

Labour Market Profile 2019



Myanmar

Danish Trade Union
Development Agency,
Analytical Unit



ULANDSSEKRETARIATET – DTDA
DANISH TRADE UNION DEVELOPMENT AGENCY



PREFACE

The Danish Trade Union Development Agency (DTDA) is the international development organization of the Danish trade union movement. It was established in 1987 by the two largest Danish confederations – the Danish Federation of Trade Unions (Danish acronym: LO) and the Danish Confederation of Professionals (Danish acronym: FTF) – that merged to become the Danish Trade Union Confederation (Danish acronym: FH) in January 2019. By the same token, the former name of this organization, known as the LO/FTF Council, was changed to the DTDA.

The outset for the work of the DTDA is the International Labour Organization (ILO) Decent Work Agenda (DWA) with the four Decent Work Pillars: Creating decent jobs, guaranteeing rights at work, extending social protection and promoting social dialogue. The overall development objective of the DTDA's interventions in the South is to eradicate poverty and support the development of just and democratic societies, by furthering the DWA.

The Council works in partnership collaboration with trade union organizations in Africa, Asia, Latin America and the Middle East. The immediate objective of the program collaboration is to assist the partner organizations to become change agents in their own national and/or regional labour market context, capable of achieving tangible improvements in the national DWA conditions.

Support for development of strong, independent and democratic trade union organizations, as well as well-functioning and sustainable labour markets and framework conditions conducive for business and economic development contributes towards the creation of inclusive growth with due respect of human (labour) rights, thus towards the achievement of the United Nation's Sustainable Development Goals (SDGs), notably SDG 8 (Decent work and economic growth).

The Labour Market Profiles (LMP) provide a comprehensive overview of the labour market situation in the individual countries of engagement. The LMPs aim at giving a picture of structures, developments and challenges in the labour markets portrayed. They are divided into ten thematic sections describing trade unions, employers' organizations, tripartite fora and institutions, national labour legislation, violations of trade union rights, wages and working conditions, status

of the workforce, education, social protection, and economy.

The LMPs are reporting on several key indicators within the framework of the DWA and the SDG8, and address a number of aspects of labour market development such as the trade union membership evolution, social dialogue and bi-/tri-partite mechanisms, policy development and legal reforms, status vis-à-vis ILO conventions and labour standards, etc.

Main sources of data and information for the LMPs are:

- As part of program implementation and monitoring, national partner organizations provide annual narrative progress reports, including information on labour market developments. Furthermore, specific types of data and information relating to key indicators are collected by use of a unique data-collection tool. This data collection is done and elaborated upon in collaboration between the DTDA Sub-Regional Offices (SRO) and the partner organizations.
- National statistical institutions and international databanks are used as source for collection of general (statistical) data and information. This includes the ILOSTAT and NATLEX, World Bank Open Data, ITUC Survey of violations of Trade Union Rights, the U.S. Department of State as well as other labour related global indexes.
- Academia and media sources (e.g. LabourStart, national news, etc.) are also used in the general research on labour market issues.

Through the compilation of information and data from the different sources, the Danish Trade Union Development Agency aims at providing easy access to core labour market data from a wide range of national and international sources as well as adding relevant data and information obtained from partner organisations and from staff and Sub-Regional Offices in the countries/regions mentioned.

Labour Market Profiles for more than 30 countries are available on the DTDA website:

<http://www.ulandssekretariatet.dk/content/landeanalyser>.



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The LMP was prepared by the Danish Trade Union Development Agency, Analytical Unit, in Copenhagen, Denmark, in collaboration with the DTDA Sub-Regional Office in the Philippines along with the Confederation of Trade Unions of Myanmar (CTUM).

The front-page photo is from the Unique Garment Factory in Myanmar. The factory operates with around 1,000 employees producing up to 400,000 pieces of clothes per month. Large European brands such as H&M are sourcing from the factory. Picture photographed by Minzarya Oo.

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EXECUTIVE SUMMARY

After decades of economic isolation, the Republic of the Union of Myanmar has launched a wide range of reforms since 2011 that are changing the landscape of industrial relations. The country experiences a high rate of capital formation and foreign direct investment which has created many new jobs in the formal sector. The Rohingya humanitarian crisis, propelled in August 2017, has caused trade tensions and affected investor sentiment. The economic growth stays solid. The number of extremely working poor is declining fast and a middle-class is on an upsurge. The country remains the most impoverished country in East Asia and Pacific region, which echoed in its relatively lower labour productivity compared to the regional average. It is still not easy doing business in Myanmar and the political climate is tense.

