

Cambodian Labour Migration to Thailand: A Preliminary Assessment

Working Paper 11

Chan Sophal & So Sovannarith



Cambodian Labour Migration to Thailand: A Preliminary Assessment

Working Paper 11

Chan Sophal & So Sovannarith



**Cambodia Development Resource Institute
Phnom Penh, June 1999**

Copyright © Cambodia Development Resource Institute 1999

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise—without the written permission of the Cambodia Development Resource Institute.

ISSN 1560-9197

Cambodian Labour Migration to Thailand: A Preliminary Assessment—Working Paper 11

June 1999

Chan Sophal & So Sovannarith

Cambodia Development Resource Institute

56 Street 315, Tuol Kork, Phnom Penh (Postal address: PO Box 622, Phnom Penh, Cambodia)

Tel: (855-23) 880-734 / 368-053 / 366-094 Fax: (855-23) 426-103

e-mail: cdri@camnet.com.kh / cdri@forum.org.kh <http://www.cdri.org.kh>

Editing: Michael Wills

Printed and bound in Cambodia by Japan Printing House, 74 Street 99, Phnom Penh

Contents

Abstract	i
1) Introduction	1
2) Methodology	2
2.1. Selection of Villages	2
2.2. Information Gathering	2
2.3. Qualifications	2
3) Research Findings	3
3.1. Local Context	3
3.2. Migration Issues and Changes Due to the Crisis in the Thai Economy	4
3.3. Problems Facing Migrant Labourers	8
4) Conclusion	10
Appendix One: Data on the Survey Villages	13
Bibliography	15
CDRI Working Papers	17

Abstract

The Asian financial crisis induced a decline in overall economic growth and a surge in unemployment in Thailand, Cambodia, Laos and Vietnam. The downturn in the Thai economy has had an adverse impact on thousands of migrant workers, who had been able to take advantage of job opportunities during Thailand's economic boom. An estimated 82,000 Cambodians were working in Thailand before the crisis—about the same number as the number of workers in the Cambodian garment industry, and about 12 percent of the total labour force in Battambang, Banteay Meanchey and Siem Reap provinces. Migration of Cambodians to Thailand is thus of major significance to Cambodia.

As part of a larger study of the impact of the Asian crisis on Cambodia's economy and society, this report assesses the impact of the downturn in the Thai economy on Cambodian migrants seeking work in Thailand on the basis of a rapid survey of 14 villages in Battambang province carried out in December 1998.

Cambodian Labour Migration to Thailand: A Preliminary Assessment

1) Introduction

Six research institutes from Laos, Vietnam, Thailand and Cambodia have recently been investigating the impact of the Asian financial crisis on the Southeast Asian transitional economies (SEATEs).¹ The initial results of this collaborative research revealed that the crisis induced a decline in overall economic growth and a surge in unemployment in all four countries. Specifically, the recent downturn in the Thai economy has had an adverse impact on migrant workers, who had been able to take advantage of many job opportunities during Thailand's economic boom. Little attempt, however, has been made to evaluate the impact of the crisis on Cambodian migrant workers in Thailand.

Although it is impossible to know the exact number of Cambodian migrant workers in Thailand because of the mostly illegal nature of their movement, a recent conference paper put the number at about 82,000, much lower than those from Myanmar, but higher than those from Laos (Thongpakde & Paitoonpong 1999). It is interesting to note that this number roughly matches the reported number of workers employed in the Cambodian garment industry, which is one of the fastest-growing industries and the largest employer in the private sector in Cambodia. The estimated figure also accounts for around 12 percent of the total labour force in Battambang, Banteay Meanchey and Siem Reap provinces, the home of most of the migrants (NIS 1997). Migration of Cambodians to Thailand is thus of major significance to Cambodia as far as employment is concerned. The return of Cambodian migrants following measures to protect jobs for Thai workers during the economic slump could be expected to put considerable pressure on the Cambodian economy and on the migrants' livelihoods.

As part of the larger study of the impact of the Asian financial crisis on Cambodia's economy and society, this special report assesses the impact of the downturn in the Thai economy on Cambodian migrants seeking work in Thailand. How significant is migration of Cambodian labourers to Thailand? What are the issues and problems arising from migration? To what extent did these change following the crisis? How and to what extent have the livelihoods of Cambodian migrants been affected?

¹ The Development Analysis Network (DAN), which consists of the Cambodian Institute for Cooperation and Peace (CICP) and the Cambodia Development Resource Institute (CDRI) in Phnom Penh, the National Economic Research Institute (NERI) and the National Statistics Centre (NSC) in Vientiane, the Central Institute for Economic Management (CIEM) and the Institute of Economics in Hanoi, and the Thailand Development Research Institute (TDRI) in Bangkok. Researchers from these institutes prepared papers for a conference on the *Impact of the Asian Financial Crisis on the Southeast Asian Transitional Economies*, which was held in Phnom Penh from 17–22 January 1999. A volume of conference papers will be published by DAN in July–August 1999.

