

Labour in ASEAN/ CLMV

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I. Background information

- **Labour statistics**
- **Labour laws**

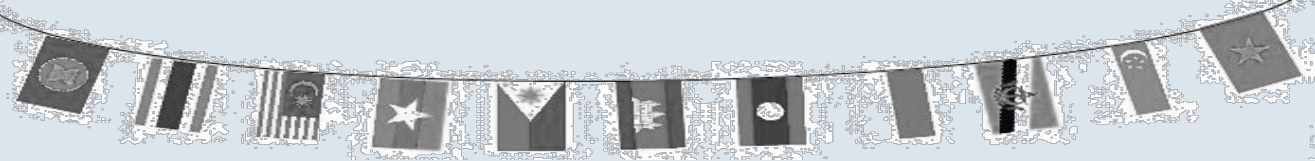
II. Topics for discussion

- **Regional migration: with a focus on CLMVT**
- **Industrial 4.0: Technology vs. human**

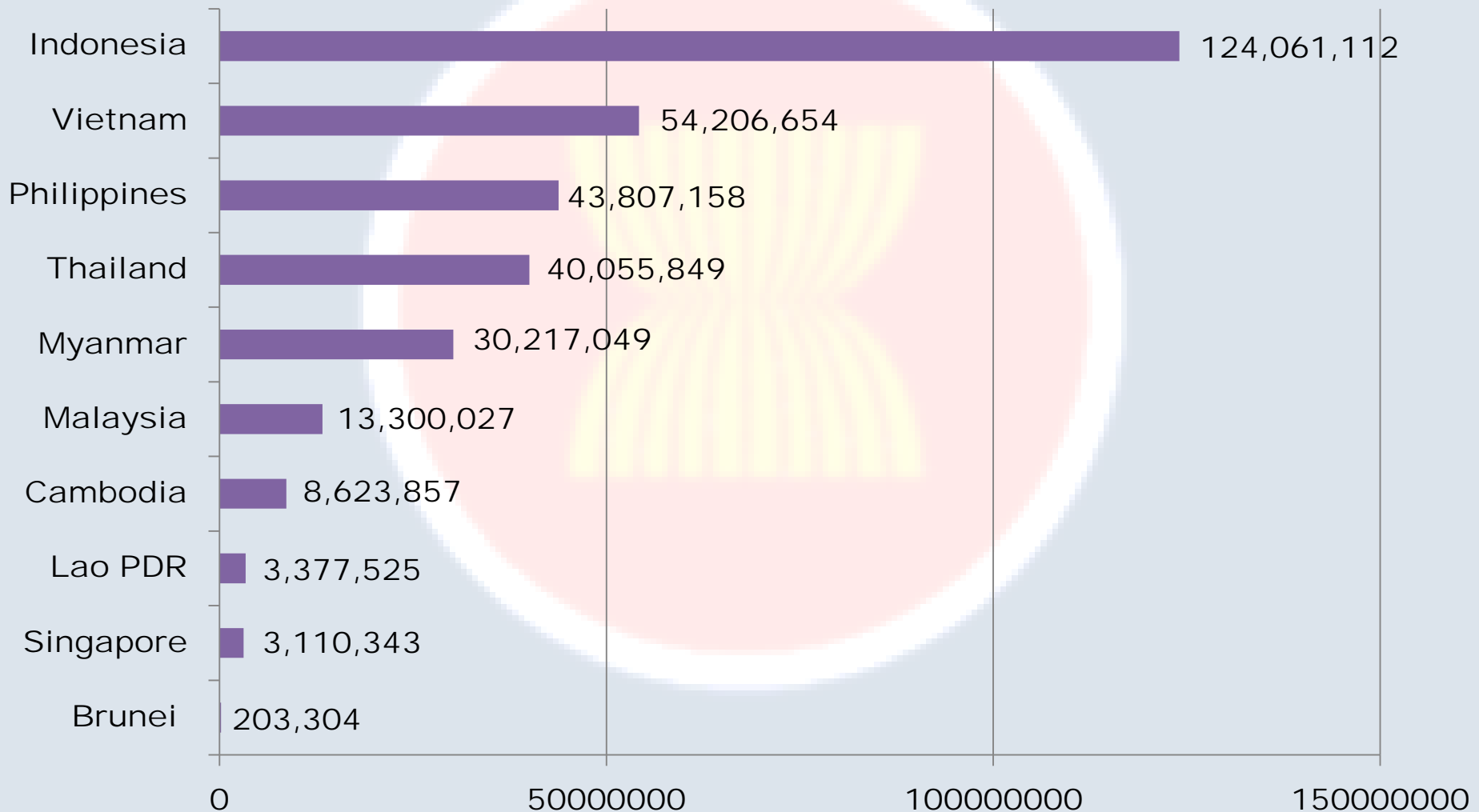
LABOUR STATISTICS

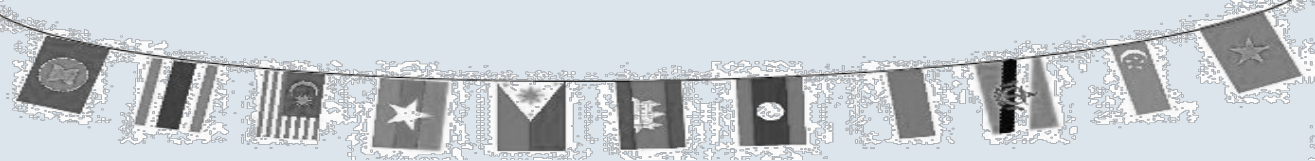
Main source:
World Bank, World Development Indicators



