	4.1	-2.3	-2.6

Source: data in 2004 from Bank of Thailand and National Economic and Social Development Board and 2005-6 forecasted by Thailand Development Research

Another main negative factor affecting the growth rate of GDP was export. Exports both goods and services continue to perform lower than the previous year while the growth rate of imports are accelerated due to an increase in the import of intermediate and final goods and services (Table 2.1).

In addition, other economic indicator such as the current account balance shows negative sign for the first time in many years. The inflationary rate for the year 2005 expects to rise from 2.8 percent in 2004 to around 4.6 percent due mainly to the pressure from rising oil price in the world market and the government discontinues subsidizing of the diesel price since early 2004.

## 2.2 Recent trends of domestic labor market

The growth rate of GDP during the past three years was somewhat fluctuated. But continuation of improvement in economic performance around 4 to 6 percent during such period has gradually generated sufficient job positions to absorb both new work force and existing unemployed work force as indicated by signs of gradually decreasing unemployment rates every years (Chalamwong, 2004). The economy has absorbed at least 33.4 million in 2001 and increased up to 35.6 million in 2004 or increased about 2.1 percent annually<sup>2</sup>. Consequently, the unemployment dropped gradually from 2.6 percent in 2001 to 1.35 percent in 2005 (Table 2.2).

Table 2.2 The Recent Domestic Labor Market Trend

	(Thousand)		
	2004	2005	% change
Population	65,197.2	66,884.0	2.6
Labor Force	36,277.0	36,842.7	1.6
Employed (value)	35,691.2	36,302.3	1.7
- Agriculture	15,054.6	15,448.5	2.6
- Industry	7,353.2	7,350.1	0.0
- Service	13,283.3	13,503.7	1.7
Employed (share %)			
- Agriculture	42.2	42.6	-
- Industry	20.6	20.2	-
- Service	37.2	37.2	-
Unemployed			
- Value	553.0	495.8	-10.3
- % of Labor Force	1.5	1.4	-
Seasonally	32.9	44.5	35.5
Underemployed	3,677.5	4,193.4	-
Lay-offs	37.6	n.a.	-

Note: Labor Force Survey, Round 3 (July-September)

Source: Appendix Table 2.

Recently, the NSO released the number of unemployment in the third quarter of 2005. It was 495,835 persons or 1.35 percent which was 0.17 percent lower than the previous year. It is quite noticeable that workers who were previously employed in all occupations except skilled agriculture and fishery which experienced increasing unemployment comparing between 2003 and 2004. (Tables 2.2).

<sup>2</sup> The latest release of the third quarter of Employment Survey in 2005 from National Statistical Office (NSO) indicated that the economy could absorb at least 36.3 million out of 36.79 work force.

Even though, the strong economy has absorbed most of the existing and new supply of laborers, but the trends of underemployment have risen continuously from about 3.67 million in 2004 to about 4.19 million in 2005 (Table 2.2). It happens in all age groups and men outnumbered women. It is interesting to note that occupations before becoming unemployed which experiencing higher unemployment are legislators, professionals, skilled agriculture and fishery workers, plant and machine operators and elementary occupations (Table 2.3).

Table 2.3 Number of Unemployed Person by Sex, Age and Occupation

		(Thousand)		
Unemployed by		2003	2004	% change
		543.7	553.0	1.7
Sex				
	- Male	314.7	326.7	3.8
	- Female	229	226.3	-1.2
Age group				
	15-29	402.8	374.9	-6.9
	30-44	94.9	138.4	45.8
	45-59	37.5	33.3	-11.1
	60+	8.5	6.4	-24.4
Occupation before becoming unemployed				
	- Legislators, senior, officials and managers	7.7	8.7	12.7
	- Professionals	5.0	7.8	55.4
	- Technicians and associate professionals	20.4	18.9	-7.7
	- Clerks	27.6	21.2	-23.3
	- Services workers and shop and market sales workers	41.8	39.9	-4.5
	- Skilled agriculture and fishery workers	56.1	59.9	6.7
	- Craft and related trades workers	56.4	38.6	-31.5
	- Plant and machine operators and assemblers	46.9	49.8	6.2
	- Elementary occupations	64.4	72.0	11.7

Source: National Statistical Office, Labor Force Survey Round 3

### 3. Recent trends in international migration

Thailand has been classified as a net importer of foreign workers since 1996 when the country allowed illegal immigrant workers from neighboring countries to be registered openly. The total net migration balance was 0.82 million in 1996, 0.95 in 2003 and 1.51 in 2004 (Chalamwong, 2005). It was estimated that the net immigrant would increase to 1.78 million in 2005. (Appendix Table 6).

#### 3.1 Immigrants

##### 3.1.1 Documented

The number of legal immigrant workers who are granted permanent residence and permission to take up temporary employment under the Immigration Act of 1978 and the Investment Promotion Act are shown in Table 3.1. The semi-skilled and skilled workers increase slightly from 100,628 persons in 2003 to about 121,411 persons in 2004. These immigrants seem to increase from every country. The principal source countries are Japanese, British, Indian and Chinese.

##### 3.1.2 Undocumented immigrants

In general the trend of illegal immigrant workers somewhat fluctuated but on the rising since the socio-economic conditions of the three neighboring countries (Myanmar, Laos, and Cambodia) have not changed for many years (Chalamwong, 2004). The stock of illegal immigrant workers from neighboring countries (Myanmar, Laos and Cambodia) in 2005 has continued to

increase from 2004. This has to do with a renewal of existing registered illegal migrants from the three neighboring countries for another year (Table 3.2). In 2005, employers have requested to hire at least 1.88 million, increase almost 0.3 million from 2004.

