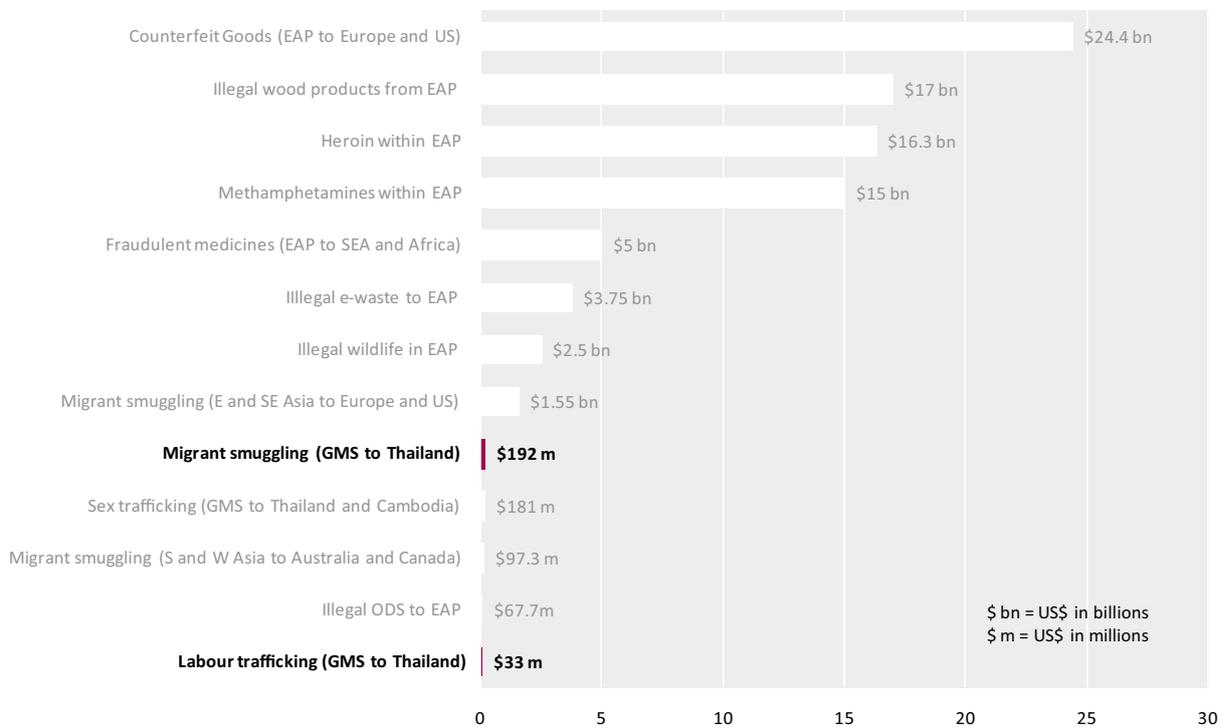


Chapter 1

Smuggling of migrants and labour trafficking within the Greater Mekong Sub-Region



NATURE OF THE THREAT

Human trafficking:	
1. Slave-like conditions: human beings treated as disposable commodities – immense – often hideous – emotional, psychological and physical damage done to victims.	2. Forms of control: sexual exploitation; domestic servitude; forced marriage; forced labour (especially in construction and fishing industry); debt bondage; imprisonment; violence and torture; child begging.
Migrant smuggling:	
1. Deadly risks and loss of human life – smuggled migrants are exposed to deadly risks, including loss of life, en route to destination. Thousands of migrants die each year during the process of illegal migration.	2. Human rights abuses – irregular status of migrants creates vulnerabilities to discrimination, exploitation, and trafficking in persons. Smuggled migrants often end up with dangerous jobs. They are often excluded from health, education and other social welfare provisions.
3. Economic impact – the illegal economy creates unfair competition, and undermines wages and social protection, loss of legitimate tax revenue for governments.	4. Threat to state security – migrant smuggling is a high-profit / low-risk crime. It empowers criminals and undermines state security due to links with organized crime, violence, and corruption. People cross borders without the host states’ consent and knowledge.
5. Corruption – fuels corruption among public officials.	6. Cost of law enforcement – costs to the state to improve border security measures, conduct search and rescue operations (e.g. with maritime smuggling), and provide protection and assistance.