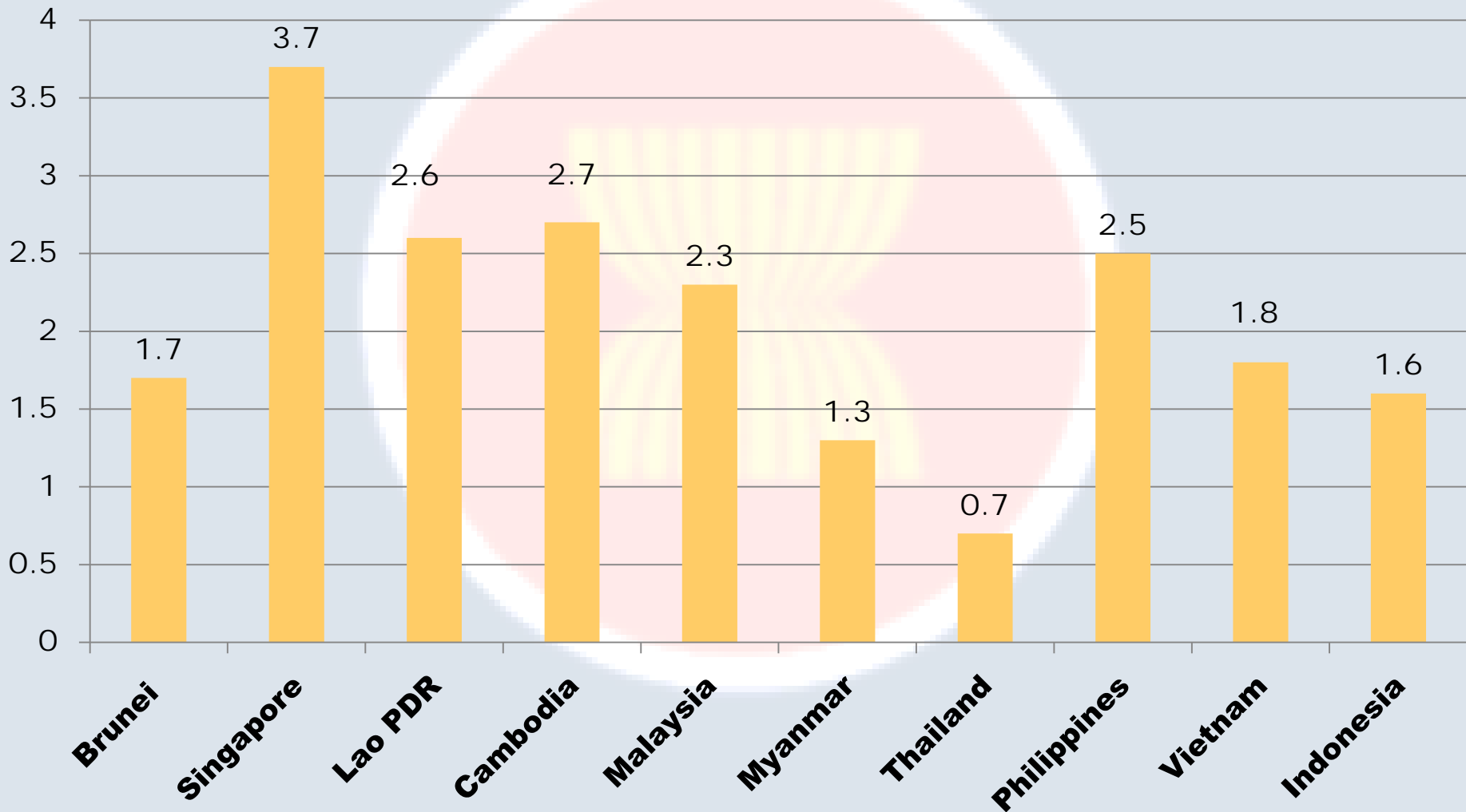


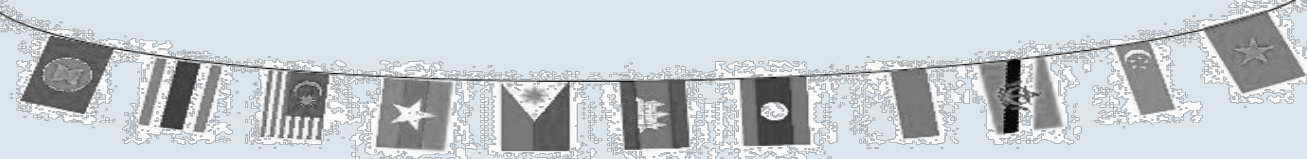
Labor force, total, 2014





Labor force growth (%), 2005-2014



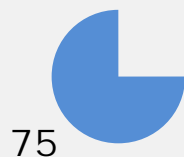


Labor Force Participation Rate, Male, 2014

(%of Male population ages 15+)

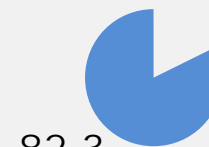
<http://archive.data.worldbank.org/indicator>