These are the basic questions the current report tries to answer. The methodology used in the study is discussed in Section 2, followed by the findings in Section 3 and conclusions in Section 4. The findings in Section 3 are divided into three parts: the local context, migration issues and changes, and problems of migration.

2) Methodology

Following preliminary information gathered from a number of organisations working in Battambang in August 1998, CDRI conducted a small-scale rapid survey in cooperation with HelpAge International and Krom Akphiwat Phum.² Interviews with NGO staff and field workers in the selected villages, village chiefs and village development committees (VDCs), and migrant villagers were conducted from 21–27 December 1998.

2.1. Selection of Villages

Given time and resource constraints, the 14 villages selected for the study were limited to those covered by the programmes of HelpAge International and Krom Akphiwat Phum, which have been working in the area for at least three years. These NGOs were consulted for background information on the villages and on migration issues, and were asked to help select the villages for the study. The choice of villages was restricted to those less than two hours drive from the provincial capital of Battambang, even though more remote villages covered by these NGOs' programmes were known to have larger numbers of migrants.

2.2. Information Gathering

Information was collected through two channels. One was interviews with village chiefs, VDCs and NGO workers. This was primarily to obtain background data at village level, with the aim of collecting information on conditions in the village and reasons for migration, of recording changes in the number of migrant villagers over the past few years, and of obtaining information on general problems associated with migration.

While a questionnaire was filled out by the community worker in each village, interviews were conducted with the village chiefs and VDC members in groups using the first interview schedule. This is a variant of a participatory rural appraisal method, especially when other knowledgeable villagers were invited to join the interviews.

The other method of data collection was a survey of migrants who had worked in Thailand themselves. Around four migrant villagers were interviewed in each village using the second interview schedule.³

2.3. Qualifications

The current study should be seen as a case study rather than a statistical survey, because the size of the samples was limited. As mentioned above, the selection of villages was not entirely random because of the limited scope of the study. It was also not possible to select a random sample of individual interviewees. This was because only a limited number of villagers stayed for the interviews upon the request of the NGO workers, VDC members or village chiefs. The opportunity cost of being interviewed was 5,000 riels (what could be earned from harvesting rice in one day). Nonetheless, the sample of villagers turned out to be quite varied in terms of work experience, working periods and problems encountered in Thailand. Combined with the

² The organisations providing preliminary information were HelpAge International, the Cambodian Family Development Service, Krom Akphiwat Phum and the Battambang office of the United Nations Cambodia Office of the High Commissioner for Human Rights.

³ Copies of the two interview schedules are available from the authors on request.

interviews with village chiefs, VDCs and NGO workers, the current study does provide a reasonably broad picture of the impact of the downturn in the Thai economy on Cambodian migrant labourers.

3) Research Findings

3.1. Local Context

3.1.1. Demography and Land Ownership

The villages studied had populations of between 697 and 3,373 people, and between 126 and 604 households. On average, there were 5.6 people per household, with a minimum of 4.0 people and maximum of 6.7. Overall, the population in each of these villages had increased markedly following the resettlement of returnees from the border camps in the early 1990s. However, the total number of returnee households in the 14 villages declined from 492 in 1993 to 382 in 1999—110 had moved away due to the lack of a production base and capital. In Dak Sasar village, for instance, 200 households of returnees had joined the existing 50 households in 1992; 143 of the returnee households had remained in the village, but owned no farmland.

The village survey found that the numbers of households with no farmland had been increasing since the sale of land was permitted in the late 1980s. Of 3,795 households in the 14 villages, 1,097 households (almost 30 percent) owned no farmland in the period of the survey. Each household had been provided with a piece of homestead land and farmland by the state in the early or mid-1980s. Returnee households, however, were not provided with farmland, since it had all been distributed or sold by the time they returned. As a result, 92 percent of the remaining returnee households owned no farmland. The sale of land has increased in the 1990s, especially since the 1993 national election, as the economy has become more market driven. Landlessness is one of the major reasons forcing people to become migrant workers.

Various reasons were reported for villagers selling their land. One common reason was to recover from severe debts with extremely high rates of interest (10–30 percent per month) that poor households accumulated due to: 1) falling incomes, 2) illness, 3) increasing family members, and 4) losses in gambling. In the past few years, one more reason has been added to this list—the failure to earn sufficient income during migration trips to Thailand.