Despite few approved legal reforms on the labour market in recent years, several policies were launched. The labour legislation contains several flaws concerning the international standards on the freedom of association, the right to collective bargaining, and the right to strike. In practice, the workers in Myanmar experience systematic violations of trade union rights and labour rights that is causing challenges in the development of the labour market.

In recent years, positive steps towards the creation of a democratic tripartite structure have been taken. However, the trade union movement was sidelined in several central draft bills' reforms, which triggered a setback in tripartite social dialogue in the beginning of 2019. On the positive side, both employers and trade unions are actively engaged in settlement of labour disputes at all levels, which is mirrored in a significant drop in arbitration cases. Quite many local bi-partite agreements have also been concluded. Nine out of ten of workers are employed in small and medium sized enterprises, which makes it challenging to establish workplace coordination committees and to spread the practice of collective bargaining.

Employment structures are changing: employees are on an upsurge while contributing family workers are declining. This transformation is rebounded in a rise of employment in the industry and service sectors. However, three out of four (76%) in employment operate in the informal economy, which implicates not paying income taxes, not receiving the minimum wage, not having access to health and pension schemes. There

are no national forums and policies specifically dealing with informal economy workers present in the country.

The official unemployment rate was very low at just 0.8% in 2018, and youth unemployment was reported as 1.7%. These low rates are hiding a lack of access to unemployment protection schemes and insufficient job creation in the formal sector. Besides, four out of ten (38%) workers are even in underemployment, which forces most towards the informal economy.

Migration flows are changing and the net migration gap has been on a fast declining trend since the end of the 2000s. Although reduced, the outflow of Myanmar workers is still high, while the influx of workers to the country is increasing. The changes are due to number of factors including the tightening of migration laws in Thailand along with improved job opportunities in the formal sector and the designation of a minimum wage system.

Child labour remains prevalent and highly visible. Remarkable reforms on the education system are reflected in the significantly increasing net enrolment in both primary and secondary education levels. Technical Vocational Education and Training (TVET) system remains supply-driven. The demand for technical skills from labour-intensive industries are increasing but a more demand-driven consultation system is not yet in place. The social protection system is weak with very low health and pension coverage. Fiscal sustainability and the ability to protect worker benefits continue to be of concern, among others due to low tax revenues.

Gender gaps are prevalent in the labour market. Among others, women have a higher underemployment rate and are paid lower wages, which reflects their insufficient economic empowerment caused by traditional cultural gender roles.

The trade union density rate of the total employment is estimated to be 0.9% in 2018. This ratio is lower than in other Asian countries, and it is related to the fact that trade unionism was not allowed until 2011. Awareness of labour rights remains limited. Many organizations confront inability to register at the national level as well as unnecessary bureaucratic requirements for union registering. On the other hand, the Confederation of Trade Unions of Myanmar (CTUM) shows an impressive membership growth of 50% from 2014 to 2018; a majority (78%) registered as informal workers.



Two templates below provide a fast overview of what is happening in the labour market based on key indicators that is monitored by the Danish Trade Union Development Agency in collaboration with the Confederation of Trade Unions of Myanmar (CTUM). Two additional indicators are included in this table with a view to summarize an overall status of violation of trade unions rights and the sight of employers' organizations on the labour-employer relations. 'Yes'

and 'No' measurements are based on assessments from the DTDA Sub-Regional Office in the Philippines and partners.

The second template on next page is presenting the status of the Sustainability Development Goal on Decent Work and Economic Growth (SDG8) indicators' value and targets.

Status of key labour market indicators within the framework of the Decent Work Agenda (DWA) in Myanmar, 2017/2018