Table 3.1 Number of Foreign Workers in Thailand

	(Thousand)			
	2003	2004	2005	%change 2004&2003
Immigration flow of foreigners <sup>1/</sup>	1,100,028	1,633,998	1,916,459	49
Location & Total	100,628	121,411	143,110	21
- Bangkok	49,497	57,224	63,940	16
- Other	51,131	63,987	79,170	25
Type of work permit				
- Life Long Permit	14,423	14,423	14,423	0
- Temporary	51,095	61,395	69,220	20
- Investment Promotion	19,328	21,356	23,099	10
- Section 12	15,782	24,237	36,368	54
(temporary and investment promotion)	61,881	49,895	103,318	-19
- Japan	16,736	18,875	21,007	13
- British	6,213	6,877	8,330	11
- American	4,827	5,276	6,318	9
- Chinese	5,632	6,520	9,223	16
- Indian	5,906	6,467	8,149	9
- Filipino	2,817	3,251	4,544	15
- Australian	2,397	2,629	3,106	10
- Others	17,353	n.a.	42,641	-
Number of illegal foreign workers	999,400	1,512,587	1,773,349	51
- Non-registered	711,220	n.a.	n.a.	-
- Registered	288,180	847,630	705,293	194

Note: 1/Registered Illegal Workers and Legal Foreign Workers

Source: Appendix Table 6.

The top four occupations requested by employers are construction, crops and livestock, domestic helpers and fishery and related sectors. In 2005, there are more than 100,000 registered workers in 2004 who do not show up for registration. It is not surprised because some of those registered workers in 2004 have already left their employers (and become illegal worker) or left the country. Consequently, there are still large numbers of illegal workers who are unregistered and still wandering around in Thailand. There are great job opportunities opening for those illegal worker since there have been a very large unfilled demand of low skilled workers in Thailand.

Table 3.2 Number of Alien Workers Requested by Employers, Work Permits Granted, and Unfilled Demand, 2005.

Occupation	Employer's Requested		Work permit granted		Unfilled Demand	
	Number	%	Number	%	Number	%
1. Fisheries	101,807	5.41	36,141	5.13	65,666	5.58
2. Fishery Related Workers	156,757	8.33	68,333	9.69	88,424	7.52
2. Crops and Livestock	348,047	18.5	138,149	19.59	209,898	17.84
3. Rice Milled	12,997	0.69	5,675	0.80	7,322	0.62
4. Brick Making	12,486	0.66	4,440	0.63	8,046	0.68
5. Ice Making	9,229	0.49	4,157	0.59	5,072	0.43
6. Stevedores	8,386	0.45	3,093	0.44	5,293	0.45
7. Construction	351,611	18.69	99,422	14.10	252,189	21.44
8. Mining and Quarrying	3,382	0.18	1,178	0.17	2,204	0.19
9. Domestic Helpers	190,031	10.10	104,306	14.79	85,725	7.29
10. Others	686,796	36.50	240,129	34.06	446,667	37.97
Total (2005)	1,881,529	100.00	705,023	100.00	1,176,506	100.00
Total (2004)	1,598,752	100.00	814,247	100.00	785,505	100.00

Source: Department of Employment, Ministry of Labour, December 2005.

## 3.2 Emigration

### 3.2.1 Documented emigrants

The emigration policy of the government has continued to maintain the existing market abroad. It encourages placement agencies and workers to find new markets elsewhere since 1999. The Ministry of Labour has set a target of increasing number of overseas workers but the outcome has not been satisfactory since the trend of emigrants gradually decline from 202,416 in 1999 to only 148,596 in 2004 (Chalamwong, 2005). The data on the eleven months of emigrant workers recorded by the Overseas Employment Department have reached only 128,612 indicating another year of disappointment (Table 3.3). The three most reduction came from East Asia especially Taiwan and ASEAN, especially Singapore. The main reasons have been high competition from emerging low cost countries and lower demand from Taiwan.

The unsolved excessive high cost of recruitment agencies has also shunned new emigrants. However, during the past 2 years, the government has given a high priority to problem of regulating and enforcing the unscrupulous placement agencies. The proposal of improving overseas workers security has launched by the Ministry aiming to have a better protection for the Thai emigrant workers since 2003 (Chalamwong, 2005).

### 3.2.2 Remittances

Since 1995, the contribution of remittances from Thai workers abroad has some what fluctuated but on the rising trends. In 1995, the amount was Baht 42,235 million and reached the peak in 2000, accounted for Baht 67,936 million. The volume of remittances received in 2004 reached Baht 65,124 million slightly lower than the previous year, accounted for Baht 66,575 million or equivalent to 1.6 percent of value of export, drop from 2.0 percent in 2003. . (Appendix Table 3.1)



Table 3.3 Emigration by major Destination

Destination Countries	2003	2004	% change	2005 <sup>1/</sup>
Middle East and Africa	18,407	19,240	4.53	19,803
Israel	6,327	10,611	67.7	7,843
Other	1,302	2,098	61.1	3,349
E-Asia	85,029	79,965	-5.96	63,718
Taiwan	75,849	69,982	-7.7	53,881
Others	6,450	9,983	54.7	9,837
ASEAN	29,192	27,498	-5.8	35,979
Singapore	12,480	11,338	-9.1	10,968
Others	2,531	4,627	82.8	15,337
Western	6,510	6,565	0.8	9,112
USA, Europe and Australia	3,802	4,846	27.4	7,939
Others	2,708	1,719	-36.5	1,173
Total	147,769	148,596	0.5	128,612

Note ; <sup>1/</sup>data up to November, 2005

Source Appendix table 6.

