

# SIREN field report

STRATEGIC INFORMATION RESPONSE NETWORK

United Nations Inter-Agency Project on Human Trafficking (UNIAP): Phase III

BANGKOK, THAILAND

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## FROM FACILITATION TO TRAFFICKING BROKERS AND AGENTS IN SAMUT SAKHON, THAILAND

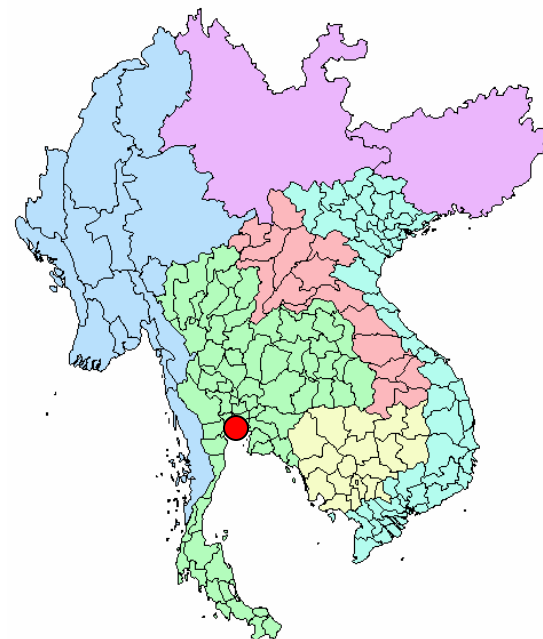
<b>KEYWORD</b>	<ul style="list-style-type: none"><li>• <b>Location:</b> Samut Sakhon, Thailand</li><li>• <b>Topic:</b> Recruitment; Labour Exploitation</li><li>• <b>Analysis type:</b> Situation Assessment</li></ul>
<b>Synopsis</b>	<i>Methods of debt bondage and sub-contracting put the control of vulnerable migrant workers in the hands of brokers.</i>
<b>Author</b>	<b>LPN</b> เครือข่ายส่งเสริมคุณภาพชีวิตแรงงาน Labour Rights Promotion Network

*Samut Sakhon is a key destination of migrant workers in Thailand, particularly from Myanmar. With limited opportunities in Myanmar, many make the journey to Thailand with the assistance of informal brokers.*

*victims, yet the factory remains in operation. Further investigation of practices at the factory in April-May 2007 reveals that some brokers clearly deceive workers and are complicit in their abuse.*

*As family, friend, or stranger, the broker might be working as facilitator, exploiter, or trafficker. With brokers sourcing and arranging migrants' work, sometimes as sub-contractors for specific employers, migrants must pay brokers for all "services provided," even if the destination is exploitative or hazardous working conditions prevail – thus making them victims of human trafficking.<sup>1</sup>*

*The September 2006 raid of Ranya Paew seafood-processing factory exposed a case of trafficking for labour exploitation in Samut Sakhon. Sixty-six workers at the factory were taken to a government shelter for trafficking*



<sup>1</sup> Interviews with workers from Ranya Paew factory indicate brokerage practices that were intentionally deceptive.

## KEY FINDINGS

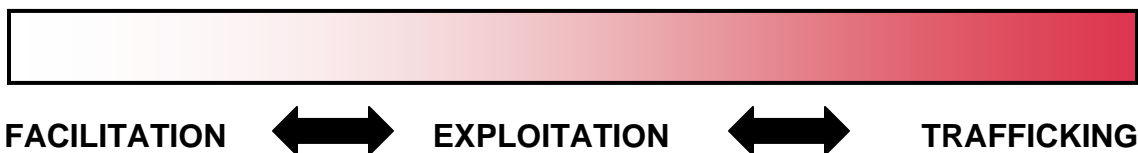
Ongoing work and investigative research through June 2007 indicates that:

- There is systematic and institutional exploitation of migrants from Myanmar in Samut Sakhon and neighbouring provinces, often through debt bondage and exploitation without accountability, through sub-contracting.
- Brokers, employers, and some law enforcement authorities cooperate to benefit financially from the supply of migrant labour from Myanmar in Samut Sakhon, both registered and unregistered. The unregulated supply of willing workers from Myanmar to fill a high demand for cheap labour puts informal brokers in a very powerful position.
- Migrant workers in Samut Sakhon are vulnerable with little knowledge of their rights and/or access to justice, and often do not know the local language. They have few buffers in their home country, and few alternatives to finding work and stability. There is little protection of migrant workers rights outside of concerned NGOs and community groups.

