



Informal Workers in Bangkok: Considerations for Policymakers

WIEGO and HomeNet Thailand
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This brief combines findings from focus groups conducted with informal workers across four occupational sectors¹ and an urban policy analysis² conducted by WIEGO and HomeNet Thailand. The studies focus on home-based workers, domestic workers, motorcycle taxi drivers, and street vendors from membership-based organizations (MBOs) that are part of the Federation of Informal Workers.

The brief aims to:

1. Summarize key challenges facing informal workers with regard to livelihoods, access to services, and key urban policy issues.
2. Provide recommendations for government officials at national, city, and local levels to better support informal workers in Bangkok.



Mayuri Suepwong, home-based worker and member of HomeNet Thailand Association.

Photo credit: Paula Bronstein / Getty Images Reportage

Defining and counting informal workers:

Thailand's National Statistics Office (NSO) defines informal workers as those "who are not protected or have no social security from work." Based on this definition, the NSO (2016) identifies 1.48 million informal workers in Bangkok, who compose 28.4 per cent of the workforce. However, this excludes workers like home-based³ and domestic workers, who have certain labour protections under the law even if these are rarely implemented in law in

practice. An alternative estimate is given by the number of individuals participating in voluntary schemes under Social Security Article 39 or 40, which yields 2.1 million in 2015 (SSO 2016) — although this figure nevertheless excludes non-participants as well as undocumented migrant workers. For this reason, we can estimate that the number of informal workers in Bangkok is at least 2 million and probably much higher.

¹ Reed, S. O., A. C. Oganda, P. S. Tulaphan, C. Samantrakul, and P. Towalukpanich. 2017. "Informal Workers in Bangkok, Thailand: Scan of Four Occupational Sectors." WIEGO and HomeNet Thailand, Bangkok.

² Samantrakul, C. S. O. Reed. 2017. "The Study On Bangkok Policy Towards Informal Workers." WIEGO and HomeNet Thailand (In Thai).

³ Home-based workers are "informal workers who carry out remunerative work within their homes or in the surrounding grounds." Home-based workers may be self-employed (i.e. in direct contact with the market, purchasing raw materials directly), or sub-contracted (i.e. contracted by firms or other intermediaries, normally provided with raw materials and typically paid according to a piece rate). Horn, Z., B. Namsonboon, and P. S. Tulaphan. 2013. "Home-based Workers in Bangkok, Thailand." Informal Economy Monitoring Study, WIEGO.

Key messages:

Informal workers contribute to making Bangkok a livable, safe, and prosperous city.

Informal workers directly support the city's *formal* economy and workforce. All over the city, motorcycle taxi drivers and street vendors provide transportation and affordable meals to employees of formal businesses and government agencies. Domestic workers help professionals to fulfill their care responsibilities, and in particular support female professionals to participate in the formal workforce. Home-based workers manufacture goods as part of large — often global — value chains for formal firms.

Informal workers are also critical to the functioning of city services. It is estimated that motorcycle taxi drivers provide four to five million rides per day,⁴ connecting passengers to the mass transportation system from isolated areas and reducing congestion from cars. Street vendors, motorcycle taxi drivers, and home-based workers all act as “eyes and ears” in public spaces and neighbourhoods, reporting crime to the police and making streets safer for pedestrians. Street vendors play a critical role in the city's food system: a survey of 200 individuals in four central districts of Bangkok shows that over 87 per cent regularly purchase food or other items from street vendors, with 74 per cent of these consumers purchasing from vendors three times or more per week. 69 per cent of street food consumers surveyed earn less than 450 USD per month, and half of this group earns less than 270 USD per month.⁵

In short, despite the frequently negative portrayal of informal workers, it is clear that they are indispensable: the city and economy of Bangkok could not function as it currently does without them.

At the same time, informal workers are highly vulnerable socially, economically, and legally.

Across sectors, workers discussed the low regard in which other members of society hold them because of their professions. Most workers depend on multiple sources of income in order to support themselves and their families, sometimes working as handyman, babysitters, van drivers, movers, food sellers, or other jobs in addition to their primary occupations. Their livelihoods face

challenges from market pressures like fluctuating demand and poor access to clientele or markets, restrictive city policies, lack of human and/or material capital, and personal issues related to health, aging, and care responsibilities (particularly for women). Workers perceive that the slow economy and increasing competition — for instance, from convenience stores, cheap foreign imports, and unregistered motorcycle taxi drivers — negatively affects their earnings. Lack of housing registration in Bangkok for some workers (particularly motorcycle taxi drivers and domestic workers) impedes their ability to participate politically through elections, access certain welfare schemes and community funds, or register for health care under the Universal Health Care (UC) system.

The BMA has committed to supporting informal workers, particularly own-account workers.