3.1.2. Agricultural Conditions

For almost all the villages studied only one rice crop is produced per year, with the average yield about two tons per hectare. Irrigation is insufficient and sometimes unavailable. The rice land is quite fertile, but still needs fertiliser to produce the higher yields needed. On average, two sacks (100 kg) of chemical fertilisers are sprayed on one hectare per season. Rice cultivation provides employment for the poor, landless and migrant workers for a few months each year. No other significant crops are produced besides rice, other than some vegetables which are grown for household consumption and to supplement low incomes.

3.1.3. Other Livelihood Strategies

People have few livelihood pursuits other than rice production. Alternatives include: gathering wild vegetables such as *trakuon*, which has become less and less available as the use of herbicides has increased; gathering wild animals such as snakes, water birds and insects (crickets, *kantea tok*⁴ and grasshoppers) to export to Thailand; and migrating to Thailand. The village chiefs in many of the villages studied often said that last year grasshoppers had helped many poor people avoid starvation.

⁴ A large water bug.

The poor in many of the villages studied have relied more heavily than in the past on gathering common resources for subsistence. As the number of household members has increased, while production or income has stagnated or even declined, the poor households have had to incur more debt, and eventually had to sell land to recover from the debt, as mentioned above. Some households viewed their land as unprofitable and therefore not worth keeping, and so they sold the land and relied on other sources of income, such as fishing, hunting, gathering wild vegetables and selling their labour. This group of people have been severely affected by the recent drastic decline in common resources due to over-exploitation in recent years. Part of the reasons for increased hunger in 1998 can be attributed to this.

3.1.4. Reasons for Migrating to Work in Thailand

All 1,467 migrant labourers in the 14 villages were reportedly either in poor or very poor households.⁵ They appear to have had legitimate reasons for migrating to seek work in Thailand. First, they had little opportunity to generate income either in their home village or in neighbouring areas. Many interviewees said that they would prefer to work in Cambodia, but that there were almost no job opportunities except in rice cultivation for a few months each year. Second, wages in Thailand are higher than in Cambodia. Daily wage rates varied from 80 to 200 baht, twice as much as wages for comparable work in Cambodia. Third, the poor villagers were inspired by the financial gains of other migrants from the village in the years before the crisis. Finally, migrating to work in Thailand was considered the only way to be able to repay severe debts.⁶

3.2. Migration Issues and Changes Due to the Crisis in the Thai Economy

3.2.1. Number and Types of Migrants

Most of the migrant households studied were poor; some were landless. Of the 40 migrant households studied, 13 households (2 female- and 11 male-headed) had no homestead land, and 23 households (1 female- and 22 male-headed) owned no farmland. Three female and eight male household heads had no schooling and were illiterate.

In some villages, residents started migrating to find work in Thailand as early as 1992. The first migrants were the returnees, who were more familiar with Thailand, owned no cultivated land, and faced low earnings. The outflow of villagers increased sharply in 1996, and peaked in the first half of 1997. This was largely due to a decline in livelihoods caused by a combination of droughts and floods in the area.

⁵ In the villages studied, the “poor” refers to those who are marginally subsistent. They tend to have small thatched houses and a small parcel of rice land. The “very poor” tend to have no farmland, cattle or other major assets. They are usually short of food for a few months each year.

⁶ For instance, it was reported that one young man in Kok Ponley village decided to migrate to seek work in Thailand to recover from a large debt. He had borrowed \$200 to pay for the promise of a job with the Cambodia Mine Action Centre (CMAC). The job was never offered and the interest accumulated. He finally resorted to migrating to Thailand in 1997, but he has never returned and there has been no news of him since. His parents were worried about him because he is the only son in the family.

Cambodian migrant workers can be divided into two groups:

- Migrants who travel to areas deep inside Thailand (long-range migrants), mainly to Bangkok and other large towns; and
- Migrants who work in farming areas along the Thai-Cambodian border (short-range migrants).

In general, the long-range migrants were the poor in the villages, but not the very poor. This is because long-range migrants need at least 3,000 baht to pay the guides who take them into Thailand. Neither the poor nor the very poor were likely to have this amount of cash in hand, but the poor often had other assets, such as animals to sell, or land to use as collateral with which to obtain loans to finance the trips. In contrast, the short-range migrants were mostly the very poor in the villages, who could not afford 3,000 baht to seek higher-wage jobs in Thailand. The villagers did not need guides to travel for farm work close to the border, but just a small amount to pay for transportation.

Although the number of long-range migrants appears to have declined as a result of the downturn in the Thai economy, the number of short-range migrants has been less affected. The total number of long-range migrants from the 14 villages fell from 605 in 1997 to 169 in 1998 (Table 1). In contrast, the total number of short-range migrants fell from 862 to 804 in the same period. Some of the long-range migrants had become short-range migrants, since it had become more difficult to find jobs deep inside Thailand during the slump.