#### 4. Management of Illegal Migrant Workers

Currently, the current government administration still maintain the National Committee on Illegal Worker Administration (NCIWA), chaired by Deputy Prime Minister. The secretary and staffs of the national committee has still been the Department of Labor, Ministry of Labour, since 2004 (see Figure 1). Out of seven Sub-Committees under NCIWA, the most active sub-committee has been the “integrated management of alien worker committee (IMAW)”. The NCIWA also appointed three working groups to support its operation in 2005.

The main activity is under the responsibility of working group on study of demand for alien workers of NCIWA. The duty of this group is to assess the demand for low skilled workers by using direct questionnaire to associations and individual employers whom majority involved with hiring alien workers. Eventually it has recommended to the NCIWA to renew the existing work permits for another year.

The working group has compiled requests from employers and come up with more than 1.8 million demanded. It means the remaining registered workers were still not enough to serve rising demand of low skilled workers in various occupations. Therefore, it was proposed that the NCIWA should be seriously considered importing semi-low skilled worker from neighboring countries. The early proposal was importing around 0.1 to 0.2 million workers from Laos and Cambodia.

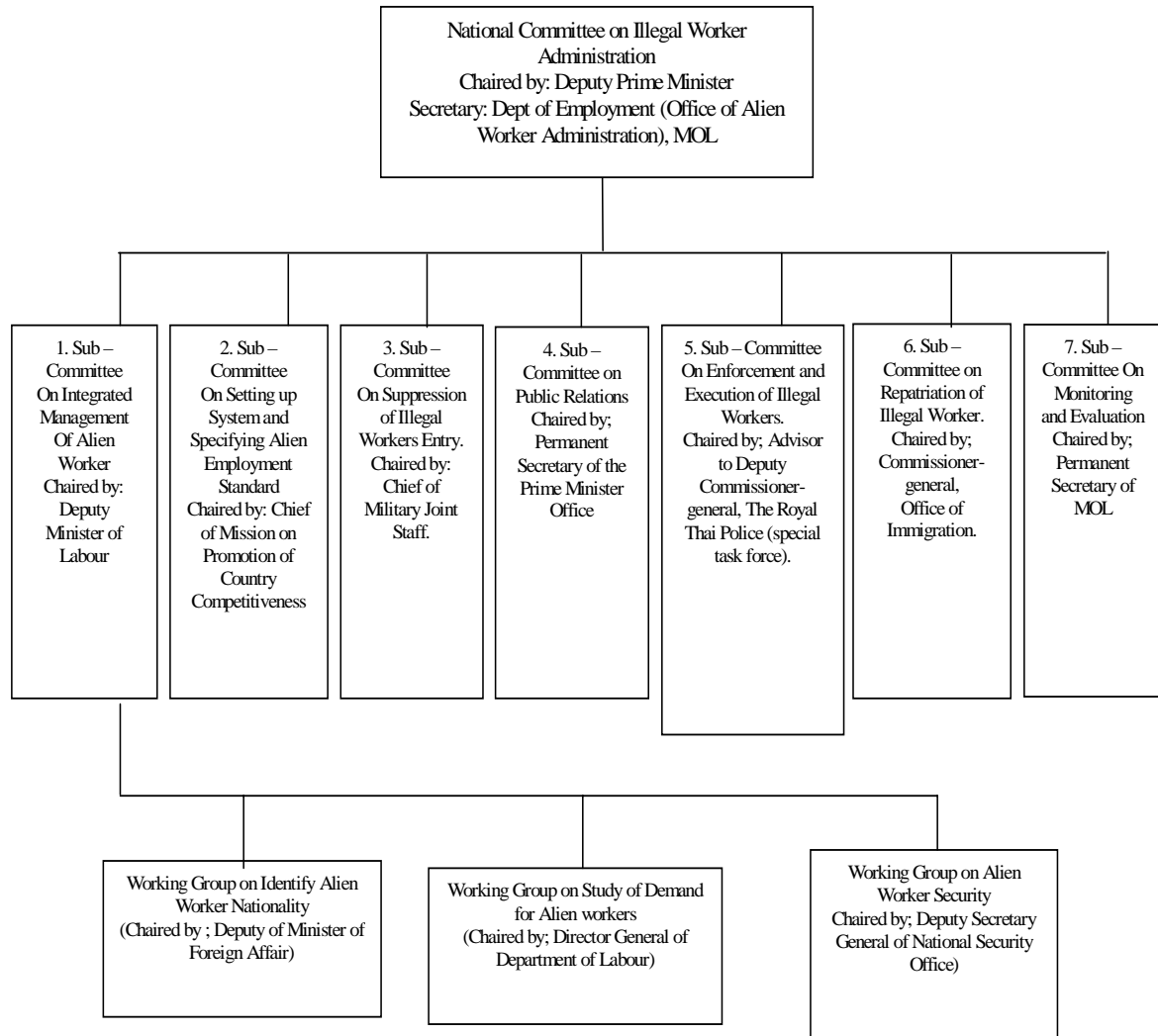
The working group on identifying nationality of workers from Laos, Cambodia and Myanmar under NCIWA has recommended the government to support groups of officials from Laos and Cambodia to continue their work in Thailand in 2005 or until achieving its targets.

The sub-committee on Suppression of Illegal Entry under Chief of military joint staff arrested and repatriated more than 96,000 illegal people from Laos, Cambodia and Myanmar in 2005 as compared to only 14,000 in 2004.