Bangkok's 20-Year Vision “Vibrant City of Asia” (2013-2032) and second 5-Year Plan (2018-2023) recognizes the importance of certain informal workers — namely motorcycle taxi drivers and domestic workers — for their contributions to urban transportation and elderly care. Under these plans, the Bangkok Metropolitan Authority (BMA) 12-Year Development Plan, and recent BMA Governor's Urgent Plan (2016), initiatives and objectives related to informal workers include:

- Development of a database on economically disadvantaged people and informal workers, in collaboration with these groups. This will enable



*Ranu Daweloa is a leader of Muubaan Service Cooperative who sells household goods at her market stall.
Photo credit: Paula Bronstein / Getty Images Reportage*

⁴ As estimated by the Association of Motorcycle Taxi Drivers and Sopranzetti, C. 2014. “Owners of the Map: Mobility and Mobilization among Motorcycle Taxi Driver in Bangkok.” Doctoral Dissertation. Accessed from Harvard University DASH November 12, 2013.

⁵ Nirathorn, N. 2016. “Administration of Street Vending in Bangkok: Situation and Policy Recommendations.” Thai Research Fund.

supportive policymaking across agencies and better targeting of programmes (20-Year Vision and 5-Year Plan).

– A goal to assure secure, stable jobs and income at minimum wage for informal workers (20-Year Vision and 5-Year Plan).

– Provision of low-interest loans, skill development programmes, and support for product marketing under the sub-district One Tambon One Product A (OTOP) and “Bangkok Brand” (20-Year Vision, 5-Year Plan, and 12-Year Plan).

– Support for walking street in Ratnakosin area and street food “upgrade” (Governor’s “Urgent Plan”).



*Viboonsri Wongsangiyim, a member of HomeNet Thailand, produces Muslim garments in her home in suburban Bangkok.
Photo credit: Paula Bronstein / Getty Images Reportage*

However, gaps remain and implementation is limited: Most of the programmes aimed specifically at informal workers focus on own-account workers like self-employed home-based workers. For wage earners like domestic workers, motorcycle taxi drivers, and sub-contracted home-based workers, plans offer praise for their contributions but no direct support. The plans do not highlight the need for implementation of existing protections of informal workers (e.g. Ministerial Regulation on Domestic Workers and Homeworkers Act) at the local level. The development of the database on informal workers has been delayed due to confusion over which agencies should take responsibility for it. Consequently, information on the progress of other objectives (e.g. securing jobs and minimum wage) is unavailable. Furthermore, supportive policies toward street vendors focus

primarily on touristic areas, whereas the recent policy of reducing the number of street vendors significantly threatens the livelihoods of many more vendors.

In recent years, urban policies have become increasingly restrictive and punitive for street vendors and motorcycle taxi drivers.

Legal frameworks allow street vendors to operate with permission from local officials, and many previous BMA administrations have provided permissive or even supportive policies, such as provision of business loans.⁶ In 2005, Thailand was the first country in the world to formally register and provide licenses for motorcycle taxi drivers, in part to reduce exploitation by mafia.⁷ In spite of this, street vendors and motorcycle drivers generally perceive local government and law enforcement officers’ actions as constraining rather than supporting their livelihoods. This perception is due to frequent fines, inspections, or forms of harassment. Since 2014, the BMA’s policy to “return the footpath to pedestrians” has progressively constricted the use of public space, particularly for vendors. The campaign has revoked legal status for thousands of vendors and hundreds of legal vending areas, supported evictions in areas that have long tolerated unlicensed vending, imposed bans on day-time vending, and removed or relocated vendors at short notice.⁸ As found by WIEGO and HomeNet, street vendors recently removed from their vending locations have already suffered significant loss to their incomes. Authorities are also forcing motorcycle taxi *wins* (motorcycle taxi queues) to remove their motorcycles or pay higher fees for parking, while covered stands for conventional taxis on public footpaths go unused.

Many informal workers also suffer from isolation and neglect from the state.

The physical isolation of domestic workers and many home-based workers makes them more vulnerable to exploitation and violations of their legal rights by employers. Domestic workers interviewed during focus groups have no contact with local government, and there is no evidence of city or district-level support to enforce national legal frameworks. A number of supportive services (e.g. Homeworker’s Fund, community funds, trainings from District Offices) are available to home-based

⁶ Yasmeen, G. and N. Nirathorn. 2014. “Vending in Public Space: The Case of Bangkok”. WIEGO Urban Policy Brief No. 16. WIEGO.

⁷ Oshima, R., T. Fukuda, A. Fukuda and T. Satiennam. 2007. “Study on Regulation of Motorcycle Taxi Service in Bangkok.” Proceedings of the Eastern Asia Society for Transportation Studies, Vol. 6.

