



Thailand

Country Report

2015

An overview of the garment and textile industry in Thailand

Lina Stotz

Table of Contents:

1	Introduction	p. 3
2	Location and Background	p. 3
3	General Industry Overview	p. 5
4	Garment Industry Overview	p. 6
5	Economic Data on Garment Industry	p. 7
6	Garment Workers	p. 8
7	Legal Instruments and Enforcement Mechanisms	p. 11
	7.1 Pakistan's legal obligations	p. 11
	7.2 Enforcement	p. 13
	7.3 Overview of the laws and the compliance	p. 16
8	Consumers	p. 21
9	Overview and Recommendations	p. 22

1. Introduction

This report gives information on Thailand in regards to its garment industry and the situation of workers employed in the garment industry. Firstly, general information on the country is given, followed by an overview of its major industries. Next, the reports gives details on the garment industry, on economic data, and on the working conditions of garment workers in Thailand. After that the international and national rights of the workers will be regarded as well as Thailand's compliance with these rights. Subsequently, the role of the consumer will be looked into and lastly a summary of the report will be provided, focusing on three major issues in Thailand's garment and textile industry.

2. Location and background

Geography and history:

Thailand is located in Southeast Asia with access to the sea. Thailand's land size is 47,490 sq km¹ and its population is 67,367,943.² It shares borders with Burma, Malaysia, Cambodia and Laos. It is the only Southeast Asian nation that has never been colonised. After World War II, Thailand became an ally of the US.³

The main religion in Thailand is Buddhism with more than 90% of the population being Buddhist.⁴ The climate is tropical with a rainy season from May to September.⁵ The main language is Thai.

Social demographics:

Approximately 30% of all Thais live in the cities and thus count as urban population.⁶ More than 80% speak Thai; 14% are of Chinese heritage and 3% are Malays speaking Malay.⁷

¹ <http://geography.about.com/library/cia/blcthailand.htm>

² <http://worldpopulationreview.com/countries/thailand-population/>

³ <http://geography.about.com/library/cia/blcthailand.htm>

⁴ <http://thai-farang.com/worship/religion.htm>

⁵ <http://geography.about.com/library/cia/blcthailand.htm>

⁶ <http://www.mapsofworld.com/thailand/geography/demographics.html>

⁷ <http://www.mapsofworld.com/thailand/geography/demographics.html>

Thailand Country Report

30% of the population is below the age of 24.⁸ The median age is 36 years. Life expectancy is 71 for males and 76 for females. Contraceptive prevalence is almost 80% and the HIV/Aids rate is 1.1%. 93% of the population is literate.⁹

Unemployment in Thailand lies at 0.8%¹⁰ and is hence extremely low.¹¹ The lowest daily wages are around 150 Baht (4,5 USD; 3,6 EUR), e.g. for a construction worker.

Government and politics:

Thailand is a constitutional monarchy since 1932. In 2014 there was a military coup and currently, Thailand's most southern Muslim-majority provinces often face instability and violence due to religious and ethnic disputes.¹²

Thailand is a civil law country, but it was influenced by common law traditions. There are four types of general courts in Thailand: municipal courts, provincial courts, civil courts and criminal courts.¹³ Moreover, there are labour courts in Thailand; however, often negotiations between employee and employer are initiated before going to court.¹⁴

Thailand is a member of ASEAN.

Economy:

Thailand is classified as a middle-income country. Thailand is the second most important economy in Southeast Asia, after Indonesia. It is a highly export-dependent nation. Its main export products are agricultural products and it is the largest rice exporter in the world. 10% of the population live below the poverty line.¹⁵

⁸ <http://www.mapsofworld.com/thailand/geography/demographics.html>

⁹ http://www.indexmundi.com/thailand/demographics_profile.html

¹⁰ <http://www.tradingeconomics.com/thailand/unemployment-rate>

¹¹ <http://www.worldfinance.com/home/top-5/top-5-countries-with-the-lowest-unemployment>

¹² <http://geography.about.com/library/cia/blcthailand.htm>

¹³ <http://www.thailandcourt.com/the-thai-court-system.html>

¹⁴ <http://www.thailandcourt.com/labor-litigation-in-thailand>

¹⁵ <http://www.tourismthailand.org/Thailand/economy>

3. General industry overview

**+++ middle-income country +++ stagnating economic growth +++ export-dependent +++
agriculture is main sector +++**

Current economic situation:

Thailand is a newly industrialised country and classified as a middle-income country. Its economy has been growing - in 2012 by 7.7% and in 2013 by 1.3%;¹⁶ however, it is predicted that in 2014 there will be hardly any growth - this has to do with the current political situation in Thailand.¹⁷ The absence of a proper government blocked the proper handling of the country's fiscal policy. Thailand is highly export-dependent with more than two thirds of its GDP coming from exports.¹⁸ To get out of the currently low economic growth, exports is an even more important source of income. However, Thailand is losing its competitiveness on the Asian market in many sectors, also the garment sector because of relatively high wages and only medium-quality products.¹⁹ The US is Thailand's biggest export destination and the third most important importer.²⁰

Major industries:

Thailand is among the biggest export nations for agricultural products (such as rice, shrimps, tapioca, rubber and sugar), automotive industries, electronic goods, garments and textiles.²¹

Main imports:

Thailand's main imports are capital goods, intermediate goods and raw materials, consumer goods, fuels.²²

¹⁶ <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

¹⁷ <http://www.economist.com/blogs/banyan/2014/10/thailands-economy>

¹⁸ http://en.wikipedia.org/wiki/Economy_of_Thailand

¹⁹ <http://www.economist.com/blogs/banyan/2014/10/thailands-economy>

²⁰ http://www.economywatch.com/world_economy/thailand/export-import.html

²¹ http://www.economywatch.com/world_economy/thailand/export-import.html

²² http://www.economywatch.com/world_economy/thailand/export-import.html

4. Garment industry overview

**+++ more than 4000 garment and textile factories +++ up to 1 million garment workers +++
Thailand supplies 1% of the world market for garments +++ cotton demand +++**

Factories and brands:

In Thailand there are more than 2000 companies producing garments²³ and around 2000 for textiles.^{24 25 26 27} Most factories are located around Bangkok and in Eastern Thailand.²⁸ Thailand employs around 824,500²⁹ up to 1,000,000³⁰ workers in the garment industry and around 200,000 in the textile industry.³¹ The textile and garment industry is the second most important sector for employment in Thailand and it makes up 1.04% of the world market for garments.³² Brands that source garments made in Thailand are Fruit of the Loom, Nike, Puma³³ and others.