***Samut Sakhon's rich economy is reliant on cheap migrant labour from Myanmar, Lao PDR, Cambodia, and poorer regions of Thailand – including trafficking victims***

A concentration of labour-intensive industry in Samut Sakhon is a key destination for migrant workers. One of the wealthiest provinces in Thailand, Samut Sakhon is central to the seafood-processing industry, with the majority of these workers coming from across Myanmar, and also from Lao PDR, Cambodia, and North and North-East Thailand. Of those from Myanmar, it is estimated that 50% are of Mon ethnicity, 30% Burman, 10% Karen and 10% others.<sup>2</sup> People who have the knowledge and contacts to facilitate transportation from Myanmar to Thailand, for those seeking work, are in very high demand, which in turn feeds the high demand for cheap, unskilled labour.

### The continuum of brokering in Samut Sakhon



*Some brokers help to facilitate the transportation and exploitation of workers in Samut Sakhon province, as elsewhere in Thailand. Others charge exploitative fees or place in employment situations that vary in degree of exploitation to the point of trafficking, as the diagram above illustrates.*

<sup>2</sup> Estimates of ethnic groups from Myanmar according to LPN. Registration data from Thai government reveals proportions of migrant workers from Myanmar, Laos PDR, and Cambodia.

***An estimated 80-90% of the workers from Myanmar in Samut Sakhon are in debt bondage situations<sup>3</sup>***

Approximately 70,000 workers from Myanmar are registered in the province, and estimates of the total range from 160,000 to 200,000.<sup>4</sup> The high proportion of unregistered workers is partly due to the lack of channels to gain legal status, (open only for short-periods and recently limited in practice to those already registered), but also due to the registration cost, set at 3,800 baht. The wealth of the province has not translated into stronger protections of workers rights in the workplace. Not knowing their basic rights or how to access the legal system, these workers are vulnerable to exploitation, particularly from unscrupulous brokers and employers. While the number of registered workers has decreased since the current system was put in place in 2004, anecdotal evidence suggests that the number of workers from Myanmar in the province continues to grow, implying that the registration system is capturing progressively smaller proportions of migrant workers entering Thailand.<sup>5</sup>

Brokers are of both Thai and Myanmar origin and work in networks, collaborating with both employers and some law enforcement officials. May 2007 interviews with workers and brokers reveal that Myanmar brokers will usually transport migrants to the border and Thai brokers will receive them on the Thai side. The Thai brokers may deliver them directly into employment, or only to the destination area (such as Samut Sakhon) where the migrants then have to locate another broker to find work. Some migrants will have paid their fees before making the journey, whilst others will go on the promise of work and the understanding that they will initially work to pay off their recruitment and transportation fees.

When brokers recruit workers, they often tell the workers that the transportation fees, which typically range from 9,000-19,000 Baht, will be worked off in the first few months of their work. However, once workers arrive at their destination, having been “bought” by the employer, some discover that their debt to the employer is significantly greater than that which the broker told them.<sup>6</sup>

***Sub-contracting from employers to brokers results in ambiguity of responsibilities and exposes workers to greater vulnerability to exploitation***

Some brokers in Samut Sakhon work with employers to meet their demand for cheap labour. They also collaborate with some officials, which translates to workers having little recourse when their rights are violated. This has evolved in recent years and the practices have become more complex.

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<sup>3</sup> 80-90% estimate according to LPN

<sup>4</sup> 160,000 was indicated by a government official at one meeting in Samut Sakhon; the estimate is considered to be very conservative by local organizations. Labor-rights organization based in Samut Sakhon estimate 200,000 workers from Myanmar in the province.

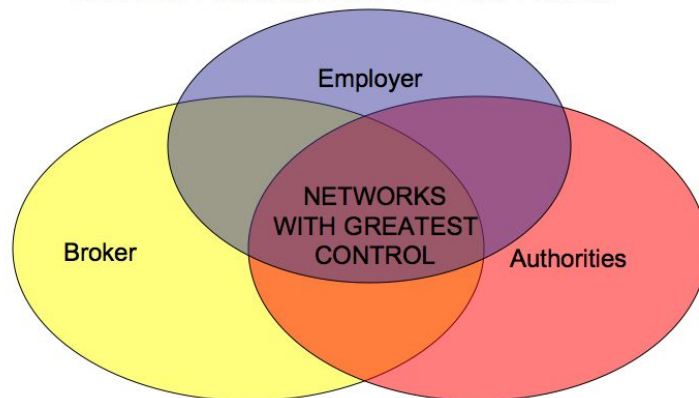
<sup>5</sup> Workers and brokers observe that more migrants arrive on a continual basis.