⁸ See, for instance, Mookhasen, S. 2016. “Vanishing Bangkok: What is the capital being remade into, and for whom?” *Khaosod English*, 5 July 2016. Available at <http://www.khaosodenglish.com/news/bangkok/2016/07/05/reorganization/>

workers from local institutions, although the quality and reliability of service varies. Poor public transportation is also a constraint due to the distance of markets and/or long working commutes. According to one survey, low-income households in Bangkok spend on average 1/4 of total expenditure on transportation, although this rises to 1/3 in Nong Chok District.⁹ The vast majority of transportation funds for Bangkok supports road construction to facilitate private vehicles. This benefits informal workers who rely on motorcycles, which is common particularly among Thai workers (and particularly among men in this group.)¹⁰ However, most migrant workers and many Thai workers continue to depend on public buses, for which public investment and quality of service outside of Bangkok's city center remains extremely low in comparison.¹¹ Though convenient for some workers, informal workers can afford to use Sky Train and subway services only occasionally because of the prohibitive cost of fare.¹²

Thailand's Universal Health Coverage (UC) system is critically important for informal workers, although it faces a number of systemic, operational, and perception-based barriers in serving them. Nearly 150,000 informal workers in Bangkok use the UC system, according to the National Health Security Office.¹³ As consistent with previous research,¹⁴ many workers in the HomeNet Thailand and WIEGO study described positive experiences receiving care under the UC system, including for serious illnesses and procedures. For those who use the system, UC represents a critical service guaranteeing access to treatment that would otherwise be unaffordable. Nevertheless, others express skepticism towards the quality of care provided under UC. Barriers to service include:

- long waits
- limitations in quality of service or care
- difficult referral process
- additional fees and expenses for medicines, operations, and deposits
- limited operating hours at local facilities



Market vendor Areerat Chullathip at Muubaan Nakila market.
Photo credit: Paula Bronstein / Getty Images Reportage

- policies related to emergency care and vehicle accident insurance

Most of these barriers exacerbate workers' financial vulnerability by causing them to miss working hours or incur unexpected costs. For this reason, many participants described paying for private services to avoid losing their daily income.

These experiences reflect wider challenges in Bangkok's UC system. Despite Bangkok's international standard of medical care, only one-third of its hospitals participate in the UC system. Primary health care units are unevenly distributed, and many districts do not have hospitals participating in UC. The city's policy to become a global "medical hub" to attract medical tourists also detracts from local services, as private hospitals draw in doctors with higher salaries and superior working conditions.¹⁵ Instead of addressing the current lack of resources in the UC system on which so many workers depend, discussions to change its governance and management structure risk debilitating it.

⁹ Ratanawaraha, A. and S. Chalermpong. 2016. "How the Poor Commute in Bangkok." *Transportation Research Record: Journal of the Transportation Research Board*. No. 2568, pp. 83-89.

¹⁰ Ratanawaraha, A. and S. Chalermpong. 2016.

¹¹ Chalermpong, S. 2013. "Good Public Transportation: Reducing Disparities." Green World Foundation <http://www.web.greenworld.or.th/green-world/interview/2112>.

¹² Reed, et al 2017, and Horn, et al 2013.

¹³ National Health Security Office. 2015.

¹⁴ See for instance Tangworamongkon, C. and P. S.Tulaphan. 2014. "Informal Workers Health: First HomeNet Thailand Report on Prototype Development in Bangkok." HomeNet Thailand; Namsomboon, B. 2012. "Universal Healthcare Scheme in Thailand: Barriers to Access by Informal Workers." WIEGO and HomeNet.

¹⁵ Tangworamongkon and Tulaphan. 2014.

Lack of financial access — linked to their status as informal workers — was the primary barrier raised by informal workers to improving their housing situation. A survey of 555 urban poor residents (mostly informal workers) demonstrates that many live in dormitories or rental apartment units (not only in informal settlements, or "congested communities", as is commonly assumed).¹⁶ Among the participants in the WIEGO-HomeNet study, motorcycle taxi drivers

and domestic workers were less likely to own a house in Bangkok, and most of these workers expressed a desire to do so. Workers who already owned their homes wanted to renovate for flood mitigation, to separate their workspace from living space (for home-based workers), or to improve the general quality of living. However, workers across all sectors struggled to access necessary bank loans due to lack of assets, pay slip, or formal guarantor. Others expressed an unwillingness to take on debt.