Cotton:

Thailand's textile industry requires much more cotton than the country produces itself: 500,000 tons are needed per year, but only 10,000 tons are annually produced in Thailand. Thus, Thailand only provides for 2% of the raw cotton used in its textile industry.³⁴ The textile industry employs ca 60,000 workers directly in producing textiles (weaving) and ca 100,000 are occupied with the tasks relating to the textile industry such as spinning, knitting, dying, etc.³⁵

²³ http://www.textileworldasia.com/Issues/2007/March-April/Country_Profiles/Thailand-Textile_Industry_Profile

²⁴

http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=9&cad=rja&uact=8&ved=0CFMQFjAI&url=http%3A%2F%2Ftraining.itcilo.org%2Fctrav%2Fcourses%2F2005%2FA3-50842_web%2Fwork%2Freport%2FThailand.doc&ei=uv2_U8eUFZPb4QSH94DADA&usg=AFQjCNGS_HG9X-GG3T0Uk36SSekp8gOmJA&bvm=bv.70810081,d.bGE

²⁵ <http://manufacturer.fibre2fashion.com/garment/country/Thailand/index.html?&Page=1>

²⁶ http://www.thaitradeusa.com/home/?page_id=2081

²⁷ <http://www.gmdu.net/join-2-join-33-p1.html>

²⁸ http://www.fairwear.nl/ul/cms/fck-uploaded/documents/countrystudies/othercountries/thailand/country_study_thailand.pdf

²⁹ http://www.thaitradeusa.com/home/?page_id=2081

³⁰ <http://wideplusnetwork.files.wordpress.com/2012/10/firststoryofwomen.pdf>

³¹

³² http://www.thaitextile.org/iu_backup/link_content/Market/SourceASEAN_Thailand_profile_100331.pdf

³²

³² http://www.thaitextile.org/iu_backup/link_content/Market/SourceASEAN_Thailand_profile_100331.pdf

³³ <http://www.fairlabor.org/affiliates?page=12>

³⁴ <http://www.cottonguide.org/cotton-guide/market-profiles-the-structure-and-characteristic-of-the-thai-cotton-market-a-macro-view/>

³⁵

³⁵ <http://www.google.co.uk/urlsa=t&rct=j&q=&esrc=s&source=web&cd=9&cad=rja&uact=8&ved=0CFMQFjAI&url=http%3A%2F%2Ftraining.itcilo.org%2Fctrav%2Fcourses%2F2005%2FA3->

5. Economic data on the garment industry

+++ import and export of garments +++ US is largest export destination +++ no GSP for Thailand +++ worth of Thai garment industry +++ foreign and domestic investment +++

Thailand's economy and relevance in the global garment supply:

Thailand is the second largest economy in Southeast Asia, with a lot of foreign investment, including from major multinational companies from OECD countries.³⁶ Thailand's garment sector provides for only 1.04% of the world supply with clothes.³⁷

Import and export:

The country imports and exports garment and textiles. The largest export destination for garments made in Thailand is the US. Around 40% of Thailand's garments are exported to the US.³⁸ The EU is also one of the main export destination for Thailand,³⁹ but of much less relevance than the US in terms of amounts of exports. Its garment exports make up 12.3 percent of Thailand's GDP.⁴⁰ The value of Thailand's garment exports 2013 was 6 billion USD (4.7 billion EUR).⁴¹ For 2014 and increase of revenues is expected: the value of garment exports is estimated at 7.8 billion USD (6.2 billion EUR) for 2014.⁴² The textile industry is smaller and less profitable: 2012 it exported textiles worth 4.2 billion USD,⁴³ while the garment exports in the same year were worth 7.2 billion USD.⁴⁴ Generally, Thailand's garment exports are declining. This is because of its relatively high wages in comparison with the neighboring countries and

[50842_web%2Fwork%2Freport%2FThailand.doc&ei=uv2_U8eUfZPb4QSH94DADA&usg=AFQjCNGS_HG9X-GG3T0Uk36SSekp8gOmJA&bvm=by.70810081.d.bGE](#)

³⁶ <http://www.industriall-union.org/thai-unions-make-a-big-step-towards-unity>

³⁷

http://www.thaitextile.org/iu_backup/link_content/Market/SourceASEAN_Thailand_profile_100331.pdf

³⁸ <http://www.emergingtextiles.com/?q=art&s=090220-thailand-country-report&r=free>

³⁹ <http://ec.europa.eu/trade/policy/countries-and-regions/countries/pakistan/>

⁴⁰ http://www.textileworldasia.com/Issues/2007/March-April/Country_Profiles/Thailand-Textile_Industry_Profile

⁴¹ http://www.textileworldasia.com/Issues/2007/March-April/Country_Profiles/Thailand-Textile_Industry_Profile

⁴² <http://www.nationmultimedia.com/business/Higher-growth-in-garment-exports-seen-as-EU-recover-30230353.html>

⁴³ <http://www.fibre2fashion.com/industry-article/48/4752/thailand-seeks-to-be-aseans-fashion-hub1.asp>

⁴⁴ <http://www.fibre2fashion.com/industry-article/48/4752/thailand-seeks-to-be-aseans-fashion-hub1.asp>

because it does not have any tariff preferences (such as GSP) anymore for the US and EU markets.