Brunei Darussalam



75

Myanmar



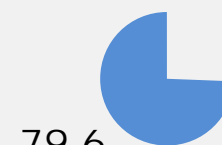
82.3

Cambodia



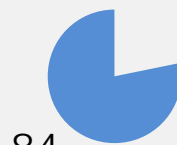
86.6

Philippines



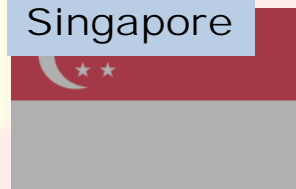
79.6

Indonesia



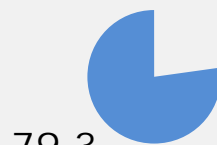
84

Singapore



77

Lao



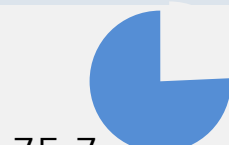
79.3

Thailand



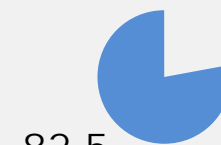
80.5

Malaysia



75.7

Vietnam



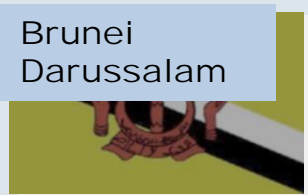
82.5



Labor Force Participation Rate, Female, 2014

(% of female population ages 15+)

<http://archive.data.worldbank.org/indicator>



Brunei Darussalam

52.2



Myanmar

75.1



Cambodia

78.7



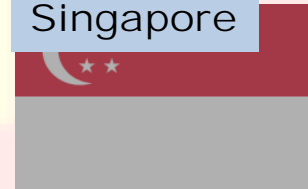
Philippines

51.1



Indonesia

51.4



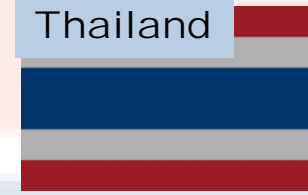
Singapore

58.6



Lao

76.3



Thailand

64.2



Malaysia

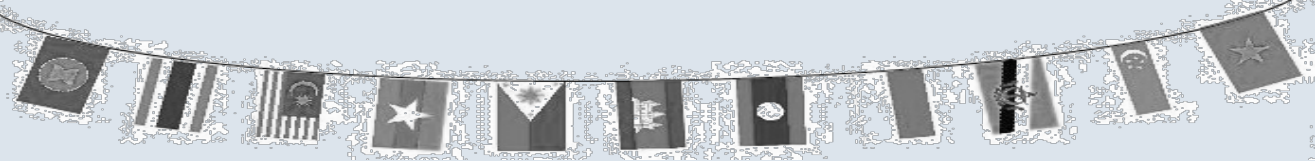
44.5



Vietnam

73.2

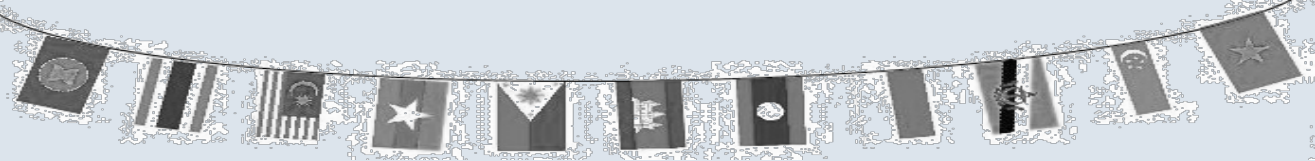




Vulnerable employment, Male, unpaid family workers and own-account workers, male (% of male employment)

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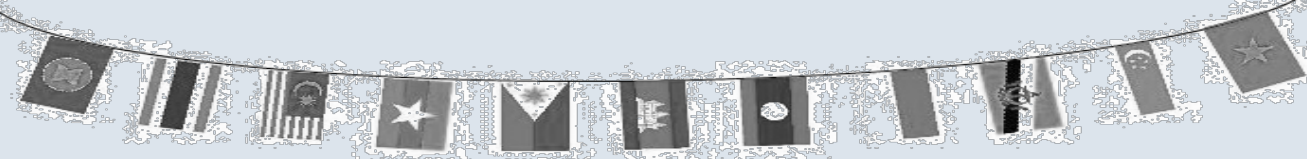




Vulnerable employment, Female, unpaid family workers and own-account workers, male (% of female employment)

