

What are the perspectives of university students in Cambodia toward free flow of skilled labour within ASEAN Community?

Adviser: Dr. Peou Chivoin

Members:

Mr. Kao Sokheng  
Ms. Ly Sokcheng  
Ms. Ny Rithyhelen  
Mr. Ork Sokheng  
Mr. Tang Chheangly  
Ms. Thai Panhchaleak

February 09, 2016

## Contents

1. Topic.....	3
2. Title.....	3
3. Introduction.....	3
4. Literature Review.....	3
5. Research Question.....	5
6. Research Methodology.....	5
7. Findings.....	6
8. Conclusion.....	9
References.....	10
Appendix.....	11

- I. **Topic:** The free flow of skilled labour within ASEAN.
- II. **Title:** The perspectives of university students in Cambodia toward the free flow of skilled labour within ASEAN.

### **III. Introduction:**

On 31 December 2015, the economic integration has been accelerated in ASEAN region. Despite a goal to become a competitive economic region, the blueprint also aims to achieve a single market and production base which realizes the free flow of skilled labour. The free flow of skilled labour has been viewed as a critical turning point for future careers of Cambodian university students. Several concerning issues are comprising both society and individual, such as limited number of students attending in higher education, unsystematic and theory-based teaching style and uncertainty in choosing university majors of Cambodian students. As the number of young people who can pursue university education is limited, plus the university education system is not systematic, the free flow of skilled labour in the integration are providing both opportunity and challenges. This brings our attention to conduct this research study.

### **IV. Literature Review:**

In order to fully understand opportunities and challenges brought by ASEAN Economic Community footprint: the free flow of skilled labor to university students in Cambodia, it is worth reviewing existing research studies of how university majors are linked with the ASEAN job market demands after its 2015 integration, especially from the Cambodian perspectives.

#### **ASEAN Economic Community (AEC): Free Flow of Skilled Labor**

At the 12<sup>th</sup> ASEAN Summit in January 2007, leaders of 10 ASEAN countries affirmed their strong commitment to accelerate the establishment of an ASEAN Community by 2015 as envisioned in the ASEAN Vision 2020. The establishment of AEC is intended as a mean to enhance the competitiveness of the ASEAN region, to boost economic growth, to reduce poverty and to improve the living standard of the ASEAN countries (Hadi S., 2008). Thus, ASEAN will become a single market and production base that characterized by the free flow of goods, free flow of services, free flow of capital and free flow of skilled labor (Ministry of Commerce, 2010). The integration provided both opportunities and concerns to Cambodian students, especially those whose majors are relating to the 8 jobs lists in free flow of skilled labor.

To better understand the issue about the opportunities and challenges of the AEC, Dr. Geovanni Capannelli, a principal economist working at the Central and West Asia Department of the Asian Development Bank, conducted a working paper on "The ASEAN Economy in the Regional Context: Opportunities, Challenges, and Policy Options". Within this working paper, he mainly suggested that the ASEAN needs an ambitious plan for economic integration beyond the ASEAN Economic Community, which is launched in 2015. In this working paper, he has found out that there are four main challenges for ASEAN economy identified by the ADB study (Geovanni C. 2014). The first challenge stresses on the promoting competitiveness of the innovation which is resulted by the emergences of People Republic of China, India, and the other regional markets. This simply means that the market competition in ASEAN was strongly challenged comparing to other regional markets. In addition, the second challenge was maintaining stable macroeconomic and financial condition. The exchange rate and the inflation rate in the ASEAN region remained

unstable which could affect the trade of the ASEAN with other regions. Moreover, the third challenge was the protection of the environment. There should be a proper management over the natural resources in the ASEAN region to ensure the sustainable development within the whole region. Last but not least, the ASEAN has to support the equitable growth which required the achievement of economic growth that is fairly distributed.