This chapter deals with two areas of crime usually regarded as distinct: the trafficking of labourers and the smuggling of migrants. In common parlance, the words “trafficking” and “smuggling” are often interchanged, but they are different processes. For this reason, when the international community designed the UN convention on transnational organized crime, the need to prohibit two independent offences was recognized. “Trafficking” defines conscious acts that lead to and create situations in which people are forced to work against their will, while “smuggling” is the act of assisting irregular migration, motivated by material or financial gain.

Within the Greater Mekong Subregion, however, the two offences are closely interlinked. Away from their home communities and in their ‘host’ country illegally, smuggled migrants have little basis for asserting their rights as workers, including the basic right to be paid for their labour. Moreover, what begins as a voluntary search for a better life can often descend into exploitation and slavery.

In recent years, East and Southeast Asian economic growth has pulled millions out of poverty. However, in some cases, labour conditions can be harsh. What might be deemed “exploitation” in some countries would be considered decent employment in other parts of this region. Nonetheless, there are basic standards, lines that should not be crossed, and although most migrant labourers return to their families enriched, others are subjected to treatment that violates basic human rights.

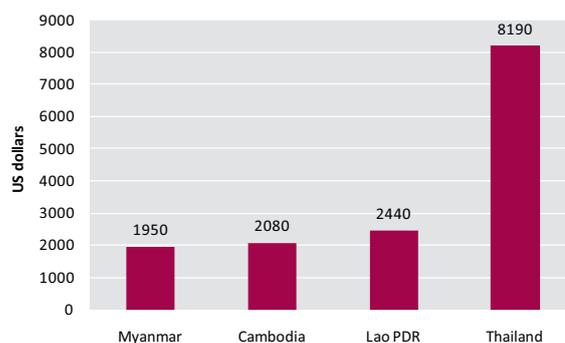
1. What is the nature of the market?

Thailand is a magnet for regional labour. Classed as an upper middle-income country, it has produced sustained economic growth for more than two decades. Rapid growth has come more recently for Cambodia, Lao PDR, and Myanmar, but they remain among the 50 least-developed countries in the world. Since the early 1990s, millions of workers from the region have migrated to Thailand, finding work in the lightly-regulated fishing, seafood, agriculture, construction, and service industries. Both men and women migrate, in roughly equal numbers.

Myanmar, in particular, has contributed significantly to the pool of migrant labourers (see Figure 2). The

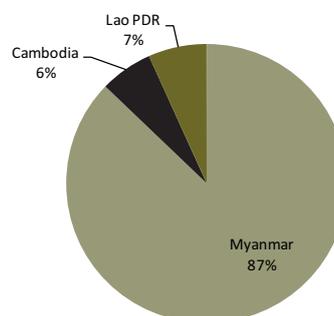
country has suffered from decades of economic stagnation due to conflict, centralized economic control, and sanctions against the government. Conflict has also directly displaced a great number of people. Recent migration registration data indicates that most migrants in Thailand are nationals of Myanmar.

Figure 1: GNI per capita in 2010



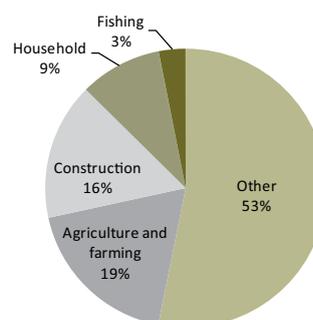
Source: The World Bank 2012

Figure 2: Breakdown of registered migrant workers in Thailand from Cambodia, Lao PDR and Myanmar (2010)



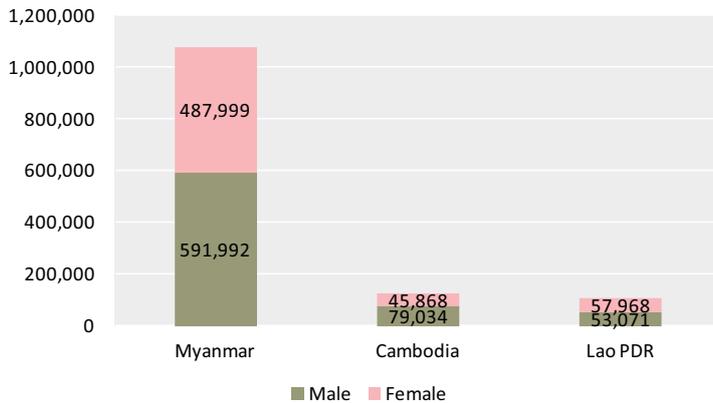
Source: Office of Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand

Figure 3: Areas of employment of registered migrant workers in Thailand from Cambodia, Lao PDR and Myanmar (2010)