3.2.2. Types of Work in Thailand

The short-range migrants did daily wage work for Thai farmers along the Thai-Cambodian border. Jobs included transplanting and harvesting rice, picking corn, harvesting sugar cane, weeding, and so on. Migrants did this seasonal work for shorter periods relative to the long-range migrants, and were less likely to be caught by the Thai police. There were less risks involved, and no smuggling fees to be paid, but wages were lower.

Table 1. Migration Patterns in the 14 Survey Villages

Village	Year when villagers began migrating to Thailand	Year when the largest number migrated to Thailand ¹	Number of villagers working in Thailand at some point during the year (stock) ²						Number of migrants who saved money	
			1997			1998			1997	1998
			Long	Short	Total	Long	Short	Total	Long ³	Long ³
1	1993	1996	27	50	77	0	10	10	6	0
2	1995	1997	60	50	110	16	70	86	20	20
3	1995	1997	50	30	80	0	15	15	0	0
4	1993	1997	15	15	30	0	15	15	5	5
5	1994	1996	25	20	45	10	20	30	5	2
6	1996	1997	8	10	18	0	0	0	0	0
7	1995	1996	30	0	30	13	0	13	30	0
8	1994	1997	30	17	47	15	5	20	9	4
9	1994	1996	110	60	170	12	60	72	30	2
10	1996	1997	100	150	250	20	150	170	15	2
11	1995	1997	20	250	270	5	250	255	0	0
12	1994	1997	30	200	230	20	200	220	5	5
13	1995	1996	70	10	80	50	9	59	30	0
14	1994	1997	30	0	30	8	0	8	0	0
Total			605	862	1,467	169	804	973	155	40

Notes: 1 = In all 14 villages, the largest number of migrant labourers returned home between March and July 1998. 2 = Long is long-range migrants (travelling deep inside Thailand to Bangkok and other large towns), Short is short-range migrants (working in farming areas along the Thai-Cambodian border). 3 = Almost all the short-range migrants reported being able to save money. Source: Interviews with village chiefs, VDCs and NGO workers in the 14 villages

The long-range migrants worked: 1) as construction workers, 2) as ferry porters, 3) in the fishing industry off the Thai coast, and 4) in manufacturing or food-processing firms.

The construction industry absorbed most of these migrants from Cambodia. Seventy-six percent of the migrants interviewed had worked in construction, mostly in Bangkok and other large towns. The number of migrants working as porters was the second largest, though only 5 percent of migrant interviewees (all men) had worked as porters in a number of Thai ports. Porters often had to carry heavy loads for up to 24 hours, forcing almost all to take drugs such as amphetamines (see 3.3.3. *Use of Drugs* below).

Few interviewees had worked in the fishing industry. Workers in this sector reportedly had to live on fishing boats off the Thai coast for months or even years. Similarly, few Cambodian migrants did other labour-intensive work in manufacturing and food-processing firms. Jobs in this sector included porters accompanying lorries, processed-food packers, and garment workers in small enterprises. Ten percent of migrant interviewees had done these jobs.

3.2.3. Prospects for Finding Work

Before the crisis in the Thai economy, the migrants said that they could find work easily, including overtime work, and that they worked almost every day. However, job prospects changed drastically after late 1997, when the crisis began to affect the Thai economy. The 54 long-range migrants found jobs easily on only 40 percent of the trips made between July 1997 and December 1998, compared with a success rate of 88 percent before July 1997 (Table 2).

Table 2. Changes in Prospects of Finding Work and Securing Payment

	Before July 1997	July 1997 to December 1998	Total
Number of Journeys			
Number of journeys	33	48	81
in which jobs were easily found	29	19	48
in which jobs were not easily found	4	29	33
in which more than half of payments were not provided	7	28	35
Percentage of journeys			
Percentage of journeys	100	100	100
in which jobs were easily found	88	40	59
in which jobs were not easily found	12	60	41
in which more than half of payments were not provided	21	58	43

Source: Interviews with 54 migrant labourers in 14 villages

Construction workers were most severely affected. Migrant interviewees reported that in 1998 they had seen a large number of buildings in urban areas left unfinished or unsold, and construction of few new buildings beginning. At the same time, construction companies were faced with a reduced supply of construction materials due to the credit crunch in Thailand. There was therefore much less construction work available relative to before July 1997.

Availability of other jobs, such as those in farming, fishing and the garment sector, did not decline. Work for porters was still available, suggesting a mild impact of the downturn on the trade in Thailand's primary trade goods, such as rice, cement and sugar.