The sub-committee on Enforcement and Execution of Illegal workers chaired by Advisor to Deputy Commissioner General of the Royal Police Department has performed very well in 2005. They arrested more than 228,400 illegal workers from the three neighboring countries in 2005, almost the same number arrested in 2004. The team also arrested more than 4,773 employers in 2005, up from 3,641 in 2004.

The performance of the sub-committee on Repatriation of Illegal Workers under Commissioner General of Immigration Office has been very impressive. In 2004, there were at last 233,000 illegal workers from the three neighboring countries have been pushed back and about 226,000 in 2005 were repatriated.

**Figure 1 Committees Appointed by Office of Illegal Worker**



Note ; Unofficial translation

## **5. Outlook for Thai economy and migration policy**

### **5.1 Outlook for Thai economy**

According to Thailand Development Research Institute (TDRI) as indicated in Table 2.1, predicts economic growth (at constant price) of 2006 should be around 5.2 percent. This growth accounted for Baht 250,000 million on mega-project development in 2006. The economy continues to expand at a higher rate than 2005 as results of the country economic reforms introduced by Prime Minister Thaksin Shinawatra at the beginning of 2006. These include agriculture reform (e.g. boost yields, productivity and processing), government services and legal reform (e.g. transparency and good governance) and Thai modernization scheme (e.g. invest Baht 1.8 trillion in infrastructure mega-project program).

In addition, the key scenarios for 2006 projection of TDRI are the followings. First, the world economy should expand at slightly lower rate than the last year. Second, oil price expects to be USD 55 per barrel. As results, the export growth is projected to be 12.5 percent, a 1 percent lower than 2005 due largely to decelerated export prices and volumes. Import growth rate is also projected to be 12.4 percent.

The trade account is projected to be negative around Baht 0.38 trillion. The current account deficit should be about Baht 198 billion making it equivalent to -2.6 percent of GDP (Table 2.1). However, it will be very difficult for Thailand to maintain its growth rate as expected when the country has had to face similar risk factors as of 2005 plus new factor such as increasing short-term foreign debt.

### **5.2 Outlook for migration policy**

There are a couple of activities in which the government has initiated in 2005 and carry on until the present time.

First, a working group on A Study of Demand for Alien Workers from the neighboring countries has tried to assess the demand for alien workers base on the employers request and eventually recommended of hiring alien workers for another year. The cabinet has approved such proposal in July 19, 2005 allowing the existing registered workers to extend their work permit till June 30, 2006. About 237,455 employers have been allocated quota of registered workers for 1,773,349 workers (for details see Box 5.1 and Box 5.2).

**Box 5.1  
Cabinet Resolution  
May 10, 2005**

1. Grant permission of registered workers and followers in 2004 to be able to stay and work in Thailand until June 30, 2006.
2. Those employers and workers who already registered with Ministry of Interior but can not complete their process of receiving work permit before June 30, 2004 will be executed.
3. Those related agencies of registered workers and granted work permits in 2004 will be assigned to responsible for helping workers to convert to legal status and to receive work permits. The country can import low skilled workers from three neighboring countries which have already signed MOU with Thailand.
4. Family members of Illegal workers who already received certificate of identification (CI), also received CI can apply for Visa. Only new import workers (without follower) will be allowed to enter Thailand.
5. Assigned related organizations to issue operational rule and regulations to grant permission for daily commuter and seasonal workers.
6. Assigned the Ministry of Labor to be a core agency to report and producing illegal workers database and seeking cooperation with related agencies to set up the system.

(unofficial translation)

**Box 5.2**  
**Cabinet Resolution**  
**July 19, 2005**

1. Extension of registered workers from Myanmar, Laos and Cambodia who already received Thor Ror 38/1 but still did not complete process of work permit can find employers who already received quota from the government could stay up to August 30, 2005. Those who failed to find employer within such extended period was subject to be arrested and deported.
2. Those workers who were granted work permit in (1) and desire to work in Thailand no latter than June 30, 2006 should complete their work permit before August 30, 2005.
3. Those alien workers from Myanmar, Laos, and Cambodia who completed all requirements, namely having name in Thor Ror 38/1, having non-Thai nationality ID card, and work permit will receive special permission to stay and work in Thailand under Ministry of Interior regulation announced by June 28, 2006.
4. Those illegal entrant workers who do not belong to (3) will be strictly enforced by law and requesting related agencies which involve with servicing alien workers to set up *one stop services* center operating under following measures.
  - 1) Measure given under Immigration Act, B.E. 2522
  - 2) Measure given under Working of Alien Act B.E.2521
5. Encouraging all related agencies to import unskilled labor to fulfill local demand and speeding up management process to granting permission for daily commuters and seasonal workers.

(unofficial translation)

At the same time, the working group is considering the employer proposal asking permission to import semi-skilled workers from Laos and Cambodia for 200,000. On December 20, 2005, the cabinet approved the proposal of the Ministry of Labor and Ministry of Foreign Affair to import 200,000 low skilled workers from three neighboring countries based on existing MOU. The cabinet also allows the 300,000 illegal workers who have already resided in Thailand and waiting to be repatriated in less than 30 days to be bailed out by employers and received permission to work for one year under terms and conditions approved by the cabinet (Box 5.3).

**Box 5.3**  
**Cabinet Resolution**  
**December 20, 2005**

The cabinet approved proposal proposed jointly between Ministry of Labor and Ministry of Foreign Affair to manage the illegal workers from Laos, Cambodia and Myanmar as followed.