<http://archive.data.worldbank.org/indicator>

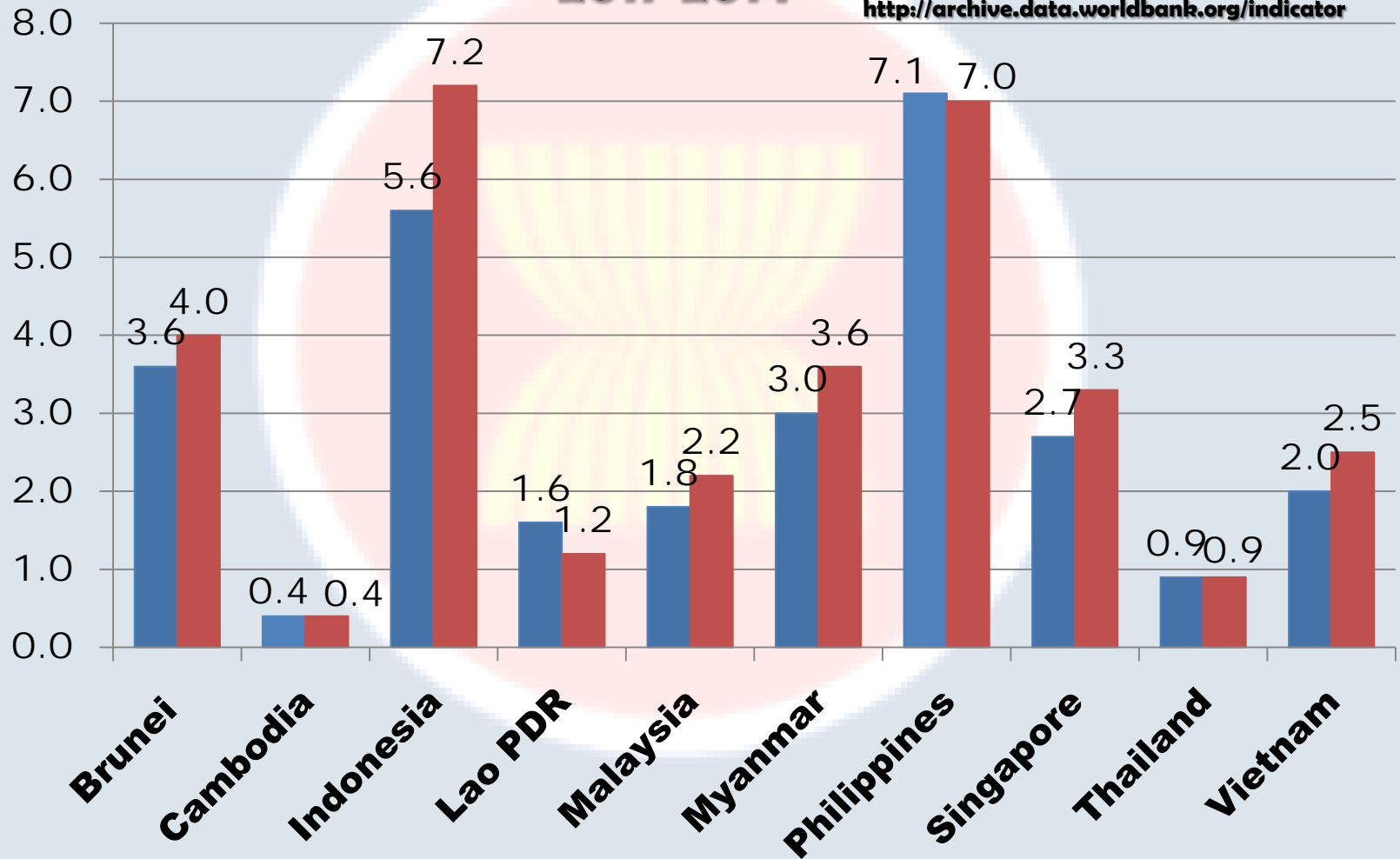


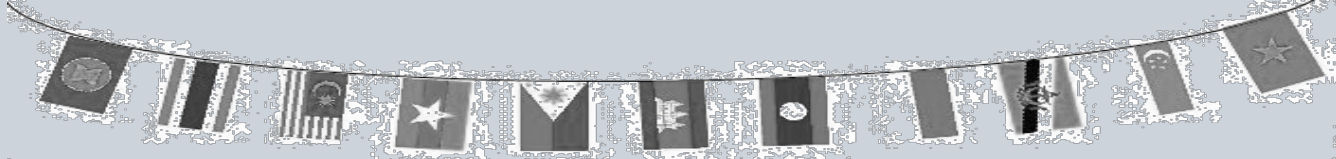


Unemployment (% of male/female labor force)