Trade preferences:

GSP is a system of tariff reductions for developing countries' exports. Thailand lost its GSP benefits in 2013 as a result of the World Bank's classification of the country in the past three years.⁴⁵

Dependence on garment exports:

Thailand is very dependent on garment export, mainly because of a lack of domestic demand i.e. lacking domestic purchasing power.⁴⁶

6. Garment workers

+++ over one million garment and textile workers +++ only 5% of workers are in trade unions +++ social insurance +++ poor housing of workers +++ maternity leave: often not granted +++

There are around 824,500⁴⁷ up to 1,000,000⁴⁸ employees in Thailand's garment industry and around 200,000 in the textile industry.⁴⁹ The textile and garment industry is the second most important sector for employment.

Trade unions:

Only 5% of the garment workers are members of trade unions. However, trade unions are nevertheless present in many factories, both private and state owned. Also, often workers form trade union-like organizations, e.g. special purpose labour groups.^{50 51} The three biggest labour

⁴⁵ <http://www.lexology.com/library/detail.aspx?g=1ca22b1e-f4a3-4a73-87d1-0d083bc384a4>

⁴⁶ <http://www.euromonitor.com/apparel-in-thailand/report>

⁴⁷ http://www.thaitradeusa.com/home/?page_id=2081

⁴⁸ <http://wideplusnetwork.files.wordpress.com/2012/10/firststoryofwomen.pdf>

⁴⁹

http://www.thaitextile.org/iu_backup/link_content/Market/SourceASEAN_Thailand_profile_100331.pdf

⁵⁰ <http://uglytruththailand.wordpress.com/2014/02/26/the-thai-working-class/>

Thailand Country Report

unions in Thailand are Labour Congress of Thailand (LCT), National Congress of Thai Labour (NCTL), Thai Trade Union Congress (TTUC).⁵² These three are the ILO's trade union contacts in Thailand. In total there are nine unions for the garment and textile sector.⁵³

Insurance:

In Thailand, there is a fund providing for social insurance. This fund consists of contributions by the government, the employer and the insured person; each party has to contribute 3% of the insured person's salary. The insured is entitled to: injury or sickness benefits; maternity benefits; invalidity benefits; death benefits; child benefits; old-age benefits; unemployment benefits.⁵⁴ However, not all Thai people have insurance - only around 75% do.⁵⁵ Migrant workers also often do not have insurance because many of them are undocumented or do not speak Thai; however, there are no estimates to be found on the percentage of migrant workers with insurance.⁵⁶

Housing:

About half of the garment workers in Thailand live in dormitories on the factory ground. Especially migrant workers are often victims of being accommodated in overpriced and unhygienic houses; or their accommodation is provided for by the factory, but in these cases the factory keeps part of the salary as a rent.⁵⁷

Maternity leave:

Workers usually get 12 to 13 weeks of maternity leave which is in accordance with ILO

⁵¹ http://www.fes-thailand.org/wb/media/documents/The%20Thai%20Labour%20Movement_Sakdina%20Chatrakul%20Na%20Ayudhya.pdf

⁵² http://en.wikipedia.org/wiki/Category:Trade_unions_in_Thailand

⁵³ http://www.fairwear.nl/ul/cms/fck-uploaded/documents/countrystudies/othercountries/thailand/country_study_thailand.pdf

⁵⁴ <http://www.who.int/bulletin/volumes/88/2/10-010210/en/>

⁵⁵ http://publications.iom.int/bookstore/free/Financing_Healthcare_for_Migrants_Thailand.pdf

⁵⁶ <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2764&context=globaldocs>

⁵⁷ <https://www.dvb.no/news/features-news/burmese-migrants-face-%E2%80%98systemic%E2%80%99-exploitation-near-border/28745>

Thailand Country Report

standards; however, migrant workers are often being fired when they get pregnant and are therefore excluded from maternity leave.⁵⁸ This is especially a problem for informal workers without a contract of employment. Paternity leave is not common. Child care is usually not provided in the factories.⁵⁹ Concerning breaks, ILO Conventions 14 (ratified by Thailand) provides for minimum weekly rest in order to take (food) breaks. The compliance situation is unclear.

Wages:

Area	Minimum Wage	Context	Living Wage
Bangkok	300 Baht per day (9.8 USD; 7 EUR); 7600 Baht per month (234 USD; 185 EUR). ⁶⁰ In reality, wages for Thai workers are often a little above the minimum wage, whilst migrant workers often get much less. ^{61 62 63}	- Food: ca 120 baht (per day) - Transportation: ca 20 baht (to the factory) - Rent: ca 800 baht (per month)	Around 10,000 Baht per month (308 USD; 243 EUR), so 2400 Baht more than the current minimum wage.
Provincial Areas and home workers	Officially 300 Baht per day, but in reality often lower, especially for illegal migrant workers. ⁶⁴		

⁵⁸ <http://www.cleanclothes.org/news/2013/08/29/migrant-workers-excluded-from-maternity-leave>

⁵⁹ <http://wideplusnetwork.files.wordpress.com/2012/10/firststoryofwomen.pdf>

⁶⁰ <http://asiafoundation.org/in-asia/2013/01/30/thailand-adopts-nationwide-minimum-wage-policy-amid-controversy/>

⁶¹ <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2764&context=globaldocs>

⁶² <http://www.cleanclothes.org/issues/migrants-in-depth/stories/first-time-victory-migrant-workers-receive-minimum-wage-in-thailand>

⁶³ <http://www.eldis.org/go/home&id=32806&type=Document>

⁶⁴ <http://www.philstar.com/business/2012-08-01/833539/thailands-minimum-wage-some-lessons-us>

7. Legal instruments and enforcement mechanisms

+++ Human rights law +++ ILO Conventions +++ national law +++ forced labour +++ child labour +++ women's rights +++ living wage +++ freedom of association +++ non-discrimination +++ reasonable working hours +++ safe working conditions +++

7.1 Thailand's legal obligations

There are a number of national, regional, and international laws which prescribe various rights and obligations to both workers and employers in the Garment and Textile Industry. This section considers such legislation, as well as its implementation and enforcement in the garment and textile industry in Thailand. Before turning to the laws themselves, consideration should be given to the national and international legal framework under which Thailand operates.