Source: Office of Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand

Figure 4: Thailand: Migrants registered in 2009 by gender and nationality



Source: Office of Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand

The desire to migrate is not just about economics. Among young Lao, for example, a period of migrant labour is seen as a kind of rite of passage.¹ For Lao, Thailand is a natural destination because of cultural, social, and linguistic similarities. Thai media, ubiquitous in Southeast Asia, portrays an exciting and modern lifestyle, in stark contrast to the boredom and monotony of rural life. Returning migrants often flaunt the sophistication and wealth associated with having worked in a relatively rich society, and longer-term emigrant communities provide social networks for those looking to spend time abroad.

Too often, unfortunately, high expectations are met with disappointment. Migrants can find themselves indebted and in jobs that do not match what recruiters had promised. In extreme cases, they may be trafficked, unpaid or deprived of their freedom. Their vulnerability to exploitation is rooted in their irregular status.

The exact figure is unknown, but irregular migrants undoubtedly represent a significant percentage of the Thai labour pool. A 2009 registration process resulted in 1.3 million applications for regularization, and one which was offered 18 months later brought in another million applicants. Nevertheless, many irregular migrants remain unregistered, deterred by a number of reasons (e.g., not being of labour force age, burdensome procedures and fees associated with the process, inability to verify nationality).

¹ UNFPA GMS 2011

Although formal recruitment channels exist, they are relatively new and most migrants still prefer to enter Thailand irregularly for several reasons. This is because complying with the law:

- takes time, typically delaying earnings by some three to six months;
- is expensive, costing the equivalent of four to five months' wages;² and
- is restrictive, because work permits are valid for just two years and can only be extended once, after which the migrant must wait three years before re-applying.

In addition, formal migration also does not necessarily guarantee better legal protection or higher net earnings for migrants. The high costs of formal recruitment can place workers in debt bondage to their employer or recruiter.³ Although contracts provide migrants with legal protection, few understand their rights well enough to assert them. Just like smugglers, formal recruiters can unwittingly channel workers to employers who exploit them. Smuggling, in contrast, is immediate and relatively cheap, with the cost as low as one-fifth of the costs of a work permit. Smugglers often act as employment agents, transporting workers to waiting jobs. Employers may even prefer recruiting irregular workers, who are more flexible and allow tax avoidance. They may therefore contract smugglers to supply them. Employers are also required to pay fees to participate in formal recruitment. As a result, it is estimated that regular migrants meet just 7% of Thailand's total demand for migrant workers.⁴

Smuggled migrants are at greater risk of deportation. In 2010, Thai authorities arrested over half a million nationals from Cambodia, Lao PDR, and Myanmar for immigration-related offenses, including illegal entry (see Figure 5).⁵

Nevertheless, the majority of these irregular migrants get what they came for: employment at better wages than they would have received at home. They are usually paid promptly and they are allowed to stop

² Martin 2009

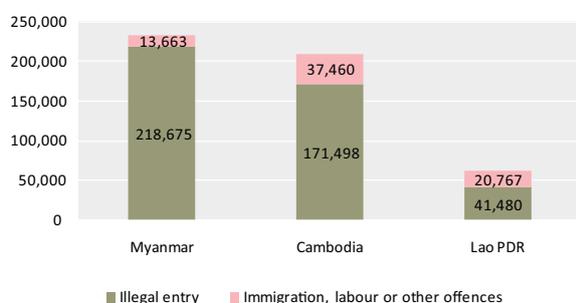
³ Martin 2009

⁴ Chantavanich 2008

⁵ RTP 2011

working when it is no longer in their self-interest to do so.

Figure 5: Arrests in Thailand of migrants from Cambodia, Lao PDR and Myanmar during 2010



Source: Royal Thai Police, 2011

But in some cases, the vulnerability of irregular migrants is exploited. Promised pay may not materialize, and filed complaints may be met with a visit from the immigration police. In some cases, workers can be kept captive for years, working only for their food and accommodation. An example that has received a lot of attention recently is the fishing trade.⁶ Offshore vessels can become prisons, as workers have no one to turn to and no prospects for escape.