1. Permission of formally imports 200,000 low- skilled workers from Laos, Cambodia and Myanmar.
2. Permission of 300,000 illegal workers from Laos, Cambodia and Myanmar who are waiting to be repatriated to stay and work by following the two phases.
  - 2.1 Phase 1 for those illegal migrants who are waiting to be repatriated not more than 30 days can be bailed out by prospected employers and permit them to work for one year. Each province establishes one stop service to manage such procedure and charge following costs.
    - 1) Bailed out fee Baht 10,000 for those who have Thor Ror 38/1 and Baht 50,000 for those who do not have Thor Ror 38/1.
    - 2) Health examination fee, Baht 600; Health insurance, Baht 1,300/person/year.
    - 3) Work permit application fee, Baht 100: Work permit cost, Baht 450 if less than 3 months; Baht 900 if less than 6 months and Baht 1,800 if less than one year.

**Box 5.3 (Con.)  
Cabinet Resolution  
December 20, 2005**

2.2 Phase 2 after completing phase 1 and already set up 4 one-stop-centers in Tak province, Chiang Rai province, Ranong province, and Kanchanaburi province. The pilot project will start at District of Mae Sot, Tak province as follows.

- Employers bring their prospect employee to register.
- Fill in investigation report and employers bail out employee and pay the following costs.
  - 1) Bailed out cost, Baht 50,000.
  - 2) Health examination cost, Baht 600 and Health insurance, Baht 1,300.

Work permit application fee, Baht 100: Work permit cost, Baht 450 if less than 3 months; Baht 900 if less than 6 months and Baht 1,800 if less than one year.

(unofficial translation)

It is hoping that these numbers of import workers will be enough to replace the vacancy positions and fulfill shortages.

Second, the Sub-committee on Integrated Management of Alien Workers has requested the Department of Labor, Ministry of Labour to continue its activity to second phase of identifying the alien worker nationality. The outcomes of Laos mission has been very impressive. Up to January 2006, the Laos authorities already approved nationality and issued at least 38,000 Certificate of Identifications for Laos workers in Thailand. While the team of authorities from Cambodia, so far, have approved and issued Cis for almost 7,000 Cambodians. Currently, process of issuing CI has still far from achievement since the process was slow and costly. So far, the representative from the two countries has at least 150,000 people from the two countries to be identified their nationalities.

The Thai and Myanmar authorities have been slowly cooperated in identifying nationality of Myanmar workers in Thailand. The Myanmar authority is considering opening Processing Centers in Mau-Lamyai and Pa-an cities within Burma.

The sub-committee now is setting up *one-stop-service* system to manage daily commuters and seasonally migrants from neighboring countries (see Box 5.2).

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(Second draft, 24-01-06)

## Appendix

Table 1 Major Economic Indicators of Thailand

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Real GDP growth (percent)	5.90	-1.37	-10.51	4.45	4.76	2.14	5.33	7.03	6.20	4.40
Real GNP growth (percent)	5.39	-1.60	-11.00	5.15	6.14	1.99	5.18	6.66	6.07	n.a.
Domestic demand										
Growth (percent)	11.71	3.88	-1.52	3.68	5.86	5.93	5.20	7.49	9.35	n.a.
Percent of GDP	63.96	64.74	65.21	67.46	67.26	68.33	67.69	66.79	66.33	n.a.
Exports										
Growth (percent)	3.32	27.54	24.44	-1.47	25.21	3.95	1.36	13.74	18.20	14.90
Percent of GDP	39.25	48.01	58.88	58.30	66.77	65.96	64.68	65.65	67.43	n.a.
Current balance										
value (million of baht)	-372,159	-40,222	592,170	469,988	371,512	274,810	302,029	329,180	274,964	199,102.06
Percent of GDP	-8.07	-0.85	12.80	10.14	7.55	5.35	5.54	5.55	4.23	n.a.
value (millions of US)	-14,350	-3,110	14,291	12,466	9,328	6,205	7,008	7,965	6,640	5,056.75
Inward direct investment (millions of baht)	1,928,163	1,593,164	945,973	950,605	1,123,060	1,236,795	1,305,059	n.a.	n.a.	n.a.
Foreign direct investment (millions of baht)	57,472	117,696	209,888	134,592	115,286	172,640	44,929	77,529	33,094	20,853.40
Producer price index growth (percent)	1.78	5.13	12.10	-4.65	3.84	2.50	1.66	4.03	6.75	n.a.
Consumer price index growth (percent)	5.8	5.59	8.11	0.30	1.56	1.64	0.63	1.78	2.78	n.a.
Exchange rate (bath per 1 US )	25.34	31.37	41.37	37.84	40.16	44.48	43.00	41.53	40.26	41.07
Real GDP per person										
Value (baht)	51,990	50,702	44,925	46,468	48,339	49,046	51,273	54,356	57,300	57,967
Growth (percent)	4.88	-2.35	-11.39	3.43	4.03	1.46	4.54	6.01	5.27	1.16
Real monthly wage growth (percent)	-0.43	6.09	-6.50	-0.01	-2.37	6.51	-3.13	7.23	0.36	n.a.