Another existing study shows that Cambodian students into university study with less knowledge about free flow of skilled labor tend to be unprepared themselves for the upcoming challenges, resulting them become more sufferers than benefitters from the competition. One research study carried by Dr. Chivoin Peou (2015) finds out that Cambodian students aim to improve employment prospect through taking double degrees. In most of the cases, students choose to study for two ‘complementing’ degrees, usually one in English language due to the rising importance of English skills in labor market, and another one in what they often called a ‘real major’ or ‘real specialism’, such as accounting, economics, architecture, international relations and the like. Positively, multi-skills provide Cambodian more opportunities to compete with other ASEAN nationals. However, the research also found out that the current higher educational institutions offer degree programmes of doubtful quality, making two degree students appear to be less qualified comparing to skilled workers from other more developed countries, such as Singapore and Malaysia. Similarly, a joint study between ILO and ADB in 2014 reported that demand for high-skilled workers will increase. By 2015 high skill jobs are projected to grow by 41 per cent, or 14 million, (medium skilled jobs will grow by 22 per cent or 38 million and low-skilled by 24 per cent or 12 million). However, the report predicts that skills shortages and skills mismatches are likely to worsen, due to inadequate availability and quality of education and training.

This research study illustrates the understandings of university students in Cambodia on the free flow of skill labour, which are very essential to the progress of the free flow because students are the forces to generate this plan and the mean to realize single market and production base of ASEAN. This research paper enables students and readers to understand the perspectives and real life experiences of university students on their self-preparation, what they see as challenges, opportunities and what they have done and lack of in term of preparation. It helps readers to realize weaknesses and strengths of university students in Cambodia, not to mention, it encourages all individuals involved such as students, lecturers, and government to minimize the weaknesses and improve the strength since it has been addressed very clearly in the paper. In addition, it can be used as future source for other researchers and students to look up for information or existing knowledge in the same field of their interests to use as literature review or any other academic purposes.

### **The Free Flow of Skilled Labor: Definitions**

“Skilled Labor” as defined in Farlex Financial Dictionary (2012) is “*the ability to perform a specific task or occupation*”. Similarly, Collins English Dictionary gives definition to skilled labor as “*labor or work that demands skill and which you usually have to be trained for, or the workers that provide this labor*” For example, a locksmith has the skill to make new keys for customers' homes and cars. Other examples of skilled laborers include carpenters, mechanics, graphic designers, and so forth. Skilled labour are often more highly paid than unskilled labour. According to Thai Visa Forum (2013), the free flow of skilled labor refers to “*mobility of natural persons who can supply specific skills needed in another country*”.

The member nations are aiming to increase the mobility of labor within the ASEAN region by facilitating the issuance of visas and employment passes for professionals and skilled labor.

Undoubtedly, skilled labor mobility is essential for effective implementation of services liberalization and FDI liberalization as well as a goal in itself for deeper economic integration. In the AEC, the formation of the ASEAN Community would pave the way for the free flow of skilled labor in eight professions, comprising doctors, dentists, nurses, engineers, architects, accountants, surveyors and tourism service providers. Skilled workers and professionals are expected to flow into the Kingdom, especially from Singapore, Malaysia, Brunei and the Philippines. Service careers such as nursing and dentistry are expected to see particular movement, resulting in high competition in the local workforce. Prof. Dr Jörn Dosch from CIMB ASEAN Research Institute (CARI) said “The AEC will not open national borders to facilitate the free flow of labour but will instead focus on free entry of professionals,” He also added that “to achieve the limited cross-border flow of labour in the region, mutual recognition arrangements are in place or being negotiated for skilled professionals to cover eight professions.”

**V. Research Question:** What are the perspectives of university students in Cambodia toward the free flow of skilled labour within ASEAN Community?

**Sub-research Questions:**

1. What are the understandings of university students about the free flow of skilled labour within ASEAN Community?
2. What opportunities and challenges are the free flow of skilled labour providing in Cambodia?
3. What and how are university students preparing for the free flow of skilled labour?