International Law:

On an international level, Thailand has incurred rights and obligations from various human rights treaties, and International Labour Organisation (hereinafter 'ILO') Conventions which it has ratified.

The main treaties that are of importance in connection to the rights of workers are:

- 1) *The International Covenant on Civil and Political Rights (herein after: ICCPR)***
- 2) *The international Covenant on Economic, Social and Cultural Rights (herein after: ICESCR)***
- 3) *The Convention on Elimination all forms of Discrimination of Women (herein after: CEDAW)***
- 4) *The Convention on the Rights of the Child (herein after: CRC).***

These treaties are binding upon states that signed and ratified them. Thailand ratified all these treaties; however, it has made reservations and declarations for some Articles of these treaties. This means that the respective Articles are not binding upon Thailand or that Thailand has more freedom to interpret the articles in a way which would benefit the state. There are mechanisms to check if the parties to the treaties comply with their obligations. One important mechanism is

the individual complaint mechanism. Under this procedure, individuals can bring a claim against the state to seek for enforcement of a right granted under a treaty.

ILO Conventions:

As mentioned above, another source of international law in regard to workers' rights are the ILO Conventions. These Conventions are binding upon the states that have ratified them. There are eight core ILO Conventions:⁶⁵

- 1) C029 – Forced Labour Convention**
- 2) C087 – Freedom of Association and Protection of the Right to Organise Convention**
- 3) C098 – Right to Organize and Collective Bargaining Convention**
- 4) C100 – Equal Remuneration Convention**
- 5) C105 – Abolition of Forced Labour Convention**
- 6) C111 – Discrimination (Employment and Occupation) Convention**
- 7) C1338 – Minimum Age Convention**
- 8) C182 – Worst Forms of Child Labour Convention**

Out of the eight core ILO Conventions, Thailand ratified 5. Thailand did **not** ratify:

C087 – Freedom of Association and Protection of the Right to Organise Convention, C098 – Right to Organize and Collective Bargaining Convention, C111 – Discrimination (Employment and Occupation) Convention

Moreover, Thailand declared: *Pursuant to Article 5, the provisions of the Convention shall be applicable to the following branches of economic activity: mining and quarrying; manufacturing; construction; electricity; gas and water; sanitary services; transport; storage service and communication; and plantations and other agricultural undertakings mainly producing for commercial purposes, with the exception of family and small-scale holdings producing for local*

⁶⁵ http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-islamabad/documents/policy/wcms_143046.pdf

consumption and not regularly employing hired workers.⁶⁶ For these sectors, Thailand set the minimum age at 15.

Relevant additional ILO conventions that Thailand has ratified:

1) C014 - Weekly Rest (Industry) Convention

2) C019 - Equality of Treatment (Accident Compensation) Convention

National law:

Another source of law that grants rights to individuals is the national law of Thailand, for example the Constitution and other statutory laws, or the jurisprudence of the court. This law can be invoked before national courts. The national legislation relevant in Thai labour issues is the Thai Labor Protection Act.⁶⁷ This is the national law referred to in the following.

7.2 Enforcement

International law:

When a state signed and ratified a treaty, it is binding upon it and as Article 26 of the Vienna Convention on the Law of Treaties (VCLT) says, states that have ratified a treaty must carry out its obligations in 'good faith.' Enforcement of international law is possible if the state party not only ratified the treaty but also the agreement allowing for individual complaints. These agreements usually are Optional Protocols (OP) to the treaties. The enforcement mechanisms for each of the relevant treaties are detailed below.

ICCPR – The Human Rights Committee (HRC) is the ICCPR's monitoring and enforcement body. States that have ratified the ICCPR must submit periodic reports to the HRC when requested to do so (around once every five years). Additionally, the HRC may hear interstate complaints. Finally, an individual complaint mechanism exists, but only if the state has also signed the first Optional Protocol (OP) to the Convention. ***Thailand has not signed this OP*** which means individuals may not bring complaints to the Human Rights Committee (HRC) which governs the ICCPR.

ICESCR – The Committee on Economic, Social and Cultural Rights (CESCR) is the ICESCR's monitoring and enforcement body. As with the HRC, CESCR receives periodic reports from

⁶⁶ http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:102843

⁶⁷ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

Thailand Country Report

contracting states. Furthermore, CESCR holds 'General Discussion Days' and at times will visit states to gather information on compliance. Under the ICESCR, individual complaints are only permitted if the contracting state has signed the OP to the ICESCR. Again, **Thailand has not signed this OP**.

CEDAW - The Committee on the Elimination of Discrimination against women is CEDAW's monitoring and enforcement body. As with the abovementioned treaties, state reporting is once again one of the main ways in which compliance with this treaty is monitored. The committee may make general recommendations after receiving state reports. Individual complaints are permitted if the contracting state has signed the optional protocol. **Thailand has signed this OP**

CRC - The Committee on the Rights of the Child is the CRC's monitoring and enforcement body. State reporting comprises the main way in which this treaty is enforced.

To summarise, Thailand has the obligation to comply with the content of the treaties mentioned above because it signed and ratified all of them. However, Thailand does not always comply. But since Thailand only signed one of the Optional Protocols that allow for individuals to enforce the treaty Articles, it is only possible to force Thailand to abide by that one treaty (CEDAW). So, Thailand has to comply with all the treaties it ratified, but there are little possibilities to force Thailand to comply.

