



# Policies towards the Free Flow of Skilled Labour in ASEAN : The case of Thailand



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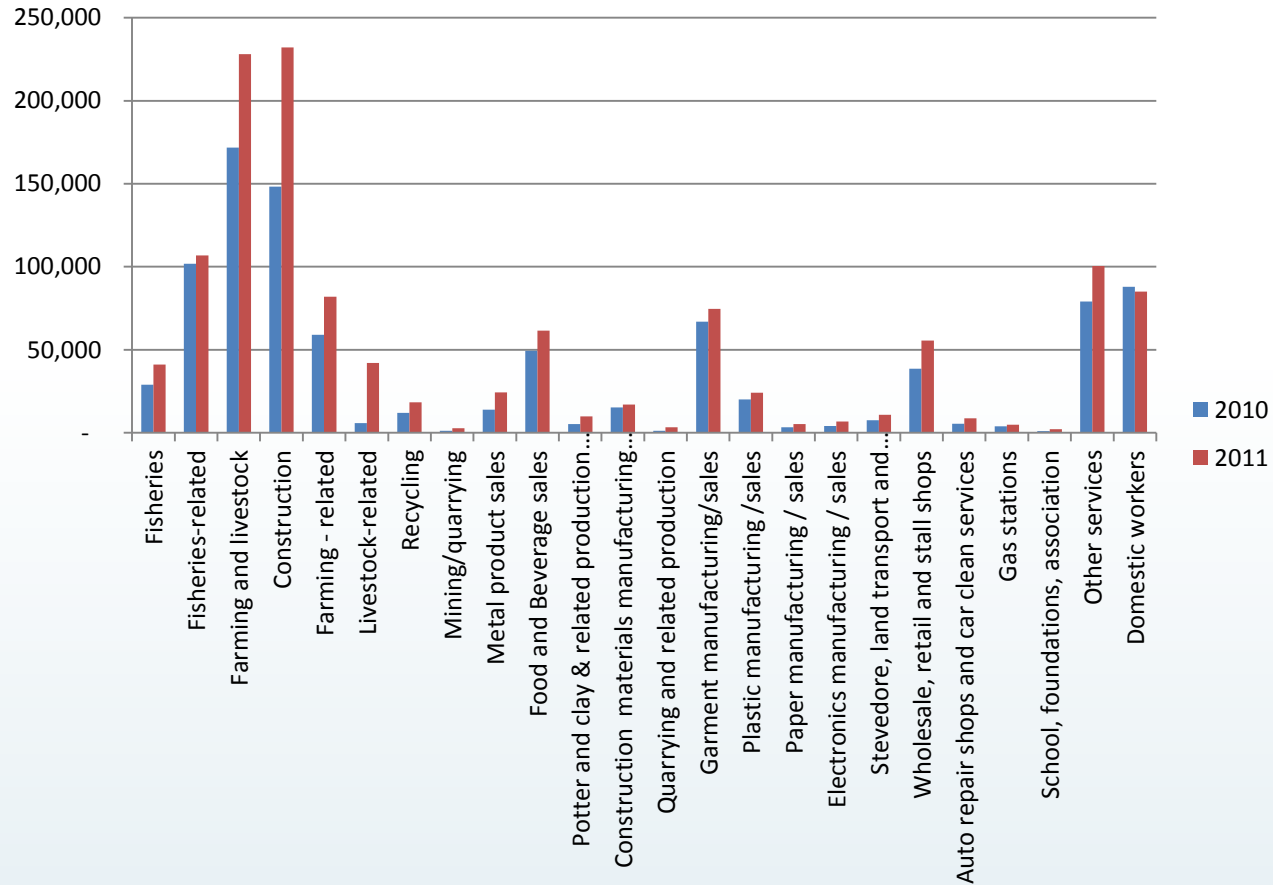
# Current Situation