<sup>6</sup> Costs depend on where they cross the border (Ranong, Sangklaburi, or Mae Sot), usually starting at 5,000 for transportation and then 3,800 for registration related costs.

There is a trend towards sub-contracting employment services to brokers, whereby the employer transfers all responsibility for the welfare of the workers to the broker. Some brokers operating in this way collaborate with one employer only, as their agent, with many workers under the broker's responsibility. Other brokers will supply workers to various factories. Such informal arrangements are beneficial to brokers and employers, as brokers are rarely held accountable and employers are not held responsible. Under sub-contracting arrangements, the broker assumes responsibility for registering the worker with the Royal Thai Government, and arranging health insurance and a work permit for the worker. Brokers or employers usually tell the workers that they will provide this service as workers are often unaware of the need or means to do it. However, there have been reports of brokers charging workers for these services without actually providing them. At one hospital, a broker for a significant number of workers was found to have issued fake health insurance documents when one of her workers arrived at hospital requiring treatment. Whilst they had received the 600 baht check-up as required, the 1,300 baht charged to each for the insurance coverage had not been paid to the hospital.<sup>7</sup>

Brokers can further increase their control over a worker by holding their original documents so that the worker cannot change employers, a practice also used by employers themselves. It is illegal for the workers not to carry their original documents at all times, and under frequent stop-and-checks on the street, these workers face arrest or a fine by Royal Thai Police. Therefore, freedom of movement for these workers is greatly limited.

NETWORKS THAT INVOLVE COOPERATION AMONGST THE FOLLOWING ELEMENTS RESULT IN GREATEST VULNERABILITY TO TRAFFICKING

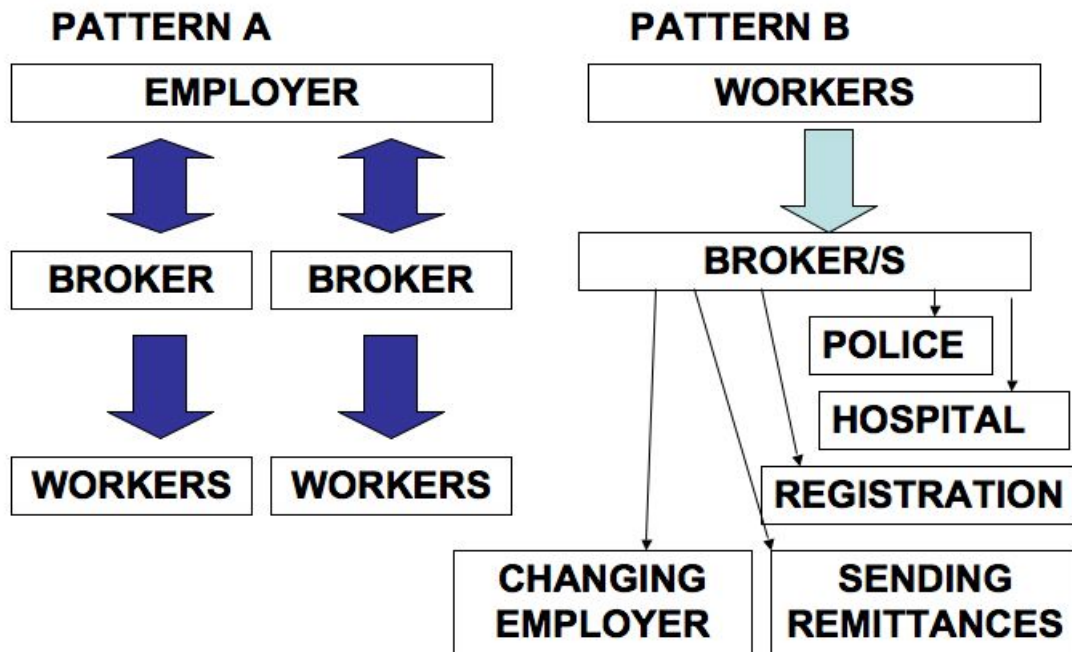


A commonly reported practice of brokers is to prevent workers from changing employers and rejecting requests for protection, or assistance, from workers in exploitative situations. At this vulnerable point brokers will then intimidate workers, threatening that the police will imprison or deport them if they seek alternative work. A case in early 2006 highlights this point, in which 20 workers from one factory requested to leave and the broker contacted the police to have them deported. Other cases have been documented in which workers who wanted to change employers but were not given the documents to change legally either remained in the harmful work situation or became illegal workers.<sup>8</sup>