Thus, although most men and women who migrate – either independently or facilitated by smugglers – significantly improve their lives by doing so, others cross into Thailand only to find that they have lost control of their lives and end up in exploitative situations.⁷ Research with Cambodian deportees found that just under a quarter of those questioned experienced some degree of exploitation, regardless of the field – agriculture, construction, factory work, and services. The level of reported exploitation in the fishing industry was higher, with approximately one-third of migrants reporting abuse. Most of the fishermen from Cambodia and Myanmar in Thailand are undocumented, and their exploitation can last for years, working 18 to 20 hours per day, seven days a week.⁸ Of 49 trafficked seamen interviewed in 2009, almost one-fifth were 18 or younger.⁹

⁶ See for example IOM 2011a.

⁷ Pearson and Punpuing 2006: p. xvii.

⁸ IOM 2011a: p. 11.

⁹ UNIAP 2009

Seafood processing is another area where trafficking has been reported. In 2006, police found approximately 800 imprisoned men, women, and children from Myanmar working under extreme conditions in Samut Sakhon province, one of the largest seafood processing industrial areas in Thailand. Sixty-six migrants were classified as trafficked persons by the Thai Government. Subsequent police raids in Samut Sakhon revealed additional Myanmar migrants working under harsh and exploitative conditions.¹⁰ One 2011 survey of over 400 migrants found that 34% had been trafficked.¹¹

The Thai government has devoted considerable resources to addressing irregular migration, but managing migration is challenging for even the wealthiest countries. The sheer scale of the problem is daunting, and the pull of a growing economy, seemingly irresistible. Considerable investment of effort must therefore continue to be devoted to reduce the risk of abuses.

2. How are the smuggling and trafficking conducted?

Smugglers have become a critical part of the mass migrant movement. They make it possible to evade the Thai border officers, and also act as job brokers. Their importance is demonstrated by the fact that most migrants make use of smugglers.¹²

The migrants can be broken into two categories. First are those from neighbouring rural areas who simply cross the border to take advantage of seasonal agricultural work and may employ the assistance of smugglers for transport and to avoid patrols by Thai border guards.¹³ The second category are the longer-term migrants, who move all over the country and work in a broad range of sectors, including the construction, food processing, manufacturing, domestic and fishing sectors. These migrants actively seek out the services of smugglers for assistance in job placement or are recruited by someone they know.

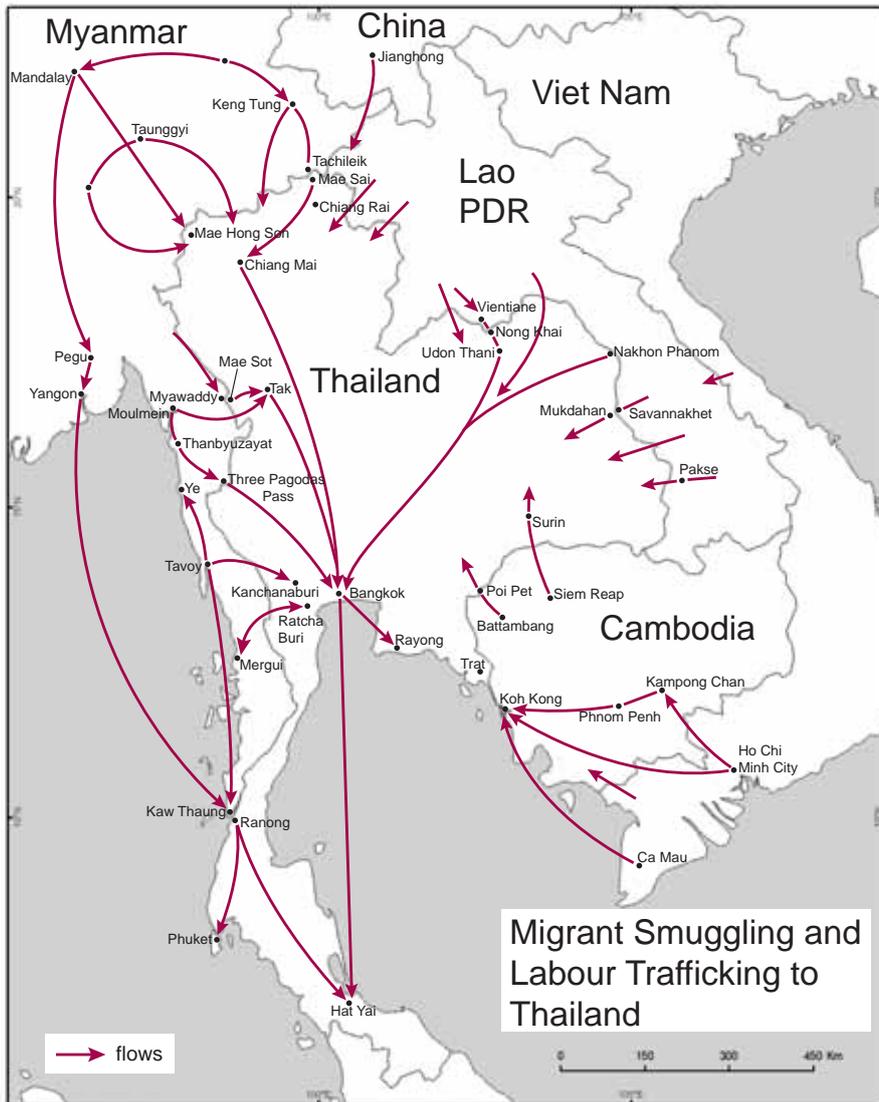
Ironically, regional development and integration is making migrant smuggling easier. New road networks are making Thailand more accessible than