Early 1998 also saw implementation of a policy to return illegal foreign labour migrants to their home countries.⁷ Most of the Cambodian migrants were sent back home in early 1998.

⁷ Thongpakde and Paitoonpong (1999) note that the Thai government implemented an "immigrant workers replacement policy" in early 1998, and had deported 179,649 illegal migrant workers by May

Some tried to go back to their previous employers after the 1998 national election, but the employers would not accept them because of the strict policy implementation. In addition, many companies in Thailand started to lay off workers. According to the interviewees, only about 50 percent of workers, mostly Thais, remained in work.

3.2.4. Wage Rates and Disbursements⁸

The long-range migrants received higher wages than those who worked in farming areas along the Thai-Cambodian border. The average wage for a migrant construction worker was 140 baht per day, whereas that of a farm worker was only 80 baht. In addition, all the migrant workers except porters were provided with accommodation. The porters had to rent accommodation, which cost 230–300 baht per month for each person (four or five porters usually rented one room in order to save money).

Other than low wage disbursements (more than half of all payments due were not provided), there have been no changes in the wage rates of migrant labourers in the wake of the financial crisis. The wage rates earned by migrants varied according to the type of work and their skills. They were, however, 30 to 50 percent lower than those for Thai workers.⁹ A farm labourer could earn 80–100 baht per day.

The daily wage rate for a nine-hour working day for construction workers was 100–180 baht, depending on the worker's skills. Overtime from 7 pm until midnight was paid at the same rate as one full day of work. Porters could earn from 200–260 baht per day, depending on the amount of work done. Unlike other workers, porters received their wages at the end of each day. For fishing jobs, a migrant worker was paid 4,000 baht per month plus meals, but had to work almost 18 hours per day. For jobs in manufacturing and food processing, a migrant worker had to work eight hours a day to earn 120–240 baht.

These were the rates migrant workers were supposed to receive. However, workers did not always receive their earnings in full, especially after the crisis. As the migrant labourers were often working illegally, they were subject to cheating by their employers. Of the total 81 journeys made by 54 long-range migrants, full payment of wages was made in only 42 percent of cases in the period after the crisis (July 1997 to December 1998), compared with 79 percent in the period before the crisis. The one exception to this was the porters, who received their wages each day, and did not report any difficulties.

The respondents cited four main reasons for the significant increase in failure to receive full payment for work after the crisis. First, many Thai banks were short of cash or were slow to release cash to the construction companies. As a result, wage disbursements for workers were delayed for between one and three months. This caused many workers to distrust their employers. Sometimes when they were not paid for the work they had done in the past three months, the migrant workers would leave to look for other employers, but might experience the same thing again. Second, some construction companies went bankrupt and left workers unpaid. Third, some companies reduced their workforce by about 30 percent, and some supervisors stole the wages of migrant workers. Finally, the Thai government implemented an “immigrant workers replacement policy,” which resulted in most illegal workers being sent back to their home countries.

1998. However, the policy has since been relaxed, after Thai employers argued that Thai workers were not willing to take up “arduous and risky” jobs with low pay (often less than one half of the wages paid to Thai workers).

⁸ It is estimated that migrant workers in Thailand sent home \$1 billion per year before the crisis, while Thai employers gained \$2 billion per year from cheap migrant labour (Thongpakde & Paitoonpong 1999).

⁹ For instance, a Cambodian male construction worker received 100–200 baht per day, while a Thai worker received 200–300 baht for the same work.

3.2.5. *Future Prospects for Migration*

The migration of Cambodian villagers to Thailand depends on two factors: the state of the Thai economy and local earning opportunities in rural areas in Cambodia. Of the 54 long-range migrants interviewed, only 15 had decided not to migrate to Thailand again; 20 were still going to areas deep inside Thailand, and the other 19 were either not sure about returning or had decided to wait for better conditions in Thailand before doing so. Some had stopped going deep into Thailand, and instead went to work in farming areas along the Thai-Cambodian border. However, many said that they would prefer to stay in their villages if they could earn about 4,000 riels a day.

The migrants who have returned to find work in areas deep inside Thailand since the 1998 national election have rarely sent money back to their families in Cambodia, reportedly due to the increased cheating and decreased work opportunities. Their relatives speculated that they could not even earn enough money to return home.

Nonetheless, villagers will continue attempting to migrate to work in Thailand due to the scarcity of earning opportunities at home. Earning prospects in agriculture have declined from year to year, as more large-scale farmers have been able to afford modern machinery, and as the population, especially the landless, has grown markedly. Most migrant households explained that local farming could employ them only for one or two months during the transplanting and harvesting season. Moreover, common resources have been increasingly exploited and hence become less available for the poor farmers. In Tumpong village, for instance, it was reported that villagers could catch 6–10 kg of fish per day about three years ago, whereas in 1998 they could catch only a maximum of 3 kg per day. In addition, almost all the lakes near the village in which the villagers used to catch fish have been monopolised by big businesses.