Creating decent jobs	
Policy reforms addressing creation of decent employment	Yes - policy reforms were registered for youth employment, skills development, minimum wages, and the rights of persons with disability law. Development of a poverty eradication policy and revision of the labour dispute settlement law is ongoing.
ILO standard setting on improvement of status of workers from the informal economy	No - Tri-partite National Informal Economy Forum, other national forums dealing with informal economy workers, and policy addressing status of informal economy workers are not present.
Guaranteeing rights at work	
Growth in CTUM members from year 2017 to 2018 (%)	0.7 %
Violations of trade union rights	Ranking 4 out of 5 (5+ is worst).*
Labour legislation is improved according to ILO standards	Yes - Revision of guidelines and template for the issuance of employment contracts.
Partner organizations with minimum 30% women representation in decision-making bodies	Yes - The CTUM Central Committee has 29 members of which 6 are women (approx. 20%), the Executive Committee has 5 members of which 2 are women (approx. 40%).
Extending social protection	
Health social protection coverage as % of total population in partner countries	3.6%
Workers from the informal economy have access to national social security schemes	Yes - Workers in the informal economy are not covered by any schemes under the 2012 Social Security Law, but the expansion of mandatory registration to small and micro enterprises and voluntary registration for sectors not covered by the mandatory registration provides room for progressive extension of social security provisions to the informal economy.
Promoting social dialogue	
Trade union density of total employment (%)	0.9 %
Trade union density of employees (%)	2.2 %
Cooperation in labour-employer relations	N/a **
Number of Collective Bargaining Agreements (CBAs)	Myanmar has no law or any policies or framework for the institutionalized practice of CBA-negotiations. Trade unions are building their own culture of negotiation practices, which is being recognized by some employers.
Coverage of Collective Bargaining Agreements and other bi-/tri-partite agreements	One (1) agreement is registered: A Memorandum of Understanding between the Agriculture and Farmers Federation of Myanmar (AFFM), the Myanmar Fruit, Flower and Vegetable Producer and Exporter Association (MFFVPEA) and the regional government of Sagaing region on tripartite industrial relations committee for farm workers of MFFVPEA.
Bi-/tri- partite agreements concluded	A tripartite committee has been formed by the Myanmar Overseas Employment Agency Federation (MOEAF) to contribute to the development of a Code of Conduct for the protection of Myanmar migrant workers being deployed by MOEAF, i.e. member recruitment agencies.

* This is interpreted as 'Systematic violations of rights'; i.e. workers in countries with the rating 4 have reported systematic violations. The government and/or companies are engaged in serious efforts to crush the collective voice of workers putting fundamental rights under threat (Source: ITUC, Global Rights Index).

** Myanmar is not represented on the Global Competitiveness Index that represents employers' view (Source: World Economic Forum).

Other sources: DTUDA Sub-Regional Office data collection tool, and own calculations on trade union density.



Myanmar status of selected values/targets related to Sustainable Development Goal 8 on Decent Work and Economic Growth indicators

Indicators	Value	Year	Targets
8.1.1: Annual growth rate of real GDP per capita	5.4 %	2018	Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries
8.2.1: Annual growth rate of real GDP per employed person	6.3 %	2018	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
8.3.1: Proportion of informal employment in non-agriculture employment	-	-	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
8.3.1: Women	82 %	2018	
8.3.1: Men	82 %	2018	
8.5.1: Average hourly earnings of women and men employees	-	-	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
8.5.2: Unemployment rate (Total)	-	-	
8.5.2: Women, 15+	2.0 %	2017	
8.5.2: Women, 15-24 years	4.8 %	2017	
8.5.2: Men, 15+	1.2 %	2017	
8.5.2: Men, 15-24 years	3,3 %	2017	
8.5.2: With disabilities, Women	0.9 %	2015	
8.5.2: With disabilities, Men	0.7 %	2015	
8.6.1: Proportion of youth (15-24 years) not in education, employment or training	17 %	2017	By 2020, substantially reduce the proportion of youth not in employment, education or training
8.6.1: Women	24 %	2017	
8.6.1: Men	11 %	2017	
8.7.1: Proportion and number of children aged 5-17 years engaged in child labour (Total)	9.3%	2015	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
8.7.1: Girls	8.5%	2015	
8.7.1: Boys	10%	2015	
8.8.1: Frequency rates of fatal and non-fatal occupational injuries	-	-	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
8.8.1 Fatal total	2.6 %	2017	
8.8.1 Non-Fatal total	19 %	2017	
8.8.1 Fatal Women	0 %	2017	
8.8.1 Fatal Men	6.6 %	2017	
8.8.1 Non-fatal Women	-	-	
8.8.1 Non-fatal Men	-	-	
8.8.1 Migrant status	-	-	
8.8.2: Level of national compliance with labour rights (freedom of association and collective bargaining)	-	-	

Source: [United Nations Development Program](#)



COUNTRY MAP



Source: CIA, Myanmar profile



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TRADE UNIONS

In the aftermath of social unrest and a military junta coup in 1988, trade union organizations became illegal. Leaders were arrested or forced into exile, and it was not until 2011 that trade unions became legal again in Myanmar. After the approval of the Labour Organizations Law in 2011, trade union leaders and organizers were allowed to return to Myanmar. This law marked a significant improvement of the decent work situation in Myanmar and caused the organizing of workers to be reinitiated.