¹⁰ IOM 2009

¹¹ UNIAP 2011: p. 4.

¹² UNIAP 2010; UNODC EAP 2010a

¹³ Hardman 2011



The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

Source: Wong and Rigg 2011: p.13; UNODC sources

rainy season, the short trip is made by boat. In addition, the provinces in the southern region are accessible by sea, and they attract large numbers of smuggled migrants. For example, it is estimated that some 40% of smuggling into Ranong, a province in the south, is facilitated by boat.¹⁶

The registration process conducted by the Thai government in 2009 provides a unique insight into the scale of irregular migration.¹⁷ Figure 6 (next page) shows that the locations of the registered migrants from neighbouring countries are spread relatively evenly across Thailand.

Migrants working in the northern and southern regions of Thailand are primarily from Myanmar. Samut Sakhon Province is among the largest seafood processing industrial areas in Thailand, and it is among the top four coastal provinces in attracting migrant workers, largely from Myanmar.¹⁸

ever before for rural communities in neighbouring countries.¹⁴ Based on UNODC border surveys from the Southeast Asian region, it is estimated that one-third of the irregular migrants simply proceed along the major roads and cross at the official checkpoints. Throughout the Greater Mekong Subregion, official borders can be crossed easily with migrants led by smugglers on foot, by motorbike, vehicle or boat.¹⁵

The other two-thirds of the migrants take advantage of the many informal crossing points. During the dry season, for example, migrants can wade across the Mae Sai River near Tachilek or the Moei River near the Friendship Bridge that connects Mae Sot in Thailand and Myawaddy in Myanmar. In the

Not every smuggled migrant remains in Thailand. For example, ethnic Rohingya Muslims from Myanmar use the services of smugglers to enter Thailand by sea, but many are en route to Malaysia in search of work within established Rohingya communities in Kuala Lumpur and Penang.¹⁹ As their citizenship is not formally recognized by the Myanmar government, the Rohingyas are “stateless”.

In some cases, the migrants seek out the smugglers, while in others, the smugglers actively recruit the

¹⁴ UNODC unpublished report on infrastructure, Bangkok.

¹⁵ UNODC EAP 2010a

¹⁶ UNIAP 2010; UNODC EAP 2010a

¹⁷ IOM 2011

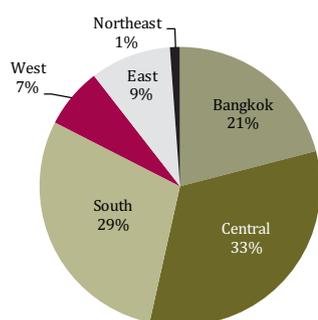
¹⁸ UNIAP 2010

¹⁹ HRW 2009

migrants. Some migrants cross the border on their own, using a genuine passport or border pass, but then work illegally using the help of a smuggler who acts as a placement agent for the employer.²⁰ Most migrants, however, travel in small groups of four or five people from the same village, and cross without documentation.²¹

Research in Cambodia has found that women tend to migrate with family members and sometimes join small groups of other migrants to reach and cross the border, thereby minimizing the role of smugglers. Men are more likely to migrate with groups of friends and join larger groups of migrants to cross into Thailand. They tend to use at least one smuggler in the process.²²

Figure 6: Location of registered migrants from Cambodia, Lao PDR, and Myanmar in Thailand



Source: Office of Foreign Workers Administration, Department of Employment, Ministry of Labour, Thailand, 2010

