

ASEAN Trade Vision Facilitates Exploiting Its Workers?

Saturday 11 July 2009, by [Siriluk SRIPRASIT](#) (Date first published: 6 July 2009).

The ASEAN charter was adopted at the 14th ASEAN Summit in November 2007 and eventually came into force in December 2008.

One of ASEAN's crucial visions is creating a single free trade area by 2015, but there are doubts that it will be implemented or achieved.

ASEAN's objective, which is also aiming to accelerate economic growth and a single market for the region, has already given more concern to labour and human rights scholars and activists.

"The number of informal workers is rising significantly in ASEAN, because of the weakening of industrial relationships. Factories reduce the number of their formal workers and give the work to informal home-based workers who used to be the formal workers," says Daniel S. Stephanus, head of the Accounting Department at Ma Chung University in Malang, East Java, Indonesia.

He added that the government also supports or facilitates the liberalization and informalization of workers through its policies and actions.

Chapter 1, Article 1(5) of the ASEAN charter states the goal of creating 'a single market and production base which is stable, prosperous, highly competitive and economically integrated with effective facilitation for trade and investment in which there is free flow of goods, services and investment; facilitated movement of business persons, professionals, talents and labour; and freer flow of capital.'

These goals are considered to be the cause of more migrant workers, and home-based workers as these workers provide cheaper labour for companies. While the capitalists and businessmen are getting richer, the workers are getting more exploited in this free-trade world.

"There is no adequate protection for the workers, formal or informal, at all and the agricultural sub-contract farmers here are also now suffering from the free trade agreement with less regulation of trade and lower tariffs," Stephanus said.

Indonesia, where about 93 percent of the total labour force are home-workers, has not ratified the 1996 ILO Convention on Home Workers.

This Convention defines a home worker as someone who works for remuneration in his or her home or in other premises of his or her own choice, rather than the workplace of the employer, resulting in a product or service as specified by the employer, irrespective of who provides the equipment, materials or other input used.

Dr. Sriprapha Petcharamesree, the Director of Office of Human Rights Studies, Mahidol University in Bangkok, Thailand stated that although the ASEAN countries have signed the agreement, the single market is still far from realization.

"ASEAN countries are too competitive and we cannot deny that when capitalists move from Malaysia

and Thailand to invest in Vietnam or China, this is a natural market rule. The investors are always looking for a cheaper place in order to gain more profit," she added. "Moreover, the workers in the formal sector and especially in the informal sector will be less protected."

The Director of Office of Human Rights Studies said that in the ASEAN charter, there was not much mention of the rights of migrant workers who had come from Myanmar (Burmese and ethnic minorities), the Philippines and Indonesia to work in Thailand, Malaysia and Singapore.

"There is no protection for them at all. They hardly have access to healthcare services in the second country and no social security is provided. Also, there is no protection of the right to equal pay for equal work, or freedom of movement. Domestic workers or housekeepers are usually kept in the houses and are scared to come out," said Dr. Sriprapha.

"Women migrant workers are the most vulnerable people," she said.

The International Labour Organization (ILO) indicates that although in the case of Cambodia they have to face more challenges from the informalization of women workers in the textile and garment industry, their main focus is the estimated 85 percent of Cambodia's labour force which is officially employed in the informal economy.

According to 'Rights for Two-Thirds of Asia - Asian Labour Law Review 2008' by the Asia Monitor Resource Centre, home-based work in Malaysia has been expanding and workers are not recognized by Malaysia's labour laws.

"Many factories have outsourced employment in certain production lines to subcontractors, who supply labour to the production lines in accordance with the fluctuating demands of the factory," the Centre's report says.

In addition, the ranks of unprotected informal workers in the Philippines as well as in the whole of Asia, are growing fast, and formal workers are being depleted by the onslaught of trade liberalization and the increasing flexibility of labour contracting.

For Thailand, the informal economy makes up almost 50 percent of employment, and the rights of workers in the informal economy are not equal to those in the formal economy. Informal home workers in Vietnam contribute much more; out of 43 million employed people, 33 million are informal home workers.

"ASEAN's objectives about trade are only provisions and an attempt to legitimize itself as it moves toward liberalism," said Stephanus.

This objective contradicts and goes against its other purposes, such as in Chapter 1 article 1: to alleviate poverty, to promote sustainable development, to enhance the well-being and livelihood of the people; and Article 2: respect for fundamental freedoms, the promotion and protection of human rights, and the promotion of social justice.

It seems ASEAN still has a long way to go.

P.S.

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