**VI. Research Methodology:**

**Sample:**

- The research seeks to interview 15 university students who are currently studying in major relating to 8 sectors in the free flow of skilled labour. Respondents are screened based on 3 criteria. Firstly, respondents are junior or senior students studying in one of the 8 majors relating to the 8 sectors because university education for freshmen and sophomore students in Cambodia focuses more on the foundation knowledge of each specialization. Secondly, because this recruitment is purposive, each respondent must have general knowledge of ASEAN. Thirdly, the research interview is designed during the mid-semester, the respondents are required to have available time for around 20 minutes in interviewing.
- Respondents are recruited through members' networking in various universities. This approach generates the bulk of respondents for interview. The research also employs the snowballing recruitment technique. At the end of the interview, each respondent is asked whether they know anyone else who is studying in any focused majors and has knowledge relating to ASEAN. Where possible, referrals are followed up by the research team.

**Data Collection:**

- Data of the study is collected through face-to-face interview in parallel session. This means the team is divided into 3 small groups and each group of 2 interview a respondent at the same time, averaging 20 minutes. This allows one person in each pair to keep the interview space private and to conduct on-site review of the interview.
- Interview will be conducted using open questions which allow respondents to expand their answers and provide additional information that might be relevant to the research. All

questions are designed in English. This is conducted in a confidential setting at or near respondents' universities. With respondents' permission, the interview can be audio recorded.

### **Data Analysis:**

- Data from the interviews is analyzed using qualitative method. The frequency of responses is recorded and this data is presented in the finding to give a sense of collective perspectives across the sample.
- However, due to the sample size of the respondents is small and the interviewees are not experts in ASEAN as well as the free flow of skilled labour, it is not possible to extrapolate findings from the data to generalize all university students in Cambodia.

## **VII. Findings:**

### **Knowledge of ASEAN**

Most of the fifteen respondents answered that ASEAN consists of 10 Member States located in Southeast Asia, and it is created to boost regional economic development. Spoken out by majority of respondents, the term “Economic Integration 2015” appears to be basic knowledge for them. They added that the goal of ASEAN establishment is not only about economy but also political interests. However, nearly all of respondents were unable to further elaborate their answers. Said by a student from medical science field, “Based on what I have heard, ASEAN has 10 member states, and all of them are located in Southeast Asian region. This year, ASEAN Integration is to enhance economics and politics of all states within it.” The sources of information they have received are from their teachers and friends at school. In particular, all respondents got information from TVs, schools and social media, especially Facebook.

### **Knowledge of The Free Flow of Skilled Labor**

By asking what they have heard about the free flow of skilled labor, very little information was known by majority of respondents while few of them do not know what exactly it is. Said by a nurse student, “I have never known what free flow of skilled labor really is. I have only heard of ASEAN Integration 2015.” Nearly all respondents believed that their university majors will extend their job market. A junior student from architecture said “I will have more choices because I could travel to find job relating to my major in other countries within ASEAN without passport.” Half of respondents shared a common answer that they would be able to travel across the borders of countries within ASEAN without having passport. However, they were unable to tell more about requirements of crossing national borders.

### **The Challenges Of The Free Flow Of Skilled Labour**

#### **Individual Concerns**

The major challenge brought by the free flow of skilled labour to university students after graduating is the difficulty in finding job. It has been caused by several reasons. First, some university students are struggling with disqualified language ability. Most of respondents stated that the ability to speak English among Cambodian students is still insufficient. An architecture student said “Some Cambodian students are unable to use English properly.” Another student from Land Surveying Faculty also said that “Most Cambodian living in rural areas are less accessible to

educational institution, resulting in their limited ability to communicate with foreigners.” Second, Cambodian students have an uncompetitive ability compared to other ASEAN member states such as Singapore, Malaysia, etc. They viewed that the inability of Cambodian students to compete for higher position work with other students in ASEAN is due to the lack of both knowledge and skill.