Registration of labour organizations in Myanmar experienced a fast increase from 1,235 in 2013 to around 2,400 in 2018 (October). Most of the organizations were essentially workplace-level unions. Many of these include small-holder farmers that are registered as unions; the manufacturing, transport and construction sectors also have a significant representation of unions (see also Appendix Table 21 and Table 22). The total trade union membership was estimated to be at least 200,000 workers in 2018. Despite the fact that the trade union movement was recently re-legalized in 2011, the trade union density has reached 0.9%. However, this density stays low in comparison with other Asian countries.¹ See more in Table 1 below.

Table 1: Status of trade unions in Myanmar, 2018

Number of trade unions	2,400 *
Total members of trade unions	<200,000
Membership growth (2014-2018) (CTUM)	50 %
Women share in membership (CTUM)	36 %
Trade union density of total employment	0.9 %
Trade union density of employees	2.2 %

* Unions on enterprise level; approximate (October 2018).

Sources: CTUM and own calculations on trade union density.

The trade union movement is still in a consolidation stage and confronts a challenging environment regarding cooperation. On the positive side, there is a general desire to improve the situation with an optimistic outlook. In recent years, several unions have gained experiences in tri-partite dialogue, e.g. on fixing of minimum wages and development of a standard employment contract (see more in the section: Central Tripartite Structures).

A key challenge is the labour organizations' inability to register at the national level. Since this registration is a prerequisite for entering into negotiation of collective bargaining agreements with companies, many workers are still kept back from institutionalized social dialogue

at the expense of the protection of workers' rights. Labour organizations have furthermore argued that local labour offices imposed unnecessary bureaucratic requirements for union registration that were inconsistent with the law.² Another issue is that awareness of labour and trade union rights is still very low, i.e. measured at 4.1% of the total workforce.³

There are three recognized trade union centres in Myanmar participating in tripartite social dialogue with the government: Confederation of Trade Unions of Myanmar (CTUM), the Agriculture and Farmers Federation of Myanmar (Food Allied Workers) (AFFM-IUF), and the Myanmar Industry Craft and Service-Trade Unions Federation (MICS-TUsF). In addition, there is a wide range of small independent trade unions, i.e. not affiliated to any of the above mentioned centres. CTUM is the only confederation and is leading in representing the organized labour. The two other centers (federations) contest to participate in the nomination of the labour representatives (see more in Table 2). There has been some collaboration between CTUM and the MICS-TUsF, which includes joint press statements on rampant and unfair dismissal of union leaders and union busting. Following the suspension of tri-partite social dialogue in the beginning of 2019, CTUM and the MICS launched twelve demands to reinitiate the tripartite mechanism, including demands to see the Public Sector and the Special Export Zones covered by the revised Dispute Settlement Law (see more in Appendix Table 26, and the section: Central Tripartite Structures).

Table 2: Trade Union Centers and membership in Myanmar, 2018

Centres	Members
Confederation of Trade Unions of Myanmar	65,002
Agriculture and Farmers Federation of Myanmar (Food Allied Workers)	41,723
Myanmar Industries Craft and Services - Trade Unions Federation	9,000
Total	115,293

Source: DTUDA, Analytical Unit databank.

Confederation of Trade Unions of Myanmar (CTUM)

The Federation of Trade Unions of Burma (FTUB) was established in 1991 as an underground trade union by exiled workers and students who were forced to leave Burma, due to the crackdown by the military after the popular uprising in 1988. Those days' activities were primarily information gathering and advocacy to build a foundational network inside and outside Burma for a democratic union movement. However, the organization faced strong repression, especially during the 2000s



where several executive committee members were sentenced to life imprisonment and several to death for high treason while many others were in exile in neighbouring countries. The official recognition of trade unions in 2011, i.e. the adoption of Labour Organizations Law, allowed the leadership of FTUM to return to Myanmar. In 2014, the organization changed its name to CTUM and was officially registered in 2015. The CTUM is the only trade union confederation in Myanmar. It is affiliated to the International Trade Union Confederation (ITUC).