Table 2 The Domestic Labor Market Indicators

(Thousand)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Population	59,450.9	60,045.3	60,649.0	61,248.4	61,856.7	62,481.4	63,001.1	63,526.9	64,062.6	65,197.2	66,884.0
Labor Force	32,669.9	32,543.6	33,339.2	33,140.8	33,018.7	33,799.6	34,487.5	34,969.6	35,310.5	36,277.0	36,842.7
Employed (value)	32,258.9	32,032.6	32,942.8	31,935.0	31,903.3	32,832.8	33,483.5	34,262.4	34,676.4	35,691.2	36,302.3
- Agriculture	16,690.7	15,996.6	16,544.6	16,311.0	15,422.5	15,971.1	15,409.0	15,799.8	15,561.3	15,054.6	15,448.5
- Industry	6,413.3	6,665.3	6,509.8	5,677.0	5,876.8	6,266.3	6,300.0	6,791.3	6,845.0	7,353.2	7,350.1
- Service	9,154.9	9,370.8	9,888.4	9,946.9	10,604.0	10,595.4	11,774.5	11,671.3	12,270.1	13,283.3	13,503.7
Employed (share %)											
- Agriculture	51.7	49.9	50.2	51.1	48.3	48.6	46.0	46.1	44.9	42.2	42.6
- Industry	19.9	20.8	19.8	17.8	18.4	19.1	18.8	19.8	19.7	20.6	20.2
- Service	28.4	29.3	30	31.1	33.2	32.3	35.2	34.1	35.4	37.2	37.2
Unemployed											
- Value	362.4	349.2	291.9	1,128.90	979.6	808.3	896.3	616.1	543.7	553	495.8
- % of Labor Force	1.11	1.07	0.88	3.41	2.97	2.39	2.60	1.76	1.54	1.52	1.35
Seasonally	48.6	161.8	104.5	76.8	135.8	158.5	107.7	91.1	90.4	32.9	44.5
Underemployed	1,599.0	1,692.0	2,974.1	2,095.5	2,376.4	2,278.8	3,276.1	3,187.6	3,447.5	3,677.5	4,193.4
Lay-offs	n.a.	n.a.	n.a.	292.8	n.a.	n.a.	104.7	56.8	43.9	37.6	n.a.

Source: National Statistical Office, Labor Force Survey Round 3 (except 2005, round 1)



Table 3 Unemployed Persons, 1995-2004

	(Thousand)										
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Unemployed by	362.4	349.2	291.9	1,128.9	979.6	808.3	896.3	616.1	543.7	553.0	888.1
Sex											
- Male	161.6	185.0	154.4	621.5	544.2	452.6	511.2	372.0	314.7	326.7	515.1
- Female	200.8	164.2	137.4	507.5	435.4	355.7	385.1	244.1	229.0	226.3	373.1
Age group											
15-29	232.3	247.8	199.0	696.7	640.1	545.9	626.5	451.8	402.8	374.9	602.5
30-44	79.4	58.1	62.2	308.1	241.0	179.0	191.7	118.9	94.9	138.4	198.0
45-59	39.9	30.9	25.7	108.0	91.0	74.5	71.8	40.2	37.5	33.3	78.8
60+	10.8	12.3	4.9	16.1	7.5	8.8	6.3	5.2	8.5	6.4	8.9
Occupation before becoming unemployed											
- Legislators, senior, officials and managers							7.7	5.9	7.7	8.7	7.9
- Professionals							10.2	9.2	5.0	7.8	10.9
- Techicians and associate professionals							26.0	15.4	20.4	18.9	17.7
- Clerks							27.8	23.5	27.6	21.2	21.1
- Services workers and shop and market sales workers							78.0	59.3	41.8	39.9	74.3
- Skilled agriculture and fishery workers							178	88.6	56.1	59.9	141.4
- Craft and related trades workers							110.6	54.5	56.4	38.6	111.6
- Plant and machine operators and assemblers							77.7	39.8	46.9	49.8	96.3
- Elementary occupations							112.7	84.0	64.4	72.0	163.7

Source: National Statistical Office, Labor Force Survey Round 3 (except 2005, round 1)

Table 4 Underemployed (less than 30 hours per week) Persons, 1995-2004

	(Thousand)										
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Underemployed by	1,599.0	1,692.0	2,974.1	2,095.5	2,376.4	2,278.8	3,276.1	3,187.6	3,447.5	3,677.5	5,233.2
Sex											
- Male	738.9	804.9	1,471.0	1,057.5	1,201.8	1,172.3	1,713.0	1,611.1	1,741.5	1,841.9	2,768.5
- Female	860.1	887.1	1,503.1	1,038.0	1,174.6	1,106.5	1,563.1	1,576.5	1,706.0	1,835.6	2,464.7
Age group											
15-29	647.7	587.2	883.6	813.0	843.5	821.7	1,081.6	1,004.4	1,028.6	1,053.6	1,523.5
30-44	410.5	491.4	1,078.3	597.9	715.4	670.3	1,062.6	954.6	1,058.5	1,142.9	1,723.8
45-59	324.7	383.9	729.6	447.4	545.8	524.1	797.1	838.2	898.0	958.7	1,388.5
60+	216.2	229.5	282.6	237.2	271.6	262.7	334.8	390.4	462.4	522.3	597.4
Occupation before becoming unemployed											
- Legislators, senior, officials and managers							124.2	100.4	113.5	146.4	254.7
- Professionals							93.9	28.7	32.9	68.7	229.2
- Technicians and associate professionals							50.4	42.9	33.4	49.0	161.6
- Clerks							49.1	14.3	16.8	22.7	121.3
- Services workers and shop and market sales workers							252.0	242.2	252.5	313.2	489.4
- Skilled agriculture and fishery workers							2,101.9	2,272.8	2,462.3	2,329.5	2,371.6
- Craft and related trades workers							190.2	164.3	171.2	224.3	589.0
- Plant and machine operators and assemblers							75.5	66.4	75.1	98.7	278.6
- Elementary occupations							338.9	255.5	289.8	425.1	737.8

Source: National Statistical Office, Labor Force Survey Round 3 (except 2005, round 1)

Table 5 Monthly wage (at current price)

