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Troubled Times: Thailand’s Trade Unions

Despite enormous difficulties and opposition, a genuine trade union movement has emerged in Thailand in recent years. In this article, Sheril Berkovitch looks at the background leading up to the current situation and recent moves towards trade unionism in Thailand.

Since 1975, trade union organising in Thailand has been enormously difficult. The majority of trade unions are "yellow", or pro-management and workers face severe repression if they attempt to organise unions. Despite this, over the past few years, workers in Thailand have been sticking their necks out and attempting to form genuine trade unions that take workers' needs into account.

Historical Background

Prior to 1932, the political system in Thailand was an absolute monarchy. Within a feudal system, Thai people were generally serfs, working for a landlord, and could not work for anyone else without the landlord's permission. Buddhism, the major Thai religion, was used by the monarchy as an instrument of control — complete control by the King who was considered an "untouchable" person. Bureaucrats, or servants of the King, were considered superior and only men could become bureaucrats.

With the beginnings of the industrialisation of Thailand in the second half of the nineteenth century, the western capitalists, notably the British, began importing Chinese workers for industrial labour because the Thais themselves were restricted to serfdom. These Chinese workers became the first generation of the working class. They were considered "free" people by the King (on payment of an annual "tax"), and had the freedom to buy and sell their labour and goods. They gradually became the small traders, petty bourgeois, and capitalists, and as they became upwardly mobile they were replaced in the working class by Thais.

In 1932 the absolute monarchy was overthrown by a coup, instigated by a group of intellectuals educated in Europe, who were supported by military officers. Since that time, Thailand has had a constitutional monarchy, with a parliament. However, Thailand has effectively been under military rule since 1976 and real power lies with the military forces.

There have been numerous military coups in the last 50 years, and "democratic" rule has only existed during the three years between 1973 and 1976, when a student-led "revolution" occurred. Even during this period, however, dictatorial practices continued, with police, armed men, security forces and military seeking to control and destroy popular movements. Although Thailand had general elections in 1976, the members of the Upper House were appointed by the Thai elite, almost all of them military and bureaucrats.

Thailand's government is an obstacle to popular movements, such as the trade union movement. In 1952, an anti-communist act was passed which implied that anyone opposing the rulers could be accused of communism, and, indeed, large numbers of people have been arrested and killed. Anti-communism has been consistently used as a tool against the labour movement.

Despite the involvement of international capitalists in Thailand, it has never been colonised. Some commentators have claimed that this has been one of the major problems for the progressive movements in Thailand. They feel that the Thai people have not had a tangible force to struggle against. Nevertheless, the Thais were successful in ridding the country of US military bases which were used as staging posts in the Viet Nam war. Using militant tactics and mass mobilisation of the people, the bases were removed in 1975, and US activity stepped up in the bases in the Philippines (such as Subic Bay Naval Base and Clark Air Base).
Economics

Thailand is primarily an agricultural country, with the major products being rice, fish and wood. However, between 1961 and 1981, the growth rate of the industrial sector in Thailand averaged 9.4 percent, compared with 4.1 percent for agriculture. The textile industry has grown particularly quickly. There has been a shift away from food processing as the major export item, to a broader range of exports including clothing and textiles. Few high technology products are manufactured in Thailand as yet, although there is a growing electronics industry. Foreign investment is largely from Japan and the US, although there is some Australian investment.

As with the majority of countries in the South East Asia region, Thailand has been under pressure from international financial institutions, such as the World Bank, to follow a particular path of economic development which gives the best access to foreign-owned companies and banks. This has meant a greater dependence on exports to the western industrial countries. As well, foreign companies are given tax and other concessions to encourage investment in Thailand where there are now free trade zones, or export processing zones, geared mainly towards the export market, and producing goods that the Thai people neither want nor need.

With industrial expansion, people from other sectors, such as farmers, have increasingly become workers. In 1982, the Thai Civil Liberties Union (TCLU) found that 80 percent of Bangkok workers came from the rural sector. The working class has rapidly expanded, although it is still only about one third the size of the agricultural sector.

The Labour Force

There are 25 million people in the Thai labour force, about one half of the total population. Sixteen million work in the agricultural sector, and nine million in the non-agricultural sector (TCLU, 1982).

The industrial sector is divided into two areas — "formal" and "informal". The formal sector covers the middle- and large-scale productions, and is dominated by foreign-owned companies. The informal sector comprises small scale production, small businesses and workshops which produce for the local market and supply the larger multinational companies as sub-contractors. Small-scale industry employs approximately 52 percent of the workforce.