<i>Member-based organizations of informal workers composing the Federation of Informal Workers</i>		
Name	Sectors represented	Membership in Bangkok
HomeNet Thailand Association	Home-based workers, other informal worker groups	127 home-based workers, 298 other informal workers
Association of Motorcycle Taxi Drivers	Motorcycle taxi drivers	5,500 members
Network of Domestic Workers in Thailand	Domestic workers	337 Thai, 114 non-Thai
Muubaan Nakila Service Cooperative	Market vendors at Nakila Laemthong Road	204 members

Objectives and Recommendations:
Building a “City for All”



*Aurapin Savichit is a home-based worker in Bangkok, Thailand, and a member of HomeNet Thailand.
 Photo credit: Paula Bronstein / Getty Images Reportage*

Bangkok’s 20-Year Vision pledges to build a “City for All,” a city which cares for the workers who provide transport, feed, care for, and produce goods for its residents. This vision is within reach. HomeNet Thailand and WIEGO propose five recommendations that will help to move towards protecting, promoting, and enhancing access to services for informal workers in Bangkok:

1. Create tools and platforms for inclusive policymaking at a city level. A strong knowledge base and active engagement of workers themselves is key to effective and supportive policies. Research and information gathering initiatives, such as the establishment of an informal worker database, are an important first step and are most effective when developed in a participatory manner — as outlined in Bangkok’s Vision 2030. Bangkok can follow the model of cities such as Lima, Peru, where city government meets regularly with MBOs, national government agencies, researchers, civil society organizations (CSO), and businesses through “mesas” — a non-political space where stakeholders can exchange information.

¹⁶ Ratanawaraha, A. and S. Chalermpong. 2016.



*Neeramol Sutipannapong, a home-based worker and leader with HomeNet Thailand, stitches a variety of hand bags and other products to help support her family.
Photo credit: Paula Bronstein / Getty Images Reportage*

2. Enhance local government awareness of informal employment and capacity to support MBOs and workers. Local government has the mandate and opportunity to help informal workers understand their rights, improve their livelihoods, and access services. District officers can work hand-in-hand with MBOs on a range of initiatives: planning informal worker inclusion strategies for their districts, supporting workers to access information on UC and housing programmes, or implementing labour protections at the district level. By raising awareness among other workers, district offices can also help MBOs to grow in membership and voice.

3. Establish new platforms and management strategies that enhance informal workers' livelihoods. Integrating informal workers into the local economy supports workers, businesses, and

consumers alike. MBOs, CSOs, and the private sector can support market-linking or employment matching platforms to connect workers to employers or producers to buyers; indeed, tools like the GoBike smartphone app (a collaboration between private developers and the Association of Motorcycle Taxi Drivers) shows how technology can support this kind of linking mechanism.¹⁷ Street vendors have shown their willingness to work hand-in-hand with government, planners, and community members on developing innovative strategies for managing vendors in public spaces. Exploring alternatives to large-scale elimination of vendors will benefit the city economy, workers, pedestrians, and consumers alike.

4. Address administrative challenges in the UC system through innovation. UC remains a critical form of social protection for informal workers, one that ultimately benefits society and the economy as a whole. An initial step toward improving health services for informal workers would be to convene health workers, community health volunteers and MBOs — along with students and programmers — to explore innovative approaches for addressing inefficiencies like long queues, clumsy referral systems, and access to facilities in remote areas.

5. Facilitate learning and dialogue on access to housing for informal workers. More learning is needed on how informal workers can access housing. Bringing together government agencies, private lenders, MBOs, and other stakeholders can help reveal opportunities for workers to take advantage of government housing programmes, as well as gaps in existing schemes. Research can help plans and trends that may be impacting supply and demand for housing in the long-term.



*Thiphaporn Tongkham, a street vendor, is a vital part of the Bangkok neighbourhood where she sells affordable, home-cooked food.
Photo credit: Paula Bronstein / Getty Images Reportage*

¹⁷ <http://gobike.asia/faq>



About WIEGO:

Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO builds alliances with, and draws its membership from, three constituencies: membership-based organizations of informal workers, researchers and statisticians working on the informal economy, and professionals from development agencies interested in the informal economy. WIEGO pursues its objectives by helping to build and strengthen networks of informal worker organizations; undertaking policy analysis, statistical research and data analysis on the informal economy; providing policy advice and convening policy dialogues on the informal economy; and documenting and disseminating good practice in support of the informal workforce.

About HomeNet Thailand:

HomeNet Thailand was founded in 1999 as a non-governmental organization to support home-based workers across Thailand. In 2008, it became a membership-based organization (MBO) of informal workers and registered formally as an Association in 2013. Today, it has over 4,000 members, consisting primarily of home-based workers as well as street vendors, motorcycle taxi drivers, farmers, and day labourers. Technical and organizational support for the Association is provided by the Foundation for Labour and Employment Promotion (FLEP). FLEP also supports the Network of Domestic Workers in Thailand, which was founded in 2008.

About Bangkok Federation of Informal Workers:

The Bangkok Federation of Informal Workers is composed of HomeNet Thailand, The Network of Domestic Workers in Thailand, Muuban Nakila Service Cooperative, and the Association of Motorcycle Taxi Drivers of Thailand. It was established in 2016 to represent a collective voice for home-based workers, domestic workers, motorcycle taxi drivers, and street vendors in Bangkok.