ILO Conventions:

Enforcement of ILO Conventions is not possible even though compliance with the conventions is compulsory for signatories.

ILO Conventions are binding for all signatories and in terms of enforcement, the ILO provides for both a supervisory system and a complaint mechanism.

Member states can file complaints against other member state in case of a violation of the obligations under an ILO Convention. The ILO then can form a Commission of Inquiry and investigate in the allegations. Furthermore, pressure by the international community is also a powerful means to make states comply with the obligations under the ILO Conventions. Both was used against Myanmar when it violated the ILO Conventions on forced labour and the ILO took actions against it.

Thailand Country Report

Furthermore, the ILO provides for a periodic reporting system, meaning that periodically a state must submit a report to the Committee of Experts on how it is applying and working to implement the provisions of the conventions which it has ratified.⁶⁸ This is a tool that is also used for “naming and shaming” amongst the member states of the ILO which motivates members to implement better labour standards in order to avoid the “shaming”.

It is also worth noting that the ILO operates a special Freedom of Association Committee which monitors the right to freedom of association in countries, regardless of whether they have ratified the relevant ILO conventions or not. Complaints regarding freedom of association may be brought by employers and workers associations before this special committee.

National law:

The most important national legal instrument laying down labour rights is the Thai Labour Protection Act.⁶⁹ Other labour acts are: the Labour Court and Labour Court Procedure BE 2522, Labour Relations Act BE 2518, Social Security Act BE 2533, Thai Civil and Commercial Code, Provident Fund Act BE 2530, and Workmen's Compensation Act BE 2537.⁷⁰ The Thai Labour Protection Act is generally considered as covering a broad scope of issues and as being phrased in a coherent and precise manner. The Labour Protection Act even partially covers informal workers such as home-based workers and domestic workers.⁷¹

Issues such as corruption affect the effectiveness and credibility of many sectors of the Thai government. In order to fight corruption, the Thai Supreme Court has established a sector that exclusively deals with corruption committed by Thai officials - the “Supreme Court’s Criminal Division for Person Holding Political Positions”.⁷²

Labour issues in Thailand are generally first dealt with on a semi-formal manner: in negotiations between the employee and employer through their representatives with the aim of mutual agreement. If the dispute affects the general public, it is referred to the Labour Relations Committee. A decision by this Committee can be appealed within 7 days. The appeal then goes before a labour court. The issues a Thai labour court can deal with are: working condition, cost

⁶⁸ <http://ilo.org/global/standards/applying-and-promoting-international-labour-standards/committee-of-experts-on-the-application-of-conventions-and-recommendations/lang--en/index.htm>

⁶⁹ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

⁷⁰ http://www.streetdirectory.com/travel_guide/163809/legal_matters/labor_law_in_thailand.html

⁷¹ http://wiego.org/informal_economy_law/country-study-thailand

⁷² <http://www.ide.go.jp/English/Publish/Download/Als/pdf/06.pdf>

of living, employee’s hardship, level of wages, rights of the employee, benefits of the employee, status of the employer’s business, economic and social condition.⁷³

However, the impartiality of the Thai judiciary itself is highly disputed amongst scholars. “Because the country’s judiciary has become so highly politicized, decisions that defy legal logic now seem the norm.”⁷⁴ This position has many reasons. One is that Thailand’s current constitution was put in place after a military coup 2006 that overthrew Prime Minister Thaksin Shinawatra. Another reason is that the judiciary in Thailand is far from being separated from the legislative and executive branch - many politicians are appointed by judges or by the military. Hence, one can assume with relative certainty that the conflicts of interest are high. “The judiciary had been accused of corruption and political bias before the coup, and Thaksin certainly tried to influence it when in power. Yet it was the 2006 coup and the 2007 constitution that institutionalized the Constitutional Court’s political bias.”⁷⁵ In 2011 the Pheu Thai party under leadership of Ms Yingluck was elected and proclaimed that it wants to reform the “undemocratic constitution”; however, it did not succeed to do so and instead there was another military coup in 2014 dissolving the senate.

7.3 Overview of the laws and the compliance

The eight core issues relevant to the rights and obligations of workers, states, and employers will be detailed below: Forced labour, non-discrimination, women’s rights, child labour, freedom of association, living wage, reasonable working hours, and safe working conditions.

Area	International Law	Ratified?	National Legislation	Implementation
General	<i>ILO Conventions, ICCPR, ICESCR, CEDAW, CRC</i>		<i>The national legislation referred to here is the Thai Labor Protection Act.⁷⁶</i>	<i>The rights granted and the reality are not always the same; eventually, the situation depends on the implementation.</i>

⁷³ <http://www.thailandcourt.com/labor-litigation-in-thailand>

⁷⁴ <http://www.asiasentinel.com/politics/thailand-judiciary-politicized/>

⁷⁵ <http://www.asiasentinel.com/politics/thailand-judiciary-politicized/>

⁷⁶ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

Thailand Country Report

Forced Labour	ILO Conventions 29 (1930) 105(1957) ILO Convention 29 defines forced labour as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily” ⁷⁷ and obliges all signatories to abolish forced labour in the shortest time possible.	Ratified		When it comes to problems of illegal immigration and forced labour, Thailand is on a par with Afghanistan, Chad, Iraq and Niger. ⁷⁸ Especially during peak season, workers are forced to stay overtime. ⁷⁹
	ICCPR, Arts 2, 26 ICESCR, Art 6	ratified ICCPR and ICESCR		
Non-Discrimination	ILO Conventions 100 (1951): equal remuneration for men and women 111 (1958)	Ratified (100)	Section 15 of the labour protection act 1998: “A boss shall treat male and female employees equally with regard to employment for work, unless such treatment is not possible due to the characteristics or	Often, women are in a situation of disadvantage as opposed to their male colleagues. Also, migrant workers are often disadvantaged. ⁸⁰