<sup>7</sup> Information on sub-contracting detailed by LPN and supported by information gained through interviews with workers and brokers. The fake health insurance case reported, was brought to the organization, and an informant from the hospital identified the number of workers this broker had brought for the initial check-up needed.

<sup>8</sup> Case from LPN. Many others that are unresolved or the worker has left the workplace without proper authorization.

## THE ROLES OF BROKERS IN SAMUT SAKHON



*Pattern A illustrates the pattern of brokers who act primarily as sub-contracted agents of employers, handling all arrangements with workers and superficially taking the responsibility and accountability from employers. Pattern B illustrates the pattern of brokers who act as more worker-oriented service facilitators, providing a wide variety of much-needed services, for a price. Both types of brokers wield a tremendous amount of power over the welfare of workers.*

**The consequences for workers from Myanmar showing discontent can be deportation after their broker informs police, or relocation to another factory where conditions are worse<sup>9</sup>**

If a worker is particularly desperate to leave a workplace, they may pay a broker for their release from that employer. Yet the costs can be excessive and they may find themselves in substantial debt that exacerbates their dependence on and vulnerability to the broker. Brokers act as a go-between for the police and workers, for example to make payment to allow unregistered migrants to remain in the province.<sup>10</sup> When checking papers of workers in stop-and-search checks on the street, or when gathering at festival times, brokers can negotiate a price for a worker to remain in the country, for which the broker will also charge.

This analysis focuses on brokers who exploit workers to the point of trafficking. There are brokers who are genuinely interested in the welfare of others from their homeland who are also in search of opportunity. They help facilitate the sending of remittances to family in Myanmar, and they assist workers when they have problems, such as when they wish to change employer or need medical treatment. Yet, some brokers take advantage of the vulnerability of migrant workers who need assistance and do not know their rights, or the local language. In summary, informal brokers are often in a very powerful position to substantially help or substantially harm workers, and can make considerable financial profit in the process.

## RECOMMENDATIONS

ISSUE IDENTIFIED	RECOMMENDATION
1 Exploitation and trafficking for labor is not adequately addressed in Samut Sakhon.	Enforcement of labor laws to protect migrant workers from exploitation and abuse.
2 Migrant workers are vulnerable as they are unaware of their rights and how to access justice.	Ensure understanding of rights of migrant workers amongst migrants and employers alike.
3 The registration system does not adequately allow for migrant workers and employers to legally meet the high demand for labour.	The registration system of migrant workers should be revised: to allow for registration for 3-4 year periods, on an ongoing basis, at less cost and in migrants' languages.

### NOTES ON METHODS

- Interviews with three brokers
- 2 focus groups with migrant workers in the community and at a local organization office. Conducted with a translator from Myanmar to English, and from Myanmar to Thai to English. Respondents were snowball sampled from migrants in contact with and receiving assistance from LPN in Samut Sakhon.
- Review of more than 100 cases over 2006-07 at LPN.
- Discussion with key informants working with migrant workers in Samut Sakhon over a number of years.

<sup>9</sup> Based on evidence from brokers and reports to LPN.

<sup>10</sup> As reported by brokers and LPN

**ABOUT THE AUTHORS**

*Labour Rights Promotion Network (LPN) is an organization working to promote and protect migrant workers rights in Samut Sakhon and neighbouring provinces.*



LPN is supported in its work by a number of organizations, including:



For questions, comments, and feedback on this SIREN report, please contact Paul Buckley at [Paul.Buckley@undp.org](mailto:Paul.Buckley@undp.org).

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UNIAP: [www.no-trafficking.org](http://www.no-trafficking.org)



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# SIREN

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United Nations Inter-agency Project on Human Trafficking  
Regional Project Management Office (UNIAP/PMO)  
United Nations Building  
7<sup>th</sup> Floor, Block B  
Rajadamnern Nok Avenue, Bangkok 10200  
THAILAND

[www.no-trafficking.org](http://www.no-trafficking.org)