CTUM represents nine federations with close to 65,000 members paying dues in 2018 (November) (Appendix Table 22). In just six months after the establishment of the CTUM (previously FTUB) office in Yangon, 130 unions were affiliated with around 18,000 members. The number of member organizations grew rapidly, peaking at 807 in 2017; but with a drop down to 763 organizations in 2018 (November). This decline was due to 79 member organizations in the Agriculture and Farmers Organizations leaving CTUM in the period from 2017 to 2018. In the same period, the Transport Workers Organizations and the Construction and Wood Workers Organizations saw an increase of 18 and nine member organizations, respectively (see more on Appendix Table 22). Following a rapid growth at 50% in affiliated membership in the period from 2014 to 2018 (November), the membership rate growth dropped down to 0.7% from 2017 to 2018, which is mainly due to workers facing harsh challenges from the employers and lack of reinforcement mechanisms.

The Agriculture and Farmers Organization still has the highest representation (43%) of the total CTUM membership followed by the Transport Workers Federation (25%) and the Industrial Workers Federation (21%). More than one out of three (36%) of the total membership is composed of women (see more in Appendix Table 21). Additionally, 78% of all members are registered as informal workers belonging to the agricultural, transportation, construction, aquaculture and mine workers' federations.

CTUM is struggling to provide education, communication and organizing activities in order to keep up with the growth in number of factories.

Agriculture and Farmers Federation of Myanmar (Food Allied Workers) (AFFM-IUF)

The AFFM-IUF was established in 2011 following a breakaway from the Agriculture and Farmers Organizations in CTUM, which officially has the same name. It was not until May 2015 the AFFM-IUF became

a recognized trade union center. The federation represents agricultural and plantation workers and farmers. In 2018, it registered around 41,723 members in 12 division/states.⁴ The AFFM-IUF has close relations with trade union movements around the world, but it is not yet affiliated to any global union confederation. Recently, the AFFM-IUF was split into two fractions due to internal disagreements.

Myanmar Industries Craft and Services-Trade Unions Federation (MICS-TUsF)

The MICS-TUsF membership is registered at around 9,000 in 2018.⁵ According to its own report, MICS-TUsF has around 12,000 members and 82 workplace level organizations in many different industries: commodity goods production; lead, steel and iron; food and beverage; services (hotels and restaurants); construction, fishery, loading, garment, textiles and leather, oil and gas; mining; and cement. MICS has 12 unions and approximately 2,000 members in the garment industry; more than 90% of these are women. MICS is not yet affiliated to any global union confederation.

EMPLOYERS ORGANISATIONS

In 2017, around 3.5% of the total employment in Myanmar consisted of employers (see more on Figure 1). In regards to rights given to become a member of an employers' organization, awareness coverage is quite low at 2.4% at the national level. Not to mention, regarding subsidies or free goods from employers, food provided by the employer has the highest proportion followed by housing, then clothing and transport.⁶

Just as the trade unions, the employers' organizations have experienced changes. Among others, the number of employers' organizations has increased from 24 in 2014 to at least 30 in 2016.

The Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)

The country's leading business organization is the UMFCCI. It was founded in 1919 as Burmese Chamber of Commerce (BCC). In 1999 it developed into a federation in 1999. The organization held its first elections in 2013 after drafting a new constitution.

UMFCCI comprises 16 regional and national Chambers of Commerce and Industry, nine Border-area chambers and 48 affiliated associations. The number of member companies increased from close to 22,000 in 2014 to about 30,000 in 2018 (August).⁷ Among UMFCCI



members are the Myanmar Garment Manufacturers Association (MGMA) – one of the country's most important sectoral organizations – and the Mandalay Regional Chamber of Commerce and Industry, the most significant regional business association in Myanmar.

The organization has a vast experience as a business organization due to its long history as a national level non-governmental organization that represents and safeguards the interests of the private sector. Its services span across arranging business delegations, trade fairs, seminars and SME training courses and policy advocacy on behalf of the private sector; to act as a bridge between the state and the private sector, to lead Myanmar business community into a globalized economy; to cooperate with the state in economic and social activities.⁸

Previously, UMFCCL played a very limited role as an employers' organization. In 2016, the organization decided to develop this role by establishing an Employer Organisation Department with a view to assist member associations on labour and employment issues through a range of advisory services, trainings, research and policy advocacy. In 2018, UMFCCL further increased focus on employer and labour issues by establishing a new Industrial Relations Committee indicating their willingness to promote this agenda.