⁷⁷ http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C029

⁷⁸ <http://www.waronwant.org/attachments/WOW%20Migration%20Report%20low%20res.pdf>

⁷⁹ <http://wideplusnetwork.files.wordpress.com/2012/10/firststoryofwomen.pdf>

⁸⁰ <http://www.waronwant.org/attachments/WOW%20Migration%20Report%20low%20res.pdf>

Thailand Country Report

			nature of the work.”	
	ICCPR, Arts 2, 26 ICESCR, Art 2(2) CEDAW, Art 1 CRC, Art 2	Ratified all four		
Women	CEDAW, Art 1 (and OP)	Ratified (reservation for Art 29)		Females often suffer from abuses at the workplace, mainly revolving around pregnancy issues. Moreover, often women get paid less for the same work. ⁸¹
Child Labour	ILO Conventions 138 (1973): in accordance with this Convention, Thailand set the minimum age at 15 years for certain sectors, manufacturing is amongst these sectors. For all other sectors there is no minimum age 182 (1999)	ratified both 138 and 182	Section 44: The minimum age in order to employ a child is 15 years old in Thailand. ⁸²	In Thailand there is about 8% Child labour (5-14 years). This is an overall number, not specifically for the garment industry. ^{83 84}

⁸¹ <http://www.ituc-csi.org/thailand-violations-of-all-core>

⁸² <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

⁸³ http://ihscslnews.org/view_article.php?id=115

⁸⁴ <http://www.ituc-csi.org/thailand-violations-of-all-core>

Thailand Country Report

	CRC, Art 32	ratified		
Freedom of Association/ Collective Bargaining	ILO Conventions 87 (1948) 98 (1949)	Not ratified	Section 96 prohibits anti-union discrimination and allows collective bargaining. However, there are no sufficient means for protection of these rights. ^{85 86}	There are only a few factories with a collective bargaining agreement. Anti-union harassment is common. ⁸⁷
	ICCPR, Art 22 ICESCR, Art 8	ratified		
Living Wage	ILO Conventions 26 131	Not ratified	Section 53 stipulates that the boss shall determine the wage. ⁸⁸ The minimum wage 300 baht per day has to be respected.	Despite the Thai minimum wage being set, there are numerous cases of garment workers receiving less. For example, many Burmese migrant workers often get paid 40-60% less ⁸⁹ and receive as little as 175 THB per day (around 5 USD) ^{90 91} - officially (according to the Thai minimum wage) they should get 300 THB (9.1 USD; 8 EUR) per day.
	ICESCR, Art 7: wages should allow “a	ratified		

⁸⁵ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

⁸⁶ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

⁸⁷ <http://www.ituc-csi.org/thailand-violations-of-all-core>

⁸⁸ <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/49727/65119/E98THA01.htm>

⁸⁹ http://www.fairwear.nl/ul/cms/fck-uploaded/documents/countrystudies/othercountries/thailand/country_study_thailand.pdf

⁹⁰ <http://www.ituc-csi.org/thailand-violations-of-all-core>

⁹¹ <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2764&context=globaldocs>

Thailand Country Report

	decent living for themselves (the workers) and their families”			
Reasonable Working Hours	ILO Convention 1	Not ratified	Section 23 prohibits more than 48 hours of work and more than 36 hours of overtime per week.	During peak season, excessive overtime is common because factory owners are reluctant to hire additional workers. ⁹² During off-peak season the average is 7.7 to 10 hours a day ⁹³
	ICESCR, Art 7	ratified		
Safe Working Conditions	ILO Convention 155	Not ratified	Section 103 says that the boss is responsible to provide for the workers' safety.	Women often fear for their safety at work, especially when they have to work long hours until late at night. ⁹⁴
	ICESCR, Art 7: states that every worker shall enjoy: “just and favourable conditions of work which ensure, in particular: (...) (b) Safe and healthy working conditions”.	ratified		

⁹² http://www.networkideas.org/feathm/jul2007/pdf/voravidh_charoenloet.pdf

⁹³ <http://www.labourbehindthelabel.org/jobs/item/614-working-hours>

⁹⁴ <http://wideplusnetwork.files.wordpress.com/2012/10/firststoryofwomen.pdf>

8. Consumers

**+++ demand and supply +++ influence on the garment workers +++ garment exports +++
consumer opinion +++**

Working conditions of garment workers, wages, working hours - all this gets influenced by the demand for the clothes. When the demand is high, garment workers have to produce more and thus have longer shift. When the demanding power aka the consumers wish to pay less for garments, the wages of workers go down and working conditions can get worse, because not enough money is there to be spent on safety and facilities in the factories. These are just examples to show that the demand indeed influences the supply and the conditions under which the supply is made. This is also noticeable for Thai garment workers, e.g. when they have to work overtime in order to finish an order during the peak season.

The largest export destination for garments made in Thailand is the US. Around 40% of Thailand's garments go to the US.⁹⁵ The EU is also one of the main export destination for Thailand,⁹⁶ but of much less relevance than the US in terms of amounts of exports.

The way consumers buy clothes in the west directly influences the system of demand, supply, import and exports. Interesting in this regard is to note what consumers are looking for: a German survey recently revealed that 86% find it important or very important that clothes are available for cheap prices.⁹⁷ However, 84% also said that it is important or very important to them that garments are made under fair conditions. So, in this survey it is very clear to see that many people are aware of the bad conditions in many of the factories where clothes are made and that most of the people do not approve of that situation, but that they are also not willing to pay more.