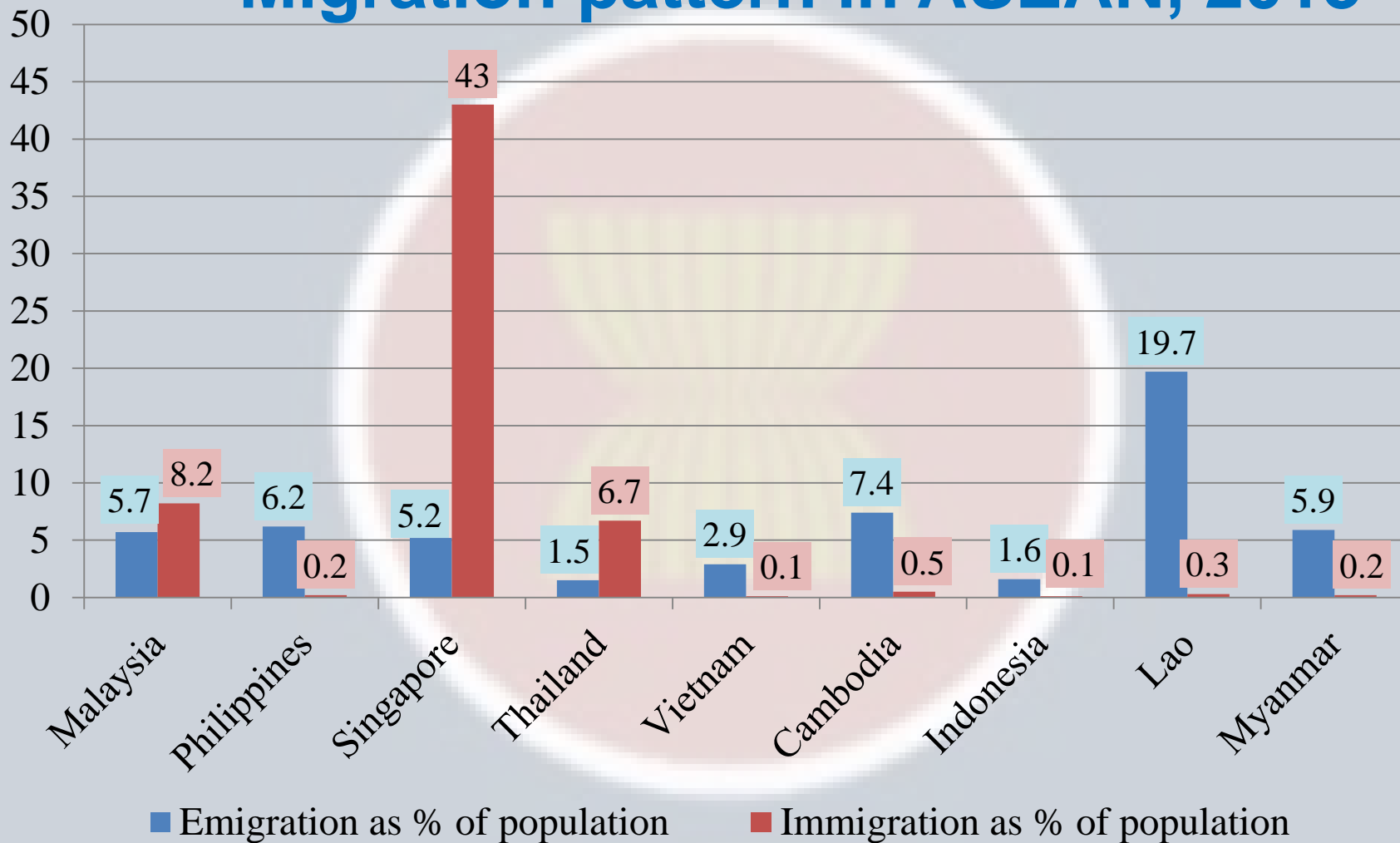
2011-2014

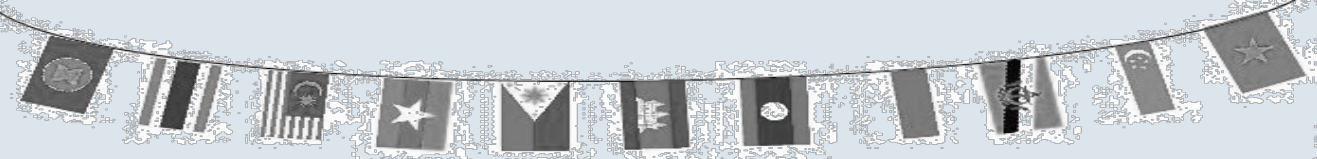
<http://archive.data.worldbank.org/indicator>