**Total Migrant Labour in Thailand as of Dec. 2011 : 1,950,650 Persons**

**Legal Migrant Labour (skilled) 678,235 Persons**

**Illegal Migrant Labour (unskilled) 1,272,415 Persons**

Numbers of Legal Migrant Labour in Thailand by type of industry 2010-2011



## Legal Migrant Labour

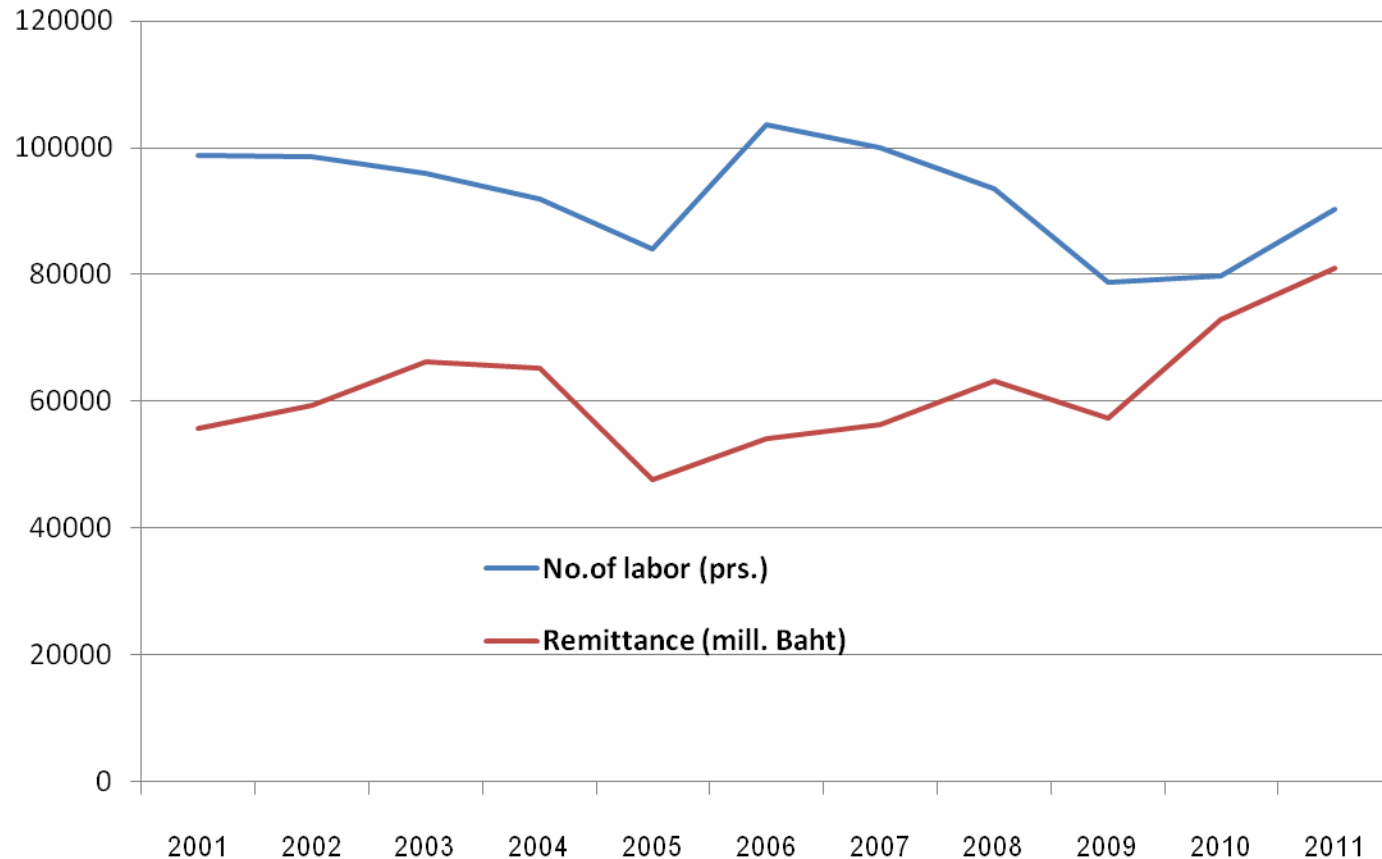
Under the Alien Employment Act, 1978 and 2008, Legal migrant labour can be classified into 4 types as follows;