Forty-seven percent of the total Thai labour force are women although, in the formal sector, this reaches around 80 percent. The total figure excludes workers in illegal (unlicensed) factories, and prostitutes, of which more later. Their wages are considerably lower than men's and there are no benefits such as maternity leave.

In 1980 there were nearly six thousand unlicensed factories in only four provinces in Thailand, which the workers themselves have labelled "Hell Factories". Many of them employ women and children, forcing them to work...
at least 12 hours a day with meals provided, and low wages. Some workers receive no wages at all. These factories often buy teenage girls and children from poor rural families who cannot afford to feed them. These young workers often find that there is no job waiting for them and many are forced into prostitution as a means of survival. Often a young girl will arrive at her place of work to find that she is expected to work in a brothel. As well as this, many young women workers find it necessary to work as prostitutes at night, while working in factories during the day, simply to earn enough money to survive, and perhaps send some money back to their families in the provinces.

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Child labour is another serious problem. There are minimal laws existing to control the use of child labour. For example, it is forbidden to employ children below the age of 12, and only with Ministry permission for those between 12 and 15, but these regulations are rarely enforced.

While the majority of women workers are in the multinational companies with larger workforces, child labour is mainly confined to the informal sector where the workforce in a single factory may only be 20 to 50 workers. This makes it far more difficult for them to be organised. According to a Thai labour activist who visited Australia recently, men are also mainly confined to the informal sector. Others tend to work in heavy industry or become monks in their late teens, thereby achieving a high status.

**Working conditions**

The following case study amply illustrates typical working conditions in the Thai industrial sector.

Napha was born in a rural village in Thailand. At 14, her family sold her, through an "employment recruitment agency", to a family-owned company in Bangkok which produces batteries for the local market: Peang Teng Ltd. (PTL). The factory employs 40 people.

Napha's working day is around 12 hours, with no extra payment for overtime. Her take-home pay is 40 baht (A$2) per day, the "newcomers" rate, which is less than two-thirds of the legal minimum of 70 baht (A$3.50). Only long-serving employees of over two years receive the minimum wage. Because of unsafe working conditions and subsequent poor health, many workers leave before the two-year probationary period is complete.

Napha's job is to paint chemicals onto lead sheets and to roll lead sheets. She does this without any protective clothing or safety equipment. Earlier this year, Napha's hands were caught in the lead rolling machine and she could not work for several days. Her hands were swollen and painful. She received no compensation and her complaints were ignored by the factory owner. Napha is not alone. Many other workers in the factory have also suffered injuries and sickness, such as deep cuts from lead sheets, lead poisoning and poor health through the
inhalation of chemicals. When Napha was injured, she was told that if she stopped work she would not be paid, so she had no choice but to return after a few days, despite her pain.

In other factories, workers have been trying to obtain the minimum wage, or have asked for safety equipment, an end to forced overtime, and overtime payments.

The workers at PTL are not yet unionised. When they attempted to organise themselves in the past, they were threatened with the sack and, in fact, two leaders were dismissed. Now, the Industry Minister has served a closure notice on the factory because of the leakage of toxic substances into the local residential area. If the factory closes, the workers will have no income and because they are not yet unionised, they have been unable to fight back at management.

However, some progressive workers in Napha’s factory have been attempting to organise a union to fight for better wages and conditions. So far, the factory owner has refused to close the factory and has not installed a waste treatment system or safety equipment because he claims it is too costly. The workers’ struggle at PTL will be long and hard.

**Trade Unions**

The Thai government has, for decades, aimed to control the labour movement through the outlawing of organisations, manipulation and domination of workers’ organisations, and through labour legislation. An Australian who spent eight years working in Thailand said that, although Thai labour legislation, on paper, looks very good — the best, perhaps, in South East Asia — in fact, it is manipulated to work directly against workers’ interests. It is extremely difficult to register a union, and only single factories can do so. There are very few trade-based unions.

The years 1958-1972 were a dark period for the labour movement. Workers were not allowed to organise trade unions or to bargain collectively. The political uprising of October 1973, led by the student movement, overthrew the military government and gave encouragement to workers to organise. In 1975, the Labour Relations Act legislated the formation of unions.

Most unions in Thailand are factory-based, and federations and congresses are weak. As well, employers prefer to bargain at factory level with workers, seeing the business as a “family affair”. Progressive workers have also preferred to develop self-reliance and self-determination in factory unions, meanwhile attempting to build unity and co-operation among different unions.

During the period 1972-1982, there was an increase in struggle for better working conditions, with collective bargaining and strikes being used by the workers. For example, one thousand women workers from the Hara Blue Jeans factory were on strike for seven months from October 1975 to May 1976, and were supported financially by other workers and progressive students. They occupied the factory and produced and distributed goods themselves.