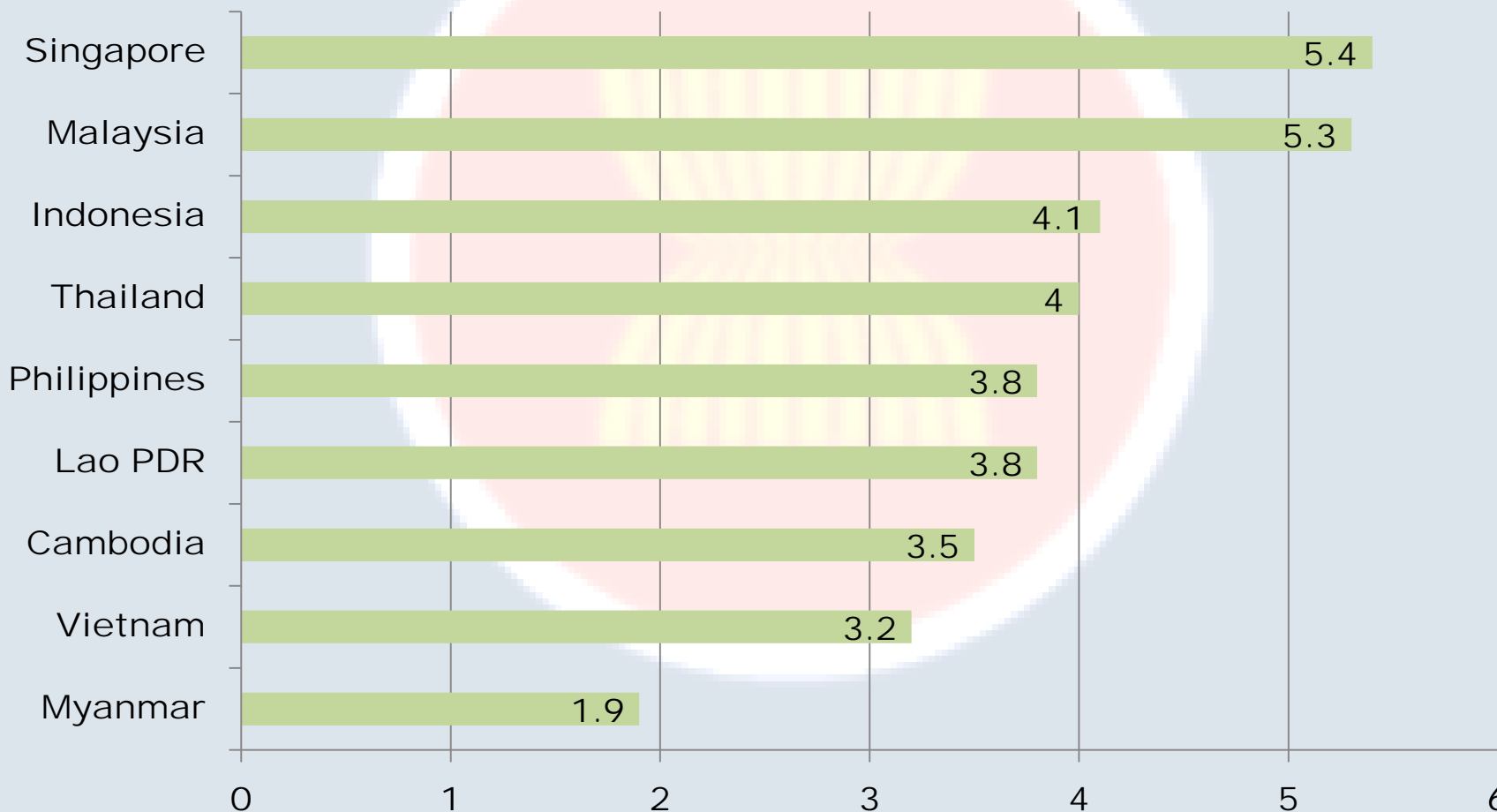
Migration pattern in ASEAN, 2013

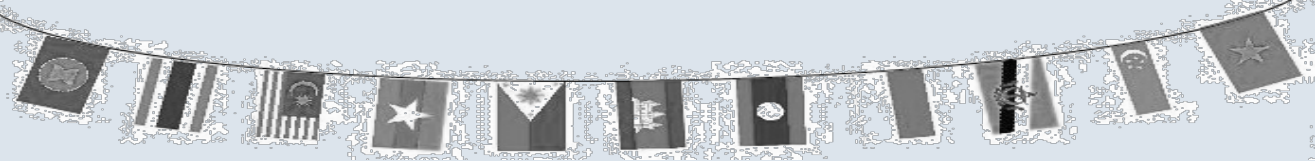




Country Capacity to retain talent,

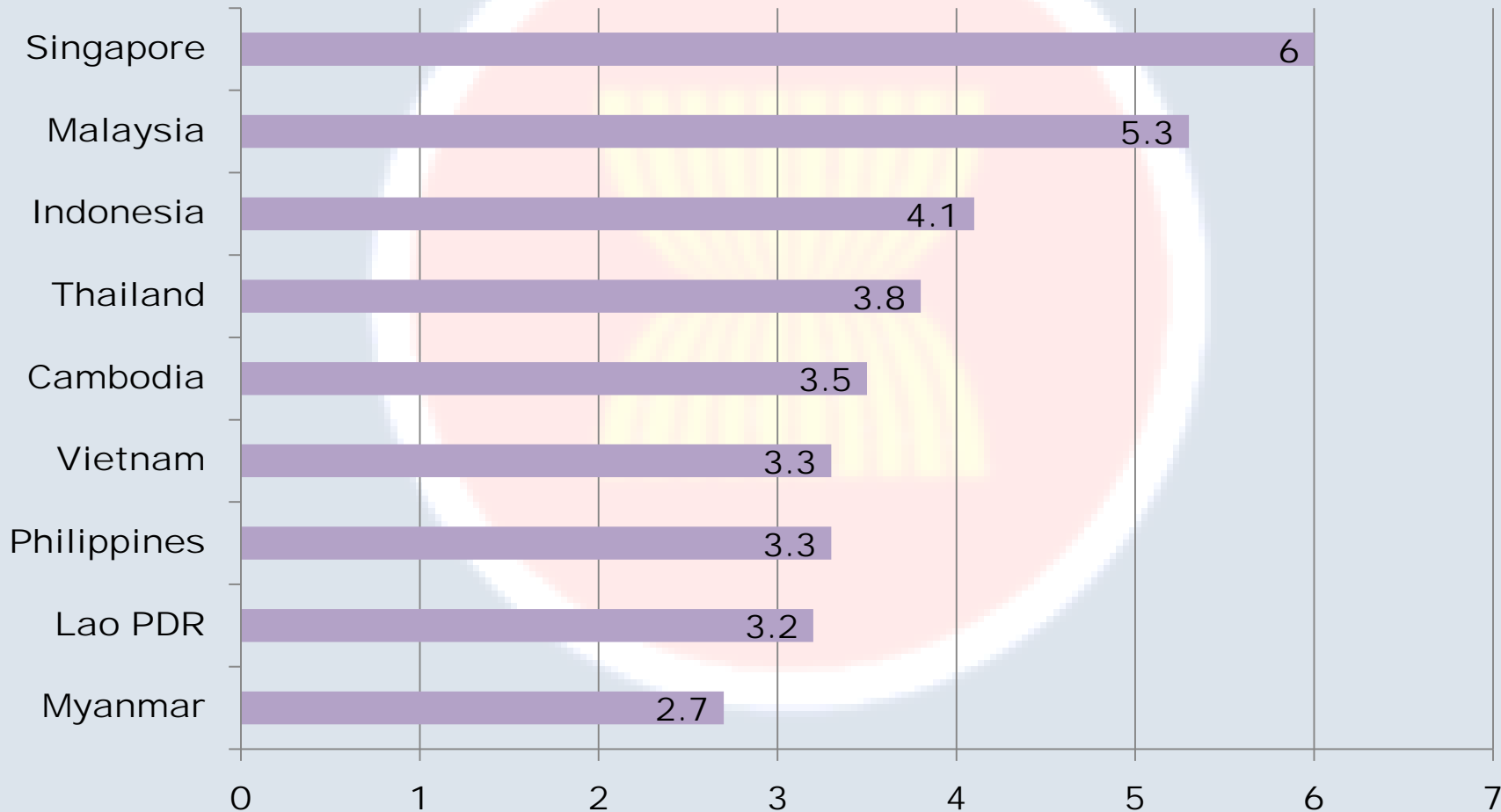
**[1 = the best and brightest leave to pursue opportunities abroad;
7 = the best and brightest stay and pursue opportunities in the country]**