3.3. *Problems Facing Migrant Labourers*

3.3.1. *Smuggling Fees and Cheating in Thailand*

To reach job sites inside Thailand, either in Bangkok or other towns, each migrant had to pay 3,000 baht or more to guides. This is a significant amount of money to the rural poor. To be able to afford this, most migrant villagers had to sell major assets such as cows or pigs, to mortgage their land, or to take loans at extremely high rates of interest (10–30 percent per month). Of the total 81 journeys, 60 were financed by loans from local moneylenders.

Labour migration was not only expensive, but often also illegal and risky. A number of interviewees reported being cheated by their guides. The guides sometimes led the migrants to somewhere close to the border and then abandoned them. The migrants were then arrested and beaten before being imprisoned for up to several weeks. Subsequently, they returned home empty-handed and in serious debt, from which it was almost impossible to recover without selling major assets.

It was also reported that several other migrants had been “sold” by the Cambodian or Thai guides to their Thai employers. When working they were provided with only 30 baht per day, enough for minimal subsistence. At least one of the migrants interviewed had experienced this kind of cheating. Another migrant had worked for four months on a fishing boat off the Thai coast only to return home empty-handed. According to this interviewee, migrants working on fishing boats were asked to sign one-year contract, with their annual pay to be disbursed at the end of the contract. The workers were then provided with meals but had to work for around 18 hours per day. After working for about four months, most migrant workers on the ship, which never came to the shore, realised that they were unlikely to be able to return home. In the villages studied, it was commonly believed that some of these workers would be used and then dumped at sea.

The case of illegal construction workers is also problematic. Migrant construction workers normally received only 15 days of wages for 20 days of work. Their supervisors kept the wages for the remaining five days, with a promise to disburse the wages when the construction was completed or when the workers wanted to leave. In practice, however, the supervisors rarely paid this amount. Moreover, in the two or three months before completion of the building, the supervisors often paid the workers only 30 baht per day, and then sometimes disappeared with the rest of the workers' wages and accumulated savings. Having learned this, experienced workers often left projects before completion. New migrants were therefore more likely to be cheated.

This kind of fraud on the part of Thai employers also affected migrants working in the manufacturing industry. It was reported that some employers would call the police to arrest their illegal migrant employees when wages were due to be paid. It was believed that by doing this, the Thai employers ended up paying less to the police than they would have done to the workers.

Being cheated by either guides or their Thai employers not only caused the migrant labourers to lose potential earnings, but also caused their debts and vulnerability to increase. First, loan interest rates are extremely high. Although interest on paddy rice credit was considered to be relatively low, it was still 100 percent over one season. Second, members of the poor migrant households had to borrow paddy rice to meet their consumption needs while waiting for money to be sent home by their relatives working in Thailand. The outstanding cash debt, plus the paddy rice debt, forced a number of migrant households to sell land and other assets simply to repay the loans and interest. Of the 37 households covered by the survey, nine had sold their land or cows, and 17 were in serious debt due to the failure of their attempts to find work in Thailand.

3.3.2. Threat of Arrest by the Thai Authorities

As most of the migrants were working illegally, they were subject to harassment and arrest by the Thai police. Of the 63 short- and long-range migrants studied, 18 had been arrested by the Thai police and imprisoned for between two weeks and three months. Another 11 migrants had been arrested and held for two to three days by the Thai police near the border when they were returning home. They reported that all their valuable belongings were confiscated, and they were only left with 100 or 200 baht to travel back home. In some cases, it was reported that the Thai border police beat the men and raped the women migrants.

Tougher implementation of the "immigrant workers replacement policy" in 1998 worsened the situation of the migrant workers. Efforts to arrest illegal migrants led to longer working hours and less work for the migrants. This resulted in a reported increase in the number of female migrants being raped by men, on whom the women relied for protection at night.

3.3.3. Use of Drugs

Most of the migrant porters, including a few women, were reported to have taken drugs (amphetamines) to be able to carry out hard and heavy work, which could continue for up to 24 hours.¹⁰ This practice had not changed, despite a strict ban on drug use implemented by the Thai police. It appeared that Thai employers could reduce the cost of using the ports significantly by demanding that the workers speed up the work of loading and unloading.

¹⁰ One interviewee reported that, because he desperately needed money, he took a pill which cost 100 baht. The drug allowed him to work for 24 hours with no rest or food, which enabled him to earn 1,800 baht. He was not hungry while working, but was extremely thirsty; while under the influence of the drug he felt that a 100-kg sack was small and light. After working continuously for 24 hours, he was exhausted and found it hard to breathe for a couple of hours. After a further half-hour, he felt very hungry.