1. Temporary permit aliens : An alien who has resided in the Kingdom or who is permitted to enter the Kingdom for temporary stay in order to engage in the work . The duration of work permit will not exceed more than 1 year;
2. The Board Of Investment section : An alien who has been permitted entry to work in the Kingdom under the Investment Promotion Act or related Laws. The duration of work permit depends on the regulation of those companies;
3. Section 12 : 1) aliens under deportation order under the law on deportation who have been permitted to engage in profession at a place in lieu of deportation or while awaiting deportation 2) aliens whose entries into the Kingdom have not been permitted under the law on immigration and are awaiting deportation 3) aliens who are born within the Kingdom but not Thai nationality 4) aliens whose Thai nationality have been revoked. Such aliens shall be permitted to stay in the Kingdom no longer than 1 year;
4. Permanent section : an alien who has already resided in the Kingdom under the Immigration Law and had worked before December 13, 1972 is valid for the lifetime of that person except he/she changed his/her occupation

# **The Need for Legal Migrant Labour**

- 1. The shortage of skilled labour in some sectors. The number of Thai skilled labour are insufficient both in terms of quantity and quality.**
- 2. The dependency on foreign technologies. In the past, Thailand did not seriously promote science and technology development. As a result, Thai production sectors have been relied on foreign technologies and importation a lot of expertise and profession from overseas.**
- 3. The large number of foreign companies in Thailand. It leads to the migration of skilled labor from their host countries into Thailand, especially in the position of managerial and technical levels.**

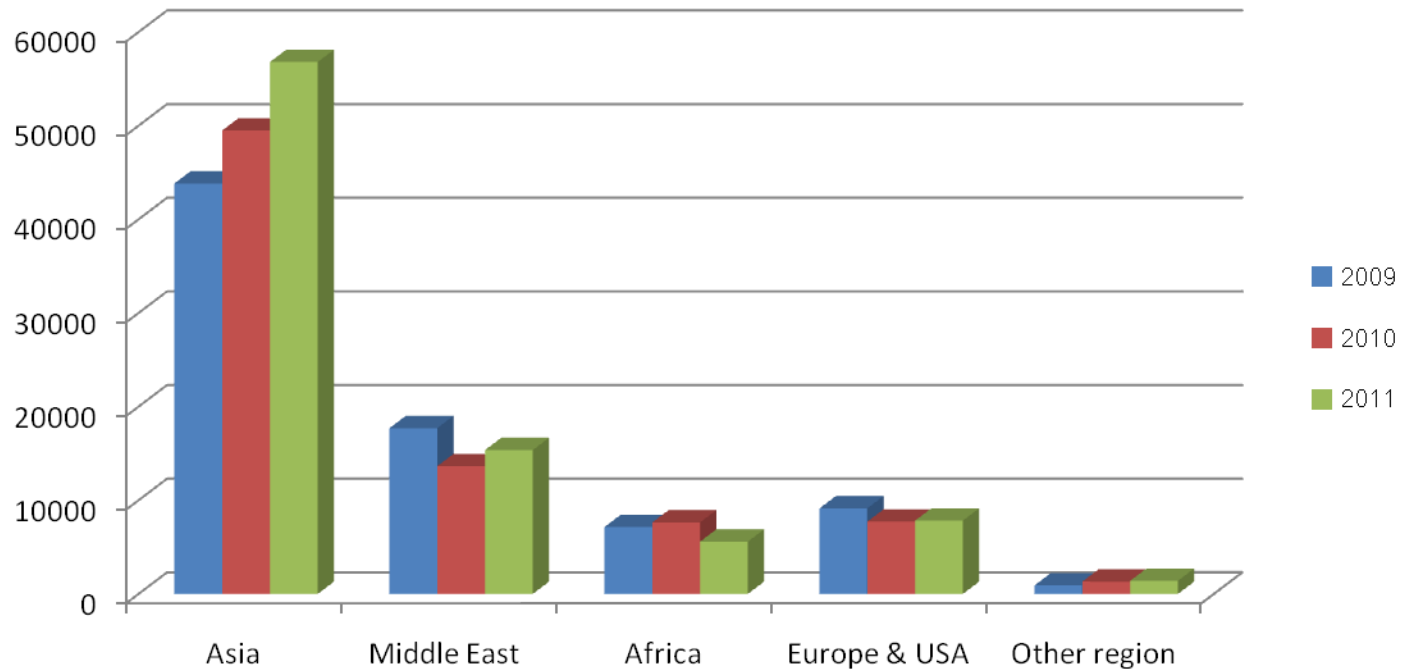
# Number of Thai Migrant Labour in Foreign Countries and Remittances in 2001-2011



Sources : Ministry of Labour ; Bank of Thailand

- Numbers of Thai migrant labour in foreign countries are about 100,000 per year.
- Most of labour markets are still in Asia. However, the demand trend of Thai labour has been increased.