Consumers have a lot of power when it comes to putting pressure on governments and brands. This was also recognised by garment workers that sewed price tags into Primark clothes saying "degrading sweatshop conditions" and "forced to work exhausting hours".⁹⁸

⁹⁵ <http://www.emergingtextiles.com/?q=art&s=090220-thailand-country-report&r=free>

⁹⁶ <http://ec.europa.eu/trade/policy/countries-and-regions/countries/pakistan/>

⁹⁷ <http://yougov.de/news/2014/08/12/umfrage-verbraucher-wollen-bei-kleidung-fair-und-b/>

⁹⁸ <http://www.theguardian.com/commentisfree/2014/jun/25/primark-label-swansea-textile-industry-rana-plaza>

Thailand's garment industry, though, is becoming smaller and smaller. Thailand as a middle-income country can no longer offer manufacturing at the prices global discounters expect.

9. Overview and Recommendations

+++ summary +++ big issues for garment workers in Thailand +++ discrimination of foreign workers +++ weak stand of trade unions +++

To summarise, two of the major problems for Thailand's garment workers will be discussed below and possible solutions and recommendations will be given.

Discrimination against foreign workers

Discrimination of migrant workers is a big issue in Thailand in several sectors, also in the garment sector. This problem does not only occur in Thailand's garment industry but in many garment producing countries.⁹⁹ Thailand is among the two most problematic Asian garment producing countries in regards to discrimination of migrant workers.¹⁰⁰

The group of migrant workers that is especially being discriminated against are Burmese migrants. In the garment industry this discrimination especially affects Burmese women. The reasons for this discrimination are numerous: financial interests of employers who exploit migrant workers to that end up to ethnic motives behind the discrimination. Many of the Burmese migrant workers are in Thailand illegally and do not speak Thai - this makes discrimination even easier for the employers. In 2004, only half of all migrant workers were recognised and thus legally in Thailand.¹⁰¹ Reasons of workers to migrate to the economically developed Thailand are mostly related to financial matters (the wages in Thailand are much

⁹⁹ http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2764&context=globaldocs&sei-redir=1&referer=http%3A%2F%2Fwww.google.com%2Furl%3Fq%3Dhttp%253A%252F%252Fdigitalcommons.ilr.cornell.edu%252Fcgi%252Fviewcontent.cgi%253Farticle%253D2764%2526context%253Dglobaldocs%26sa%3DD%26sntz%3D1%26usg%3DAFQjCNENbGdw1ukhOdEgiAzed-Y_HbPqKw#search=%22http%3A%2F%2Fdigitalcommons.ilr.cornell.edu%2Fcgi%2Fviewcontent.cgi%3Farticle%3D2764%26context%3Dglobaldocs%22

¹⁰⁰ http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=2764&context=globaldocs&sei-redir=1&referer=http%3A%2F%2Fwww.google.com%2Furl%3Fq%3Dhttp%253A%252F%252Fdigitalcommons.ilr.cornell.edu%252Fcgi%252Fviewcontent.cgi%253Farticle%253D2764%2526context%253Dglobaldocs%26sa%3DD%26sntz%3D1%26usg%3DAFQjCNENbGdw1ukhOdEgiAzed-Y_HbPqKw#search=%22http%3A%2F%2Fdigitalcommons.ilr.cornell.edu%2Fcgi%2Fviewcontent.cgi%3Farticle%3D2764%26context%3Dglobaldocs%22

¹⁰¹ <http://www.waronwant.org/attachments/WOW%20Migration%20Report%20low%20res.pdf>

higher than in Laos, Cambodia and Myanmar) but also to security matters (in Myanmar several groups have to fear persecution, i.a. muslims).¹⁰²

In 2003, Thailand signed memoranda of understanding with Myanmar, Laos and Cambodia which are the main countries of origin of migrant workers coming to Thailand. The objective of these memoranda was to regularise migration into Thailand. This was supposed to be done by verifying the nationality of the migrants followed by issuing temporary passports for the migrants; however, this process has been very slow. By March 2011, out of the estimated total of 2.5 million migrant workers in Thailand, the nationality of fewer than 400,000 had been verified.¹⁰³

Specific problems that migrant workers in Thailand face include the following: forced overtime and long working hours. On average migrant workers have reported to be obliged to work 11 hours per day without being paid more as the Thai Labour Protection Act prescribes. Migrant workers also most often do not get paid according to the Thai minimum wage, but much less. Some migrant workers have reported to receive as little as 69 baht a day while the minimum wage in that area (Mae Sot) at the time was 153 baht a day; however, no migrant workers receive 226 baht per day, but this is still below the minimum wage of 300 baht.¹⁰⁴ Another issue is that employment contracts are often not present for migrant workers - this means that the workers do not know their rights and that they are insufficiently protected against dismissal. Moreover, it seems to be common practice that the documents of the migrant workers are collected by the factory owners/ employers - this is a major deprivation of many rights, a.o. free movement rights. Furthermore, migrant workers often face bad living conditions, such as unsanitary accommodation in dormitories on the factory ground. Semi-legal migrant workers can apply for the National Health Service for an annual fee of 1,300 baht. Recognised migrants can apply for the cheaper Social Security System. Migrants without a temporary passport have to pay for their health expenses themselves. Undocumented migrants who complain about the conditions are usually subjected to deportation or are obliged to pay fees instead of being protected. Additionally, migrant workers often do not join trade unions due to language barriers and legal barriers (migrant workers cannot become executive members of trade unions

¹⁰² <http://www.ibtimes.co.uk/100000-minority-rohingya-muslims-flee-persecution-myanmar-1471762>

¹⁰³ <http://www.waronwant.org/attachments/WOW%20Migration%20Report%20low%20res.pdf>

¹⁰⁴ <http://www.cleanclothes.org/issues/migrants-in-depth/stories/first-time-victory-migrant-workers-receive-minimum-wage-in-thailand>

Thailand Country Report

according to the the Labour Relations Act of 1975).¹⁰⁵ Moreover, female migrant workers are often blocked from maternity leave.¹⁰⁶