(baht)

	2001	2002	2003	2004	2005
Occupation	5,995	5,847	6,384	6,396	6,726
- Legislators, senior, officials and managers	34,707	31,948	33,977	31,492	34,553
- Professionals	18,931	17,830	18,284	17,801	24,004
- Technicians and associate professionals	10,815	10,744	11,614	12,465	13,508
- Clerks	8,582	8,496	9,291	8,714	9,944
- Services workers and shop and market sales workers	5,814	5,420	5,777	5,872	6,228
- Skilled agriculture and fishery workers	2,342	2,493	2,989	2,821	3,434
- Craft and related trades workers	4,618	4,959	5,004	5,650	4,963
- Plant and machine operators and assemblers	5,255	5,471	5,713	5,834	5,795
- Elementary occupations	3,746	3,584	3,856	3,882	3,961
Industry	5,995	5,847	6,384	6,396	6,726
- Agriculture, hunting and forestry	2,352	2,361	2,775	2,657	3,006
- Fishing	4,154	4,472	5,236	4,820	4,350
- Mining and quarrying	10,830	5,587	11,997	6,893	8,117
- Manufacturing	6,395	6,217	6,643	6,904	6,839
- Electricity, gas and water supply	12,135	6,073	10,473	12,582	9,364
- Construction	4,798	5,134	5,196	5,532	4,973
- Wholesale and retail trade, repair of motor vehicles motorcycles and personal and household goods	7,039	6,846	7,158	6,976	7,681
- Hotel and restaurants	5,111	5,380	5,232	5,894	6,020
- Transport, storage and communication	8,681	9,843	10,173	10,461	10,584
- Financial inter-mediation	17,829	16,581	19,209	17,410	22,511
- Real estate, renting and business activities	9,286	10,120	9,297	10,738	10,563
- Public administration and defense, compulsory social security	7,684	10,000	38,386	28,877	25,345
- Education	9,302	8,360	10,157	8,658	14,815
- Health and social work	10,671	9,988	9,690	10,939	12,680
- Other community, social and personal service activity	8,142	5,292	6,438	6,767	8,086
- Private households with employed persons	3,748	4,140	5,033	4,718	4,356
- Extra-territorial organizations and bodies	63,651	25,584	36,110	35,783	54,275

Source: National Statistical Office, Labor Force Survey Round 3 (except 2005, round 1)

Table 6 Statistics on Migration, 1996 – 2005

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Emigration flow of nationals	183,689	191,735	202,416	193,041	160,252	157,624	147,769	148,596	128,612
- Male (percent)	88.1	83.90	81.80	80.60	85.00	84.70	83.40	81.56	83.29
- Female (percent)	11.9	16.10	18.20	19.40	15.00	15.30	16.60	18.43	17.69
- Middle East and Africa	17,662	18,128	19,250	14,443	18,724	21,744	18,407	19,240	19,803
- Saudi Arabia	1,510	1,561	1,392	1,233	1,324	1,208	953	962	808
- Qatar	1,387	887	827	391	744	1,942	1,710	1,963	2,881
- Bahrain	233	368	364	370	377	370	541	538	747
- Kuwait	994	986	917	865	1,046	1,251	1,215	1,261	1,027
- United Arab Emirates	547	1,298	1,559	1,766	1,703	2,149	1,835	1,842	1,931
- Libya	1,250	1,545	1,436	1,289	1,047	1,904	2,587	1,779	1,217
- Israel	10,780	10,644	11,940	7,617	11,256	12,458	6,327	10,611	7,843
- Others	961	839	815	912	1,227	200	2,122	284	3,349
- E-Asia	114,976	122,327	124,713	117,369	100,550	87,722	85,029	79,965	63,718
- Japan	10,106	10,790	5,278	4,767	4,972	4,453	5,037	5,857	6,278
- Taiwan	100,910	106,828	115,096	107,572	90,358	78,365	75,849	69,982	53,881
- Hong Kong	3,960	4,709	4,339	5,030	5,220	4,904	4,143	4,126	3,559
- ASEAN	49,011	45,671	54,394	56,684	36,237	38,992	29,192	27,498	35,979
- Singapore	17,770	17,069	24,525	22,989	21,351	16,251	12,480	11,338	10,968
- Malaysia	8,860	9,031	17,719	20,541	3,457	13,220	7,479	5,853	4,750
- Brunei	17,671	15,246	7,657	7,821	8,074	7,226	6,118	5,680	4,924
- Others	4,710	4,325	4,496	5,333	3,355	2,295	3,115	4,627	15,337
- western	2,040	5,609	4,059	4,545	4,741	5,161	6,510	6,565	9,112
- USA and Europe and Australia	1,238	2,624	2,208	2,501	3,070	3,140	3,802	4,846	7,939
- Others	802	2,985	1,851	2,044	1,671	1,913	2,708	1,719	1,173