Country Capacity to attract talent,

[1 = not at all; 7 = to a great extent – attracts the best and brightest from around the world]

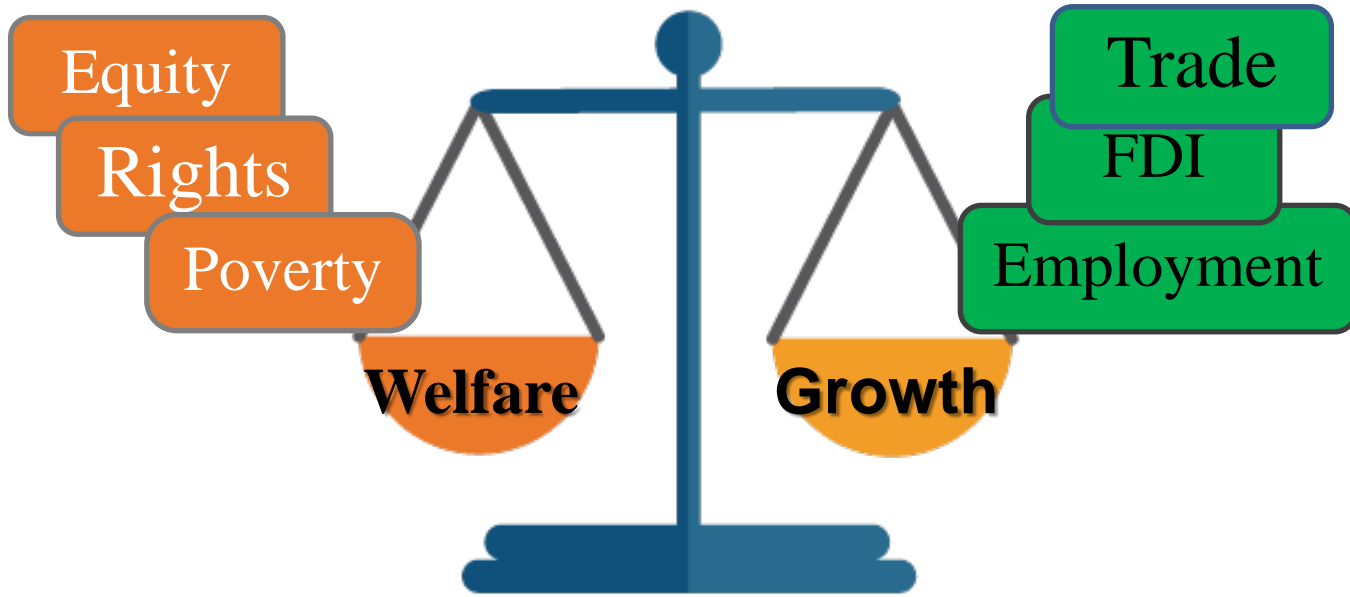


I. Background Information

- **Labour laws in ASEAN**
 - **Economic growth VS. Social welfare**
 - **Recently revised/introduced laws**
 - **Limitation in implementation**

21st Century Policy Challenge

- Trade Liberalization, Economic Cooperation & Integration, Human Rights, Labour Protection, etc.



- International Labour Organization (ILO): 190 laws on labour standards

No. of ILO Conventions ratified by ASEAN (still in force)

THA	BRN	KHM	IDN	LAO	MYS	MMY	PHL	SGP	VNM
14	2	13	18	9	26	20	30	20	20

Labour laws in ASEAN

THA	Labour Protection Act 1998 (2012)
BRN	Employment Order 2009
KHM	Labor Code 1997
IDN	Labour Law 2003
LAO	Labour Law 2006 (2013)
MYS	Employment Act 1955 (2012)
MMY	Factories Act 1951, Shops and Establishments Act 1951, Leave and Holidays Act 1951
PHL	Labor Codes 1974
SGP	Employment Act 1968 (2009)
VNM	Labour Code 2012