Internationally, the UMFCCL is a member of International Chamber of Commerce and the ASEAN Chamber of Commerce and Industry. The International Financial Corporation (IFC) has handed over the secretariat of the Myanmar Business Forum (MBF) to UMFCCL since July 2017. The UMFCCL will continue to take forward the mission of facilitating public-private dialogue. The organization also takes part in other institutions such as the Greater Mekong Sub-Region Business Forum (GMS-BF).

Based on the 2018 Business Sentiment Survey conducted by UMFCCL, results showed raised concerns on Myanmar's economy with a downturn compared to 2016-2017 (see more on the section: Economic Performance).⁹ A reform of the Settlement of Labour Dispute Law by a draft Second Amendment Bill has furthermore raised concerns from international and national employers' organizations. As an example, while generally supportive of many changes to the law, the German-Myanmar Joint Chambers were worried that some of the proposed changes – such as employers and workers jailed for even minor violations, such as failing to attend arbitration hearings – will have a

negative impact on their members and Myanmar's economy (see more on the section: National Labour Legislations).¹⁰

CENTRAL TRIPARTITE STRUCTURES

Tripartism is a collaboration based on contracts of employer/business, labour, and state affiliations within the economy. Each institution is to act as a social partner to create economic policy through cooperation, consultation, negotiation, and compromise. The leading institutions in Myanmar are presented below.

National Tripartite Dialogue Forum (NTDF)

The NTDF was established in 2015 alongside with tripartite structures and mechanisms for dispute resolution at national and township level (see more below). The NTDF meets quarterly while two technical working groups meet frequently to negotiate specific issues related to labour market reforms, e.g. the dispute settlement.

In 2017, the NTDF initiated a tri-partite process for the development of a standard employment contract template. Both unions and employers were dissatisfied with the draft template presented by the Ministry of Labour, Immigration, and Population (MOLIP) and came up with an alternative draft template following bi-partite deliberations. In 2018, the new Employment Contract Template was officially announced while the social partners continued to elaborate upon it by taking into consideration decent work issues interrelated to the Government's new Myanmar Sustainable Development Plan.¹¹

Following discussions in NTDF in 2018 on the labour law reform process, the trade unions in January 2019 decided to suspend their participation in all tri-partite fora and mechanisms in Myanmar. The reason behind this move was that the unions found that the government and the parliament failed to take into consideration the workers views and perspectives in accordance with the ILO international labour standards when presenting draft new bills. In the eyes of the trade unions, the parliament did not recognize their existence, role and active participation in paving the way forward to sustainable development for Myanmar, and they accused them for introducing more impractical processes with the aim of applying pressure on the trade union existence and movement. The different stakeholders are working on finding solution which can allow for restarting the tri-partite dialogue in the NTDF and other tripartite mechanisms.



National Committee for Designating Minimum Wages

The National Committee for Designating Minimum Wage was launched in February 2017 to ascertain the changing costs of living and its impact on the minimum wage. The Committee comprises of representatives from concerned government ministries, employers, workers and economic experts (see also the section: Working Conditions).

Mediation and Arbitration System

The Settlement of Labour Dispute Law (SLDL) from 2012 provides a tripartite framework for the settlement of individual and collective labour disputes at the enterprise, township, regional, and national levels through conciliation and arbitration. The bill has some restrictions on the principle of free and voluntary bargaining, i.e. the local parties must reach an agreement within five days; after that, the dispute is submitted to a procedure of conciliation and/or arbitration (see more on the section: National Labour Legislation).

Both employers and trade unions have been actively involved in the mentioned multi-level processes for resolving of disputes. The dispute settlement mechanisms were reported to be functioning adequately in the Yangon region, with a 30% reduction in labour disputes in the Financial Year 2017-18. The drop in disputes is an impressive result, given that this region is responsible for 85% of national labour disputes.¹²

Workplace Coordinating Committee (WCC)

It is mandatory for enterprises with more than 30 employees to establish a WCC. The WCC is the first step of the dispute resolution process, and ideally all disputes should be resolved at the WCC level. Confusions on the interpretation of the role of the WCC among employers and employees are observed. More than 70% of workplaces have not yet established WCCs. Factories in the garment and textile sector, often supplying their products to international brands and enjoying international attention, appear to have a higher prevalence of WCCs and the WCCs also seem to be functioning more effectively in workplaces with the presence of organized labour