Corruption is encountered throughout the process of migrating and working illegally. Bribes may be required at border crossings, along major transportation corridors, and anywhere police are encountered. To avoid arrest, migrants have reported paying bribes of between US\$6.50 and US\$260.²³ Police may collect payments from employers on a monthly, per head basis.²⁴ Some police moonlight as smugglers themselves (see Box).²⁵

²⁰ Chantavanich 2008

²¹ Chantavanich 2008

²² UNIAP 2010a

²³ HRW 2010c

²⁴ HRW 2010c

²⁵ Pearson and Punpuing 2006

Police involvement in the recruitment of smuggled migrants

Quote from a 19-year-old male Karen (Myanmar) manufacturing worker:

*I told my uncle that I wanted to try working in Bangkok so he said that I could go and he would pay for my recruitment fee and ride which was 6,000 Baht (US\$150). I was able to get from Tah Song Yan [in Thailand near the Burmese border] to Bangkok by riding in a pick-up truck that belonged to a police officer. He was a Thai police officer who was also a recruiting agent. He was not in uniform that day, but he was the one who drove the pick-up truck to take us to Bangkok. There were two other migrants in the car as well. We were squished in the backseat and whenever we came to a police check point, the police officer had us lay on top of each other and he put a black blanket over us. We ran into many police checkpoints and were required to hide like this many times – this made the trip very difficult.*²⁶

The risks of being trafficked actually increase when smugglers are used. Research among Cambodian deportees from Thailand shows that Cambodian men are almost twice as likely to be cheated or trafficked as Cambodian women. This is largely because men are more likely to employ smugglers than women, and the risk of being trafficked increases with every intermediary involved.²⁷ Women are also more likely to travel in groups with family members, as this provides greater protection. Smuggled migrants from Cambodia and Myanmar are particularly vulnerable to trafficking because they often do not speak or understand Thai.

3. Who are the smugglers and who are the traffickers?

Most smugglers do more than just help people get across borders. They are essentially brokers, connecting supply and demand and making money from everyone involved in the irregular labour market. They can charge both migrants and employers, and steer the new migrants into selected

²⁶ Pearson and Punpuing 2006: pp. 72 -73.

²⁷ UNIAP 2010a

accommodation and other services with which they are connected. They are usually not linked to other organized crime activities. Some were, or are still, irregular migrants themselves, capitalizing on the experience they have acquired over the years.

The vast majority of migrants are smuggled by someone they know through personal or community connections, so social networks are key to linking the migrants and the smugglers. Smugglers who act as recruiters understand the situation in Thailand, and they have built relationships with Thai employers, brokers, and police.

The process of linking migrants with jobs often involves both smugglers from sending countries as well as within Thailand. In Lao PDR, for example, Lao smugglers bring migrants from villages to the border and then hand them over to Thai smugglers, who arrange for onward transport, accommodation, and job placement. Some smugglers also offer information about living and working conditions in Thailand, inexpensive accommodation, and remittance assistance.

Most smugglers rely on their reputations being spread by word of mouth. Reliability and speed in securing paid employment are the key requirements for the successful smuggler.²⁸ Once the decision is made to migrate, prospective migrants want to depart as soon as possible. Fast and reliable smugglers can organize movement in two to three days.

Most smuggled migrants use a combination of cash savings and loans from relatives or friends to migrate to Thailand while others pay the full one-off service fee upfront in cash solely from their savings, thereby not incurring debts. A less common option is for migrants to take advance loans from smugglers or become bonded labourers to their employers for a fixed period of time.²⁹ This opens up opportunities for abuse and trafficking.

²⁸ Chantavanich 2008

²⁹ Debt bondage or bonded labour is when labour is demanded as a means of repayment for a loan.

4. How big are the flows?

Migrant Smuggling

To determine the number of migrants smuggled, the best source of data is the migrant registration details gathered during the registration drives in 2009 and 2011. By the end of December 2009, 1,315,932 migrant workers from Cambodia, Lao PDR, and Myanmar were registered.³⁰ In mid-2011, an additional 996,278 migrant workers (as well as 165,980 employers) were registered. Although it is possible that some irregular migrants present in the country during the first drive failed to register until the second drive, many were likely new migrants who entered the country during the 18 month gap between the two periods.

If these premises are correct, almost one million new irregular migrants entered the country in 18 months, or over 660,000 per year. The reality is likely to be slightly more complicated. As indicated previously, registration can be burdensome, and it is likely that many workers did not take advantage of either registration drive. This would mean that more than one million irregular migrants could have entered the country during the 18 month period and simply refused to register. On the other hand, those who did register in the first round would be compelled to re-register if they changed employers during the 18 months, because registration is employer specific. These migrants would be counted under both registration drives.