■ Recently introduced laws

- Myanmar (2013): proposed 3,600 MMK/Day (US\$3.24)
- Malaysia (2013): 900 MYR/Month (US\$220) for Malaysia Peninsular and 800 MYR/Month (US\$196) for Sabah and Sarawak
- Vietnam (2013): adjusted yearly, varies across 4 regions

■ Recently increased rates

- Thailand (2013): 300 THB/Day (US\$8.43)
- Philippines (2015): varies across 17 regions and sectors
- Indonesia (2015): varies across 33 provinces
- Lao (2015): 900,000 /Month (US\$109.74)
- Cambodia (2015): 512,000 KHR/Month (US\$109.74)

- **WTO: Against “Race to the bottom” practice**
- **UN: The Ten Principles of fundamental responsibilities of business**
- **ILO: Increasing no. of FTAs with labor provisions: 48 FTAs in 2013 covering 120 trade partners (40% with conditional dimension)**
- **International: Trade sanction by Generalized System of Preferences (GSP) by US and EU**
- **Domestic: More pressure on governments by NGOs, i.e. more laws and regulations to comply**

Min. Age, Hour of Work, Rest time

	Min. Age w. conditions*	Hour of work	Rest time (min/day)
THA	15	8 a day, 48 a week	60
BRN	16		45
KHM	12		Not specify
IDN	13		30
LAO	12		60
MYS	14		30
MMY	13 (Factory Act)		30 (Factory Act)
PHL	15		60
SGP	13		45
VNM	13		30

* Such as light work, no night shift, no underground work, etc.

Overtime Hour, OT Rate, Min. Wage

	Max. Overtime hr./day	Overtime Payment /hr.	Min wage (THB/day)
THA	Not specify	x 1.5	300
BRN	<72 hr./ month	x 1.5	No
KHM	2	x 0.5	147.9
IDN	3	x 1.5	106 – 229
LAO	3	x 1.5	130
MYS	Not specify	x 1.5	231 – 260
MMY	<16 hr./week*	x 2*	100.45
PHL	Not specify	x 0.25	333 – 361
SGP	<72 hr./ month	x 1.5	No
VNM	4	x 1.5	115 - 166

* Factory Act

** For employees who have been in employment for no less than one year*

Annual Leave, Public Holidays, Personal Leave

	Min. Annual leave (day/yr.)	Public Holidays (day/yr.)	Sick leave (day / yr.)
THA	6	13	Not specify
BRN	7	11	14 (out), 60 (in)
KHM	18	Not specify	180
IDN	12	Not specify	120
LAO	15	7 - 9	30
MYS	8	11	14 (out), 60 (in)
MMY	10	14	30
PHL	5	12	12
SGP	7	11	14 (out), 60 (in)
VNM	12	10	30

Maternity & Paternity Leave

	Maternity leave (day/yr.)	Maternity Pay (day/yr.)	Paternity leave (day /yr.)
THA	90	45 (100%) + 45 (50%)	N/A
BRN	63	63 (100%)	N/A
KHM	90	90 (50%)	10 (100%) family-related
IDN	45 before + 45 after	90 (100%)	2 (100%)
LAO	105 (min 42 after)	105 (100%)	3 (100%) family-related
MYS	60	60 (100%)	N/A
MMY	42 before + 56 after*	56 (120%)*	6 (100%) family-related
PHL	60	60 (100%)	7 (100%)**
SGP	84	56 (100%)	7 (100%)***
VNM	180	180 (100%)	N/A

- **Insufficient state’s mechanisms: labour inspection**

ASEAN countries	No. of labour inspectors
Thailand	710 (2015)
Indonesia	2,165 (2015)
Malaysia	600 (2015)
Singapore	61 (2013)
Vietnam	470 (2010)
Philippines	271 (2012)

- **Union mechanism: right to organize and collective bargaining**
 - **Representing whom?**
 - **Not encouraged or banned by law**

Indicators (Ranking / total 61 economies)	SGP	MYS	THA	PHL	IDN
Workforce productivity is competitive by int. standards*	12	21	39	23	49
Labor Productivity per person per hour (US\$)	7	43	56	60	59
Large corporations are efficient by int. standards*	7	21	17	20	49
SMEs are efficient by int. standards*	26	23	53	42	44
Working hours	15	18	2	6	11
Worker motivation in companies is high*	21	10	34	24	31
Educational system meets the needs of a competitive economy*	3	16	46	28	39
University education meets the needs of a competitive economy*	3	17	53	25	33

- **“One rotten fish spoils the whole basket”**
 - **Trade sanction caused by a few companies in a member country**
 - **Possibility to negotiate future deal with external partners**
 - **ASEAN Minus: TPP, EU-Vietnam**
- **Can SMEs afford to offer more? : The need to increase labor productivity**
- **Work hard, but not motivated**
 - **Lack of incentive: sufficient rights and welfare?**
 - **Not what they expected:**
 - **semi-skilled: compulsory education system**
 - **Skilled: university education**

II. Topics for discussion

- **Regional migration in ASEAN**
 - **Should it be promoted or restricted?
How and why?**
 - **Should migrant receive the same
right and treatment as local workers?**

II. Topics for discussion

- **Industrial 4.0: Technology vs. human**
 - **Are workers threatened by new technology? Why and how?**
 - **How can labour benefit from the industrial 4.0?**

Thank you

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