# Thai Migrant Labour in Foreign Countries, by Region in 2009-2011



Source: Ministry of Labour

# ASEAN Economic Community (AEC)

1

## SINGLE MARKET PRODUCTION BASE

- Free flow of goods
- Free flow of services
- Free flow of investment
- Free flow of capital

2

## COMPETITIVE ECONOMIC REGION

- Competition policy
- Consumer protection
- Intellectual property right
- Infrastructure development
- Taxation
- E-commerce

3

- Free flow of EQUITABLE ECONOMIC DEVELOPMENT
- SME development
- Initiative for ASEAN integration

4

## INTEGRATION INTO GLOBAL ECONOMY

- Coherent approach towards external economic relations
- Enhance participation in global supply networks

# FREE FLOW OF SKILLED LABOUR in 2015

**(Complete MRAs (Mutual Recognition Arrangements) in 8 Professional and Skilled Manpower)**

Medical  
Practitioner



Dental  
Practitioners



Nursing



Accountancy  
Service



Survey



Engineering



Architecture



Tourism  
Profession





# **Policies on the Free Flow of Skilled Labour in ASEAN under the Strategy for Human Development toward a Sustainable Lifelong Learning Society of the 11<sup>th</sup> National Economic and Social Development Plan (2012 – 2016)**

## **Objective**

To promote suitable development for the population at every age: in terms of physical, mental, intellectual, and ethic aspects in order that they are able to compete in ASEAN and the world markets. In addition, Thailand should also utilize the free flow of working age population among ASEAN countries in 2015 as the driving force for the country's continuous and sustainable economic growth



## **Goal**

To develop the quality of the Thai population at every age to enable them to compete in ASEAN and the world markets, as well as to utilize the free flow of labor force in ASEAN in 2015 as the driving force for continuous and sustainable economic growth

## Development Guidelines

(1) Initiate a National Qualification Framework to ensure that education and competency qualifications are linked to demand to produce employees for specific career paths. Preparation for the free flow of labour within the ASEAN Economic Community should be undertaken.

(2.) Accelerate the adoption of the national labour skills standards and the standard wages for skilled labour to encourage the workers in enhancing their skills.

## Development Guidelines (cont.)

(3) Accelerate the following implementations to ensure that the workforce is prepared for the upcoming AEC.

i) Develop short-term training courses and learning plans to provide knowledge and skills suitable for the requirement of each production sector. The training curriculum should compose of current situation and potential changes of the business environment, opportunities and potential impacts, self-development skills, in-depth knowledge of a specific field of work, team work and communication skills. The labour skill accredited system should be developed and integrated to the systems of government and private training centers.

ii) Develop collaboration among government sector, each production sector and workplace in establishing career path framework and standardized salary scales to encourage and facilitate the career advancement of workers.

## Development Guidelines (cont.)

(4) Develop highly skilled labour of the 7 professions, i.e., engineering service, architectural service, surveying qualification, medical practitioner, dental practitioner, nursing service and accountancy service under the ASEAN Mutual Recognition Arrangement framework to facilitate easier free flow of labour. The required implementations for workers in the above mentioned professions are;

i) develop plan and content of short-term training courses to develop an awareness on changes that will be opportunities and threat, as well as to provide knowledge and skills suitable to the requirements of each production sector according to the MRA and;

ii) develop guideline and practices related to wage setting and suitable remuneration to those profession in order to prevent risks on brain drain effect.

## Development Guidelines (cont.)

(5) Take appropriate actions to maximize benefits and mitigate the costs of the freer movement of labour that is anticipated in the future. That workers should have the opportunity to develop their capacity for working abroad by learning professional and language skills.

(6) Improve management of foreign workers in a systematic manner that includes registering unskilled workers, providing incentives to attract professional and high skilled workers, improvement of the data base system, and provision of social services in an appropriate and equitable manner.



***Thank You***

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