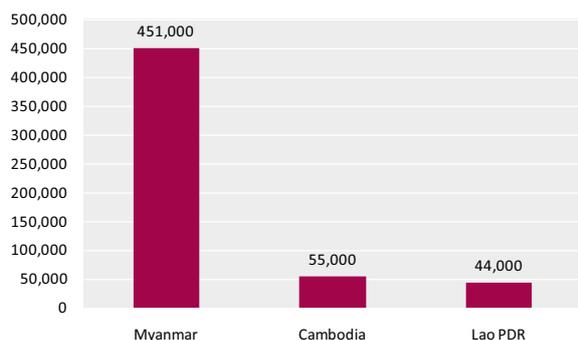
Despite all this, the bottom line is that approximately one million irregular migrants were documented during each of these drives. Given these countervailing uncertainties, the seasonal nature of agricultural work, and in the absence of any comprehensive survey of the irregular migrant population in Thailand, it is reasonable to estimate a combined annual inflow of 660,000 new irregular migrants from these three countries. Field research conducted by UNODC concluded that 83% of irregular migrants from Cambodia and Myanmar are smuggled migrants.³¹ This indicates

³⁰ IOM 2011

³¹ UNODC EAP 2010a. This is in keeping with UNIAP research that suggests that approximately 90% of irregular migrants from Myanmar working in Samut Sakhorn province of Thailand used the services of a smuggler (e.g. recruiter or transporter) at some point during the migration process. See also UNIAP 2011.

that about 550,000 migrants are smuggled each year. The registration data suggests that 82% of these were from Myanmar, 10% from Cambodia, and 8% from Lao PDR. This would imply about 450,000 migrants from Myanmar, 55,000 from Cambodia, and 44,000 from Lao PDR enter the country annually (see Figure 7).

Figure 7: Estimated number of migrants smuggled annually into Thailand



Source: UNODC estimate

The amount paid for smuggling services varies according to the services required (see Figure 8). Typically, a safe border crossing and transportation to an employer in Thailand will cost the migrant less than US\$325.³² Most Cambodian smuggled migrants paid fees to smugglers ranging from US\$34 to US\$138, with the majority paying between US\$80 to US\$112.³³ Fees typically cover the cost of crossing the border, food, water, transportation to the Thai employer and on route accommodation. It is estimated that an average profit of US\$10 to US\$30 is made per smuggled migrant. Smugglers who act as recruiters also collect fees from the Thai employers. Typically, the amount ranges from US\$6 to US\$16 (200 and 500 baht) per worker.³⁴

However, there may be gender and national specificities to the fee structures. One sample of Cambodian migrants found that male migrants pay an average of US\$95 while female migrants pay only US\$74.³⁵ Lao migrants paid similar amounts to both Thai and Lao smugglers, ranging from US\$80 to US\$113, covering the cost of

³² Huguét and Punpuing 2005

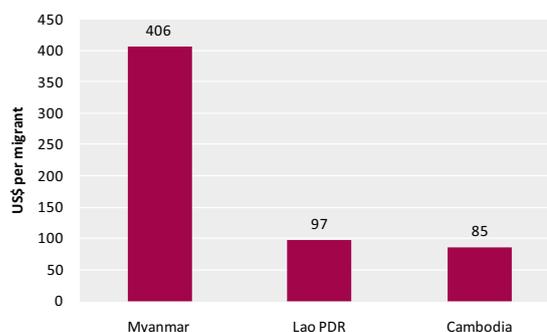
³³ Chantavanich 2008

³⁴ Pearson and Punpuing 2006

³⁵ UNIAP 2010a

accommodation, transport, and job placement. The amount paid by Myanmar nationals also depends on the type of services provided and on the destination. In 2008, research indicated prices of between US\$323 and US\$485 per migrant.³⁶

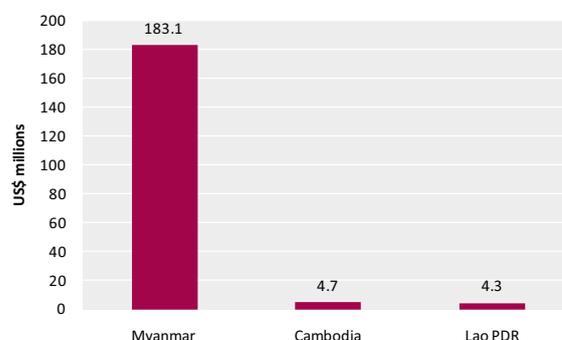
Figure 8: Average price paid for migrant smuggling by country of origin