Consequently, the porters were required to work 24 hours per day. They could not avoid using drugs if they needed to undertake this kind of work.

Some interviewees reported that the employers put drugs in the water that the porters drank. When the porters become addicted, they had to buy the drugs themselves. The price of one pill varied from 70 to 140 baht depending on its quality. According to the respondents, there was evidence that after one year of intensive drug use, users became mentally unstable and physically weak. At least one migrant household interviewed had lost one family member, who died in Bangkok after taking too many drugs while working as a porter. The interviewees who had consumed drugs themselves reported no serious problems, however, and said that they had managed to recover from being addicted.

Interviewees who had been construction workers reported that they had used eight packets of a medicine called “yakhamchai” (used to treat headaches) and four bottles of a soft drink branded “Two Bulls” to raise their energy enough to work 24-hour days as required. This kind of energy stimulation was used especially for overtime work, which was often done at night.

3.3.4. Problems in Cambodia

The migration discussed in this study also had a negative impact on migrants’ home villages in Cambodia.

First, dependants, such as children and the elderly, were left alone while the migrants were in Thailand. These families depended on the earnings of the parents for their living, and were therefore left in a precarious situation because there was no-one to take care of them at home, and because the parents’ work in Thailand was full of risks. In addition, some young female migrants came back from Thailand as single mothers with new-born babies. These babies were also left to the care of parents or the elderly.

Second, failure to earn money in Thailand caused the situation of the migrant’s household to deteriorate. As mentioned above, migrant workers come from in poor households in the villages. If they were not able to make money from their expensive and dangerous trips to Thailand, they were left in a worse situation. Some of the migrants had sold all of their production assets.

Third, the development planning and programmes of the NGOs working in the villages were disrupted by the large movement of the local population or the target groups for the programmes. From the point of view of the NGOs and VDCs, the migration of villagers to Thailand reduced participation in development programmes. Plans had to be changed because some of people in the target groups had migrated to Thailand. Moreover, several poor villagers used the credit provided by the NGOs to finance their trips to Thailand, which was not the purpose of the credit programme.

4) Conclusion

This study indicates that labour migration of Cambodians to Thailand has been significant for the Cambodian economy over the past few years. Despite its mostly illegal nature, it has provided employment and earnings to a large number of the poor in Cambodia, especially in the provinces bordering Thailand. The study has also revealed that the crisis in the Thai economy has contributed to the deterioration of livelihoods of Cambodian migrant workers, through both a decrease in work available and an increase in cheating in Thailand.

The pattern of migration in the 14 villages studied was attributed both to poor local economic conditions and to the boom in the Thai economy in the mid-1990s. Some poor people who had little opportunity to generate earnings in their home villages began to migrate to Thailand for work. These groups, who were mostly returnees from the border refugee camps,

were gradually followed by others who faced worsening livelihoods and who were inspired by the financial benefits made by some of the earlier migrants.

The drastic downturn in the Thai economy since late 1997 resulted in a large reduction in the number of jobs available for migrant workers. In addition, the subsequent policy of the Thai government to replace foreign workers not only led to a huge return of migrants, but also made migrant workers more susceptible to harassment and arrest by the Thai police. More seriously, more than half of those that remained were not paid, either as a result of being cheated by their employers or the collapse of Thai companies. Overall, the downturn in the Thai economy has increased the vulnerability of Cambodian migrants and resulted in increased debts for cheated migrants.

Apart from the specific problems caused by Thailand's economic crisis, the migrants are faced with a range of constant problems. They are subject to being cheated by their guides and Thai employers, and also faced with being forced to take drugs in order to gain employment. Moreover, the migrant workers face the risk of harassment and arrest by the Thai police, and of sexual misconduct between male and female migrant workers. Back in their home villages, the migrants' children and elderly relatives are left without household heads to provide immediate care. Moreover, NGO programmes are disrupted by the unexpected lack of participation and the knock-on effects of the failure of poor migrant villagers to make enough money during their trips—those who are not successful in their migration end up worse off and in severe debt, giving rise to poverty in the local economy.

In spite of these problems and the adverse impact of the economic crisis, many of the interviewees still believe that migrating to Thailand is a risk worth taking. Only 15 out of 63 reported that they had decided not to return to seek work in Thailand. Others were either still migrating, or were waiting for better conditions in Thailand before doing so. Although they would prefer to stay and work in their home villages, the migrant labourers were not hopeful that there would be sufficient earning opportunities in local areas, where common resources have been either being over-exploited or privatised, and the number of landless people is on the increase.