According to War on Want, one of the most important things that should be done to improve the situation of migrant workers is to educate them about the rights they have and to facilitate them with means to claim these rights, e.g. putting them in contact with trade unions. Organisations that are active in this field include: Social Action Women (SAW), the Burmese Women's Union (BWU), Burmese Lawyers' Council (BLC), MAP Foundation and Yaung Chi Oo Workers' Association (YCO). They say there is a need for a unified voice to call for an end to exploitation of migrant workers and for the working conditions of those workers to be raised to internationally recognised standards, with safe, healthy conditions and a living wage.¹⁰⁷ Another way that is perhaps faster would be to raise the wages for migrant workers to the level of Thai workers; the employment of migrant workers is so popular because it is cheaper for employers - if wages are raised this is not the case anymore and migrant worker and Thai workers would get treated equally.¹⁰⁸ Moreover, the Thai government has to change its policies towards migrants and put complaint mechanisms in place; this however would probably be a very long process to achieve.¹⁰⁹

Weak stand of trade unions

Only 5% of the Thai garment workers are members of trade unions. But the unionised workers are mainly located in the Bangkok area; in the more rural areas unionisation is much less common.¹¹⁰ ¹¹¹However, trade unions are nevertheless present in some factories, both private and state owned. Also, often workers form trade union-like organizations, e.g. special purpose labour groups.¹¹²

The three biggest labour unions in Thailand are Labour Congress of Thailand (LCT), National

¹⁰⁵ <http://www.cleanclothes.org/news/2013/08/29/migrant-workers-excluded-from-maternity-leave>

¹⁰⁶ <http://www.cleanclothes.org/news/2013/08/29/migrant-workers-excluded-from-maternity-leave>

¹⁰⁷ <http://www.waronwant.org/attachments/WOW%20Migration%20Report%20low%20res.pdf>

¹⁰⁸ <http://www.eldis.org/go/home&id=32806&type=Document>

¹⁰⁹ <http://www.eldis.org/go/home&id=32806&type=Document>

¹¹⁰ <http://uglytruththailand.wordpress.com/2014/02/26/the-thai-working-class/>

¹¹¹ <http://www.fes->

[thailand.org/wb/media/documents/The%20Thai%20Labour%20Movement_Sakdina%20Chatrakul%20Na%20Ayudhya.pdf](http://www.fes-thailand.org/wb/media/documents/The%20Thai%20Labour%20Movement_Sakdina%20Chatrakul%20Na%20Ayudhya.pdf)

¹¹² <http://uglytruththailand.wordpress.com/2014/02/26/the-thai-working-class/>

Thailand Country Report

Congress of Thai Labour (NCTL), Thai Trade Union Congress (TTUC).¹¹³ These three are the ILO's contacts. In total there are nine unions for the garment and textile sector.¹¹⁴

Thailand did not ratify the two ILO Conventions that set out the international standards for freedom of association and collective bargaining. The national law on trade union rights is the Labour Relations Act; complaints can be brought before the Labour Relations Committee.

The main issues in Thailand regarding trade union rights include: some groups of workers do not have the right to organise, e.g. civil servants and sometimes migrant workers. Moreover, the Thai laws regulating trade union rights do not directly include the right to collective bargaining and strike.¹¹⁵ However, collective bargaining is possible if at least 15% of the workforce of a company support the demands.¹¹⁶ Only 5% of Thai workers are covered by a collective bargaining agreement (this percentage includes all sectors, not just the garment sector).¹¹⁷ Anti-union harassment is prohibited, but nevertheless it seems to be happening, e.g. in form of dismissal. If union membership drops below 25% of the workers the union can be dissolved administratively.¹¹⁸ Registration of unions is often delayed and in-house unions are favoured over industrial or sectoral unions.¹¹⁹ "Article 75 of the Labour Protection Act is frequently abused. This article allows an employer temporarily to halt operations fully or partially for any cause other than force majeure provided that he pays employees at least 50 per cent of their normal working day wage. Employers have used this provision to keep union leaders out of the factory."¹²⁰ Moreover, the judiciary is reportedly biased towards the employers in case of a labour dispute. "Outsourcing is also an important way to circumvent legislation. In particular in the garment and textiles industries, contract labour is used increasingly."

Recommendations presented by the Friedrich Ebert Stiftung include: educating the rural population about trade unions, collective bargaining and the freedom of association; education about this also in schools and universities; support should be given to campaigns pushing for

¹¹³ http://en.wikipedia.org/wiki/Category:Trade_unions_in_Thailand

¹¹⁴ <http://www.fairwear.nl/ul/cms/fck->

[uploaded/documents/countrystudies/othercountries/thailand/country_study_thailand.pdf](http://www.fairwear.nl/ul/cms/fck-uploaded/documents/countrystudies/othercountries/thailand/country_study_thailand.pdf)

¹¹⁵ <http://www.ituc-csi.org/thailand-violations-of-all-core>

¹¹⁶ http://www.ituc-csi.org/IMG/pdf/Thailand_report_final.pdf

¹¹⁷ http://www.ituc-csi.org/IMG/pdf/Thailand_report_final.pdf

¹¹⁸ http://www.ituc-csi.org/IMG/pdf/Thailand_report_final.pdf

¹¹⁹ http://www.ituc-csi.org/IMG/pdf/Thailand_report_final.pdf

¹²⁰ http://www.ituc-csi.org/IMG/pdf/Thailand_report_final.pdf

Thailand Country Report

the ratification of the ILO Conventions 97 and 98 by the Thai government; the Labour Relations Act should be revised giving more rights to unionised people; others.¹²¹

¹²¹ http://www.fes-thailand.org/wb/media/documents/The%20Thai%20Labour%20Movement_Sakdina%20Chatrakul%20Na%20Ayudhya.pdf