Source: UNODC estimate

Based on these figures, it appears that **US\$192 million** is generated by smuggling migrants from these three countries into Thailand. Of this revenue, 95% comes from smuggling migrants from Myanmar (see Figure 9).³⁷

Figure 9: Breakdown of income generated by smuggling migrants annually



Source: UNODC estimate

Human Trafficking

Calculating the share of these migrants who were subsequently trafficked is challenging. Research among 400 deportees to Cambodia from Thailand in 2009 found, based on a broad definition of

³⁶ Mon 2008

³⁷ For migrants from Myanmar, this amounts to an average smuggling fee of US\$400 times 450,000 migrants for about US\$180 million. For Lao PDR, the calculation is 55,000 times around US\$100, and for Cambodia 44,000 times US\$85.

exploitation, that nearly a quarter (23%) could be considered victims of trafficking. Only 9.3%, however, met the stricter definitional standard – reporting no payment for work or being completely deprived of their freedom.³⁸

There are many problems with using this figure as an estimate of the annual share of people trafficked.³⁹ Victims may be disproportionately represented among the deportees and self-reporting may be inaccurate. From a larger sample of irregular migrants, Thai immigration authorities concluded that around 4% of nearly 1000 detainees were trafficking victims from Cambodia, Lao PDR and Myanmar.⁴⁰ But even with similar limitations in the methods as above, the number of trafficking cases would still be around 26,400 victims per year.⁴¹

In 2009, the Thai authorities detected 530 trafficking victims, of whom (based on historic data) about one-third are sex trafficking victims.⁴² The remaining 350 represent about 1.3% of 26,400 victims per year. Research conducted into the European market has found that only 3% to

5% of trafficking victims are detected.⁴³ However, given the differences in police capacity and the sheer scale of the migration flow, a 1% detection rate seems realistic.

It would be impossible, in purely dollar terms, to quantify what these victims had taken away from them, but it is possible to calculate what the perpetrator's gained. Research on Cambodian deportees found that in cases deemed to involve trafficking, the average monthly "promised/negotiated" salary was 3,665 baht (US\$120). They were actually paid, on average, 430 baht (\$15) per month. Thus, they were exploited (underpaid) to the tune of US\$105 per month of labour. Approximating the labour stolen would then be US\$105 multiplied by 12 months multiplied by 26,400 victims. This sum equates to just over **US\$33 million** per year.

³⁸ UNIAP 2010a

³⁹ The Government of Thailand considers this figure to be an overestimate of the amount of trafficking for labour migration. It points out that, in 2010, its Immigration Bureau along with officials from the Ministry of Social Development and Human Security, interviewed and screened 371,456 illegal migrants using standardized manual guidelines and identified 56 actual trafficked victims (31 Laotians, 5 Myanmar, 4 Cambodians and 16 others) and 23 potential victims (18 Laotians and 5 Myanmar). According to these figures, the amount of actual/potential trafficked victims from this overall flow would be 0.02%.

⁴⁰ 'From 1 November 2006 to 31 January 2007, the Victim Identification Unit (VIU) of the Immigration Detention Centre (IDC) in Bangkok interviewed 959 detainees to determine if they had been trafficked. [...] From those interviews, it was determined that 37 persons could be considered to have been trafficked – 21 from Myanmar, 12 from Lao People's Democratic Republic and 4 from Cambodia.' See Huguet and Ramangkura 2007.

⁴¹ With the assumption that 4% of irregular migrants may be assessed as trafficking victims, that proportion of 4% is applied to the overall the annual estimated flow of 660,000 irregular migrants into Thailand. Although 660,000 irregular migrants have been recorded as registering in recent regularization processes, there are no reliable estimates of the number of irregular migrants who remain 'irregular' in Thailand. Assuming that as many irregular migrants register for 'regularisation' as those who choose to remain 'underground', the figure serves as an indication of the potential numbers of such unregistered irregular migrants in the absence of other reliable data.

⁴² The data for the share of all human trafficking victims in Thailand who are labour trafficking victims comes 2006-2007, as reported in UNODC 2009.

⁴³ This is the figure frequently cited by the Dutch Rapporteur, and considerable resources have been assigned to detecting victims.