Bibliography

Chan Sophal, Toshiyasu Kato, Long Vou Piseth, So Sovannarith, Tia Savora, Hang Chuon Naron, Kao Kim Hourn & Chea Vuthna (1999), “The Asian Financial Crisis and the Southeast Asian Transitional Economies: The Cambodian Perspective,” paper presented at the *Regional Conference on the Impact of the Asian Financial Crisis on the Southeast Transitional Economies (SEATEs)*, held in Phnom Penh on 21–22 January 1999

Nattapong Thongpakde & Srawooth Paitoonpong (1999), “The Impact of the Asian Financial Crisis on the Southeast Transitional Economies (SEATEs): Thailand Country Paper,” paper presented at the *Regional Conference on the Impact of the Asian Financial Crisis on the Southeast Transitional Economies (SEATEs)*, held in Phnom Penh on 21–22 January 1999

NIS (1997), *Socio-Economic Survey of Cambodia 1996* (Phnom Penh: National Institute of Statistics) Vol. 2

CDRI Working Papers

- 1) Kannan, K. P. (November 1995), *Construction of a Consumer Price Index for Cambodia: A Review of Current Practices and Suggestions for Improvement* (Working Paper No. 1) (out of print)
- 2) McAndrew, John P. (January 1996), *Aid Infusions, Aid Illusions: Bilateral and Multilateral Emergency and Development Assistance in Cambodia, 1992–1995* (Working Paper No. 2) (out of print)
- 3) Kannan, K. P. (January 1997), *Economic Reform, Structural Adjustment and Development in Cambodia* (Working Paper No. 3) (out of print)
- 4) Chim Charya, Srun Pithou, So Sovannarith, John McAndrew, Nguon Sokunthea, Pon Dorina & Robin Biddulph (June 1998), *Learning from Rural Development Programmes in Cambodia* (Working Paper No. 4) \$7.50
- 5) Kato, Toshiyasu, Chan Sophal & Long Vou Piseth (September 1998), *Regional Economic Integration for Sustainable Development in Cambodia* (Working Paper No. 5) \$6.00
- 6) Murshid, K. A. S. (December 1998), *Food Security in an Asian Transitional Economy: The Cambodian Experience* (Working Paper No. 6) \$9.00
- 7) McAndrew, John P. (December 1998), *Interdependence in Household Livelihood Strategies in Two Cambodian Villages* (Working Paper No. 7) \$9.00
- 8) Chan Sophal, Martin Godfrey, Toshiyasu Kato, Long Vou Piseth, Nina Orlova, Per Ronnås & Tia Savora (January 1999), *Cambodia: The Challenge of Productive Employment Creation* (Working Paper No. 8) \$9.00
- 9) Teng You Ky, Pon Dorina, So Sovannarith & John McAndrew (April 1999), *The UNICEF/Community Action for Social Development Experience—Learning from Rural Development Programmes in Cambodia* (Working Paper No. 9) \$4.50
- 10) Gorman, Siobhan, with Pon Dorina & Sok Kheng (June 1999), *Gender and Development in Cambodia: An Overview* (Working Paper No. 10) \$6.00

Cambodian Labour Migration to Thailand: A Preliminary Assessment

The Asian financial crisis induced a decline in overall economic growth and a surge in unemployment in Thailand, Cambodia, Laos and Vietnam. The downturn in the Thai economy has had an adverse impact on thousands of migrant workers, who had been able to take advantage of job opportunities during Thailand's economic boom. An estimated 82,000 Cambodians were working in Thailand before the crisis—about the same number as the number of workers in the Cambodian garment industry, and about 12 percent of the total labour force in Battambang, Banteay Meanchey and Siem Reap provinces. Migration of Cambodians to Thailand is thus of major significance to Cambodia.

As part of a larger study of the impact of the Asian crisis on Cambodia's economy and society, this report assesses the impact of the downturn in the Thai economy on Cambodian migrants seeking work in Thailand on the basis of a rapid survey of 14 villages in Battambang province carried out in December 1998.

Chan Sophal and So Sovannarith are Researchers at the Cambodia Development Resource Institute. Chan Sophal is currently pursuing postgraduate training in agricultural economics. So Sovannarith has postgraduate diplomas in agricultural extension and training.

CAMBODIA DEVELOPMENT RESOURCE INSTITUTE

\$ 3.00

56 Street 315, Tuol Kork, Phnom Penh, Cambodia
(Postal address: PO Box 622, Phnom Penh, Cambodia)
Tel: (855-23) 881-701 / 881-916 / 881-384 Fax: (855-23) 880-734
e-mail: cdri@camnet.com.kh website: <http://www.cdri.org.kh>