Third, the understanding about ASEAN among university students is still considerably low. A senior student from Tourism and Management stated that “Only a few people are aware of ASEAN, while some get little information about it and this leads to lack of preparation among them.” Surprisingly, some students do not even know clearly how many countries are in ASEAN. Those respondents viewed that beside DIS and IR students, students in other faculties have little knowledge about ASEAN. Fourth, Cambodia lack of human resource, especially specialists. One respondent said that “Students cannot attend school because of financial problem which later results in lose of human resources.”

Fifth, they viewed that Cambodian students have poor technological knowledge. “We do not keep ourselves update with the improvement of modern technology. It tends to go faster than our ability to catch up with them” said by an architecture student. Another year 3 student told that “Some students lack of knowledge of using technology such as computer and social media.” Sixth, large number of university students did not acquire practical skills. Tourism students stated that “In class, students are taught only about theories, not practices.”

### **Social Concerns**

Social concern is the challenge which is brought by society and outside environment to university students when there is free flow. These challenges make students hard to compete with other countries' students in the community. First, we will face with low job opportunity in the market. Low skilled labor will be suffered from the free flow of skilled labor as they find it difficult to get the job. A senior student from Land Surveying said “when people are not skillful or specialized enough in their field, chances of getting well-paid job are low.” Second, poor educational system provides low teaching quality for students. One student raised an example “Teachers let students memorizing lessons rather than pushing them to think out of the box. So, students tend to follow traditional rules and concepts, and as a result, they cannot compete with other ASEAN students.” Lastly, is domestic security instability. An accounting student viewed that “When ASEAN is opened, more foreigners will enter the country, creating more problems to the current chaos in the society.”

### **The Opportunities Of The Free Flow Of Skilled Labour**

#### **Personal Interests**

There are three main significant interests which will benefit to students from this free flow. Firstly, larger job market means more jobs will be available. Hence, university students will be less concerned about job shortage upon their graduation. One respondent stated that “Many opportunities will open for qualified Cambodian skilled workers.” Secondly, Cambodian students have more chances to work in other ASEAN countries with higher pay. This leads to improvement in personal and family living standard. Lastly, they believed that more essential knowledge, skills and experiences will be brought upon the arrival of foreign skilled workers. One Tourism student stated that “Specialized workers who come to live in Cambodia will bring along technical knowledge to our students through some trainings.” Thus, Cambodian workers will acquire similar ability compared to foreign workers, making us more competitive in domestic job market.

## **Social Interests**

Three major social interests will give advantages to Cambodia as a whole from ASEAN Integration. First of all, Cambodia can enhance national economic development. Most of the respondents stated that “We can develop our country by following the successful experiences of more developed countries within ASEAN.” Secondly, GNP will increase through trading with other ASEAN member states because of more market demand of single market. Finally, more foreign investments will present in Cambodia through tariff deduction. Some of Tourism students viewed that “The free flow of skilled labor will attract more foreign investments, and give more capital flow into the country.”

## **Preparations**

In term of preparation, the majority of respondents mentioned about languages, English and at least one ASEAN country’s language. Students believe that English is the most important language to use as a communication instrument with foreign workers. Respondents believe that studying language of their target country is important since it will enable them to fit it easily. For instance, a year 4 student majoring in Tourism and Management said that “To better prepare myself, I have learnt English and Thai because Thai is my target country and I also build network. I know a few people living there as well.” The second one is improving soft skill like communication skill. “Communication is a very important skill to assist student communicating with others but our students are not very brave in voicing their opinions in public,” said by a student of Norton University.

Third, students should strengthen skills taught at school and study hard. This idea is very common among respondents. They believe that study hard will provide them a fruitful result and there will be higher chance in scholarship or internship. Plus, they believe that it will enable them to have higher job opportunities. A senior student majoring in Architecture and Urban Planning said that “I’m focusing on my studies as I want to get higher GPA and internship to get experience and have opportunity to study abroad in the future.” At the same time, a female student majoring in finance and banking stated that “Ability is really important, try to study harder, good GPA, higher education and have enough ability to compete.” Fourth, respondents said that getting information about ASEAN country is very crucial for self-preparing because Cambodians students still have very limited and basic information about ASEAN. A senior student at RUPP stated that “if students know about ASEAN or AEC, they can better prepare themselves beforehand for the job position that they want to work in.”