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Immigration flow of foreigners	1,125,780	1,103,546	766,543	780,617	827,649	879,532	1,100,628	1,623,776	
Number of foreign workers in your own country	164,313	116,657	102,767	102,612	92,811	88,282	100,628	121,411	143,110
- Bangkok	46,703	54,520	56,637	57,927	55,367	44,410	49,497	57,224	63,940
- Other	117,610	62,137	46,130	44,685	37,444	43,872	51,131	63,987	79,170
- life Long Permit	15,291	21,853	19,361	15,988	14,895	10,935	14,423	14,423	14,423
- Temporary	42,162	48,288	49,976	52,229	41,305	45,328	51,095	61,395	69,220
- Investment Promotion	18,049	21,474	23,637	24,567	18,673	19,344	19,328	21,356	23,099
- Section 12	88,811	25,042	9,793	9,828	17,938	12,675	15,782	24,237	36,368
Number of foreign workers in your own country (temporary and investment promotion)	63,582	69,751	73,613	76,796	59,978	60,686	61,881	49,895	103,318
- Japan	10,224	11,368	13,608	13,355	14,144	13,675	16,736	18,875	21,007
- British	7,903	8,934	6,144	5,694	5,166	5,148	6,213	6,877	8,330
- American	7,128	8,023	6,090	4,683	4,185	4,099	4,827	5,276	6,318
- Chinese	5,964	6,648	5,656	5,890	5,458	4,607	5,632	6,520	9,223
- Indian	6,237	6,937	6,506	5,083	5,555	5,135	5,906	6,467	8,149
- Filipino	2,117	2,397	3,135	2,725	2,777	2,337	2,817	3,251	4,544
- Australian	2,480	2,764	2,093	2,106	1,916	2,089	2,397	2,629	3,106
- Others	21,529	22,680	30,381	37,260	20,777	23,596	17,353	n.a.	42,641
Number of permanent residents	15,291	21,853	19,361	15,988	14,895	n.a.	n.a.	n.a.	n.a.
Number of illegal foreign workers	961,467	986,889	663,776	n.a.	968,249	n.a.	999,400	1,512,587	1,773,349
- Non-registered	667,815	896,486	563,780	n.a.	405,722	n.a.	711,220	n.a.	n.a.
- Registered	293,652	90,403	99,996	99,656	562,527	428,468	288,180	847,630	705,293 <sup>1/</sup>
- Burmese	256,492	78,904	89,336	90,724	448,988	348,779	247,791	632,454	539,416 <sup>1/</sup>
- Laos	11,594	1,231	1,164	1,011	58,411	42,089	21,314	105,134	90,073 <sup>1/</sup>
- Cambodians	25,566	10,268	9,496	7,921	55,128	37,600	19,675	110,042	75,804 <sup>1/</sup>
Number of arrests of illegal immigrant	n.a.	298,480	319,629	444,636	9,788 <sup>02/</sup>	8,352 <sup>42/</sup>	n.a.	204,000	
Number of returnees	n.a.	n.a.	41,142	n.a.	n.a.	125,723	n.a.	n.a.	
Number of nationals having been repatriated	n.a.	n.a.	n.a.	n.a.	n.a.	45,997	n.a.	20000 <sup>03/</sup>	
Remittance from nationals residing abroad (millions of Baht)		58,845	40,934	67,936	55,606	59,251	66,297	65,124	

note ; 1/ Date between June and August, 2005

2/ Immigration Office Database

3/ target

Table 7 Profiles of Work Permit Granted to Alien Workers from Laos, Myanmar and Cambodia.

Occupation	Demand for Alien Workers						
	Employers	Demand		Quota		Work Permits	
	Number	number	percent	number	percent	number	percent
1. Fisheries and Related workers	9,398	258,564	14	252,401	14	104,474	15
2. Crops and Livestock	50,193	348,047	18	338,391	19	138,419	20
3. Rice Milled	913	12,997	1	12,453	1	5,675	1
4. Brick Makers	848	12,486	1	11,746	1	4,440	1
5. Ice Makers	782	9,229	0	9,128	1	4,157	1
6. Water Transport	255	8,386	0	8,229	0	3,093	0
7. Construction	13,412	351,611	19	333,862	19	99,422	14
8. Mining and Quarrying	191	3,382	0	3,178	0	1,178	0
9. Domestic Helpers	102,395	190,031	10	181,962	10	104,306	15
10. Others	61,910	686,796	37	621,999	35	240,129	34
Total	240,297	1,881,529	100	1,773,349	100	705,293	100

Note: Office of Alien Administration, Department of Labour, Ministry of Labour.

Source: Data between June 1-August 30,2005

Table 8 Distribution of Quota and Work Permits Granted by Region, 2004

Region	Quota				Work Permit			
	Myanmar	Laos	Cambodia	Total	Myanmar	Laos	Cambodia	Total
Bangkok	166,138	63,365	33,037	262,540	105,771	40,177	17,709	163,657
Central	265,509	46,647	49,859	362,015	156,874	24,815	23,840	205,529
East	71,758	25,885	110,315	207,958	34,965	15,272	53,781	104,018
West	101,652	11,629	5,547	118,828	46,685	3,850	2,105	52,640
North	226,189	7,532	1,099	234,820	129,904	3,110	944	133,958
Northeast	6,159	30,145	5,440	41,744	2,832	11,595	1,464	15,891
South	249,248	13,456	21,978	284,682	155,423	6,315	10,199	171,937
Total	1,086,653	198,659	227,275	1,512,587	632,454	105,134	110,042	847,630
Percent								
Bangkok	63.28	24.14	12.58	100.00	64.63	24.55	10.82	100.00
Central	73.34	12.89	13.77	100.00	76.33	12.07	11.60	100.00
East	34.51	12.45	53.05	100.00	33.61	14.68	51.70	100.00
West	85.55	9.79	4.67	100.00	88.69	7.31	4.00	100.00
North	96.32	3.21	0.47	100.00	96.97	2.32	0.70	100.00
Northeast	14.75	72.21	13.03	100.00	17.82	72.97	9.21	100.00
South	87.55	4.73	7.72	100.00	90.40	3.67	5.93	100.00
Total	71.84	13.13	15.03	100.00	74.61	12.40	12.98	100.00

Source: Ministry of Labour, Data up to May 31, 2005