Textile workers were at the forefront of labour struggles during that period. Currently, the rubber workers are strong and well organised, and are among the few industry-based unions (besides the metal workers and the auto industry).

There are four labour centres in Thailand:

- The Thai Trade Union Congress is the progressive grouping and is stronger than the government-recognised congress. The ongoing development of this centre provides cause for optimism that the genuine union movement will expand and progress.
- The Labour Congress of Thailand (LCT) which is government-recognised and affiliated to the International Confederation of Free Trade Unions (ICFTU), from where they receive some money for education. It does not adequately represent the interests of workers.
- The National Free Labour Congress (NFLC) which is military-backed.
- The National Labour Congress (NLC) which is employer-backed. Both the NFLC and the NLC have unofficially merged with the LCT, although there are differences between them and conflicts of interest.

Employers have made attacks on workers through various means such as lock-outs, black listing probationary periods for employment, the use of spies in the workplace, and the manipulation of the workforce.
through rightwing workers' leaders. Government also works in cohorts with management. When women workers from an electronics factory went to register their union earlier this year, government bureaucrats telephoned the management to let them know what was happening.

Other tactics are also used to deter workers from forming genuine unions. When women workers staged a picket on the steps of the Ministry this year to demand the implementation of the legal minimum wage, rather than attack the picket line with military or police, government ignored them, hoping they would get bored. It sounds very simple, but the tactic worked. Employers also use factory closures as an attempt to bust unions. Workers may find that the factory closes down when they go on strike, only to open again with a new, non-unionised workforce at a later date.

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Religion is also used by management as a means of control. In 1981, male workers on a building site refused to continue working because several men had been killed on the job. Management then built a "spirit house" on the site, claiming it would protect the workers, who then returned to work, with no improvement in safety conditions.

The idea of the spirit house as a system of control has been widely implemented. It is a combination of Buddhism with a Hindu influence and a large number of factories have spirit houses. At the Australian Safcol factory, for example, one and a half hours outside Bangkok, a spirit house has been built at the gate. New workers are told to go outside the spirit house and pray, also promising that they will be good workers and not cause trouble for the company. Workers are fearful that, if they attempt to organise, something bad will happen to them. Probably this would mean the loss of their job — nothing at all to do with the power of the spirit house, but rather the power of the employer.

All of this makes it terribly difficult for progressive workers to organise.

Although workers have been given the legal right to organise unions, they face severe harassment and even death if they do so. This repression has been common since the 1976 military coup. Nevertheless, unions have responded with strikes and rallies, demanding an end to plant closures and violation of labour laws. They demand the legal minimum wage, as well as increased wages and better working conditions.

Progressive workers and union organisers face many difficulties because of the repression that takes place in factories. For example, the union organiser at the Safcol factory outside of Bangkok (there is also one in the provinces to the north of Thailand, but little contact has been made there), often has to wait until late at night to meet with the workers. Often they are forced to remain in the factory for overtime and may not get home until ten, eleven or twelve o'clock at night. After working such long hours, workers are too tired to consider union activity.

Organisers have used methods such as English classes for the workers, or cultural or sporting activity, to get the workers together on a regular or semi-regular basis. These methods have often proved successful. Labour organisers feel that they must first get together with the workers and form a trusting relationship, often staying overnight with them in their homes, before any genuine educational or organising activity can take place. These activities must be
carried out “underground” because, if management or government find out about them, workers will be sacked and the organiser may face imprisonment or other more violent forms of harassment.

Nevertheless, labour activists feel that the work they do is necessary to raise workers’ awareness of their situation and to develop strong and progressive trade unions in Thailand. Despite their enormous difficulties, they are struggling on in the face of adversity.

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**Australian Companies in Thailand**

There are fewer Australian companies in Thailand than in some other countries in S.E. Asia. However, they are there for similar reasons: low wages, bad working conditions, and labour laws which favour the employers. This all adds up to more profit, and less jobs for Australian workers.

Safcol, one of the better-known Australian companies, operates under the name of Safcol Thailand Ltd, and has several factories, including four fish canneries. The Australian Dairy Corporation has an interest which produces dairy products. Australian Consolidated Industries (ACI) has a range of factories producing glass, fibre cartons, adhesives, and industrial detergents. BHP manufactures zinc oxide through Thai Lysaght Co. Ltd. Repco manufacture auto parts.

Dunlop Olympic has just invested A$12 million to contract an Ansell rubber factory to produce for export to world markets. A similar factory was bought in Malaysia in 1978 to replace a factory employing 600 workers in Melbourne.

A variety of other companies have interests in Thailand, although the Australian business names are not known, manufacturing a range of products such as animal feed, gypsum boards, refrigeration compressors, and feather products.