There are few things that respondents have done in preparing. First is to improve and practice skills in their majors. Respondents are working really hard on their majors especially a senior students whose main focuses are on their thesis since it gives them a good credit if they’re able to ace it. A year 4 student majoring in Architecture at RUFA said that “What I’ve done to improve is scratching one picture per day; study online course about green architecture and read books relating to my field.” Another one is a senior at RUPP majoring in Tourism and Management stated that “For me, I’m reading a lot of journals about my field in order to help with my thesis. And if I can endure the hardship now I believe I will be ready for the free-flow of skill labor.” Second is to learn English as they consider it a very essential language to communicate with other nationals within ASEAN. Third is to study about ASEAN countries’ cultures as a male student at RUPP stated that “I want to work in Thailand. It would be good for me to learn about Thai culture so that I can prepare myself



better for my future career.” Last thing is to work as volunteer and intern to have more experiences.

However, there are a few things that students have not done in preparation. First, the awareness of AEC or ASEAN is generally very low and basic. Second, their English communication abilities in both speaking and writing are quite poor. Third is the lack of knowledge in using computer and the internet. Most students are not good at using computer programs such as Words or PowerPoint, not to mention the schools that are not providing enough materials in helping students to improve their studies and research, said a female RUPP student.

In term of assisting students in their preparation, respondents said that government should firstly improve or reform the education system. A year 3 female student majoring in tourism at RUPP said that “it’s a duty of our government to reform and improve the standard of our education system because it is not up to standard and incomparable with other country. It would be good if we graduate in Cambodia and the certificate is recognized by other countries.” Second thing is to eliminate corruption. It’s a very common thoughts among respondents. A student from RUPP stated that “when corruption is eliminated, it will be an intensive for teachers and they will be happier to work. Moreover, if corruption exists the qualities of graduated student are low and unqualified since they can cheat during examination.” Thirdly, government can help by investing more in education system by building school and providing loan and scholarships. A year 3 female student at RUPP said that “Some students cannot attend school or enroll in university due to financial problem and that leads to lack of human resource. Government should provide loan or scholarship to poor students in order to assist them enrolling in university and they can pay the government back when they graduate.” Lastly, government should raise awareness about ASEAN or AEC. The same student also stated that “Government should prepare students by guiding them about their goals and introduce them about ASEAN and how students can benefit from this organization.”

## **VIII. Conclusion:**

In short, by using qualitative approach, this research study illustrates that university students in Cambodia have misunderstood what ASEAN and the free flow of skilled labour are. Some of them are confusing AEC with the political aspect of the community which is another pillar in ASEAN Community. In addition, some misconceptions of the free flow of skilled labour have been found. Students assume that they can work in other ASEAN countries after they graduate from university. In reality, the thing is much more complicated. In order to work in other ASEAN countries, they need to study in any ASEAN countries, in that hosted countries' languages, and gain the accreditation according to that national standard. Moreover, students think there is no passport required in order to migrant in working purpose while actually it is only visa excepted. This limited knowledge of ASEAN and the free flow of skilled labour, plus the lack of English skill and computer literacy, make them to view the free flow of skilled labour as challenges more than opportunities. Last but not least, most of students have received information through social media, specially Facebook. Therefore, surprisingly, Facebook is playing a significant role in conveying information among Cambodian university students.

## References:

- Capannelli, G. (2014). THE ASEAN ECONOMY IN THE REGIONAL CONTEXT: OPPORTUNITIES, CHALLENGES, AND POLICY OPTIONS. *ADB WORKING PAPER SERIES ON REGIONAL ECONOMIC INTEGRATION*.
- Chia S. Y. (March 2015). Free Flow of Skilled labor in AEC. Retrieved on January 17, 2015 from [http://www.eria.org/publications/research\\_project\\_reports/images/pdf/y2010/no3/Chapter4.pdf](http://www.eria.org/publications/research_project_reports/images/pdf/y2010/no3/Chapter4.pdf)
- ILO-ADB (August 2015). AEC Offers Major Employment, Wage and Productivity Benefits, If Decisively Managed, ILO-ADB. Retrieved on January 17, 2015 from [http://www.ilo.org/asia/whatwedo/events/WCMS\\_301202/lang--en/index.htm](http://www.ilo.org/asia/whatwedo/events/WCMS_301202/lang--en/index.htm)
- Joko S. and Indyastuti W. (2015). Free Flow of skilled Labor in ASEAN Economic Community: Opportunities and Challenges. Retrieved on January 17, 2015 from [http://repository.upnyk.ac.id/5937/3/prosiding\\_upn2.pdf](http://repository.upnyk.ac.id/5937/3/prosiding_upn2.pdf)
- Kazi M. (24 December 2013). Asean to limit free flow of labour in member countries. Retrieved on January 17, 2015 from <http://www.freemalaysiatoday.com/category/business/2013/12/24/asean-to-limit-free-flow-of-labour-in-member-countries>
- Khieng, S., Srinivasa, M., & Chhem, R. (2015, March 1). *Cambodia Education 2015: Employment and Empowerment*. Retrieved December 5, 2015, from <http://www.cdri.org.kh/webdata/download/sr/edu2015.pdf>
- Peou, C. (2015). *Cambodian youth managing expectations and uncertainties of the life course – a typology of biographical management*. *Journal of Youth Studies*.
- Peou, C. (2015). *On Cambodian higher education and skills mismatch: Young people choosing university majors in a context of risk and uncertainty*. *Journal of Education and Work*.
- Sen, V., & Ros, S. (2013, December 1). *ANATOMY OF HIGHER EDUCATION GOVERNANCE IN CAMBODIA*. Retrieved December 1, 2015, from <http://www.cdri.org.kh/webdata/download/wp/wp86e.pdf>
- Thai Visa Forum (2015). *Thailand To Benefit From Free Flow Of Skilled Labour In 2015*. Retrieved on January 17, 2015 from <http://www.thaivisa.com/forum/topic/616230-thailand-to-benefit-from-free-flow-of-skilled-labour-in-2015/>
- World Bank (2012). *Matching Aspirations: Skills for Implementing Cambodia's Growth Strategy*. World Bank, Phnom Penh. Retrieved December 5, 2015, from <https://openknowledge.worldbank.org/handle/10986/13808>

## Appendix

### Interview Guide:

1. University students' understanding about the free flow of skilled labour:
  1. What do you know about ASEAN?
  2. What have you heard about ASEAN Economic Community? Where have you received those information?
  3. What do you know about the free flow of skilled labour?
  4. What have you heard about the free flow of skilled labour? Where have you received the information about the free flow of skilled labour?
  5. What kinds of occupation will be included in the free flow of skilled labour?
  6. How does your university major relate to the free flow of skilled labour?
  
2. Challenges and opportunities:
  1. What challenges do you think the free flow of skilled labour will bring to university students?
  2. Why do you think they are challenges?
  3. What are the causes of those challenges? Why?
  4. What are the opportunities?
  5. Why do you think they are opportunities?
  6. How do these opportunities contribute to your future career?
  
3. Preparations for the free flow of skilled labour:
  1. What do university students and you do to make a good preparation for the free flow of skilled labour? Why?
  2. What have you done in preparing? Why?
  3. In term of preparations, what have you not done? Why not?
  4. In your opinion, what can the government do to assist the students in their preparations?
  
4. Personal Information:

Age: .....

Gender: .....

Faculty: .....

University Name: .....

Year of Study: .....

GPA (Optional): .....

Languages Spoken: .....

Contact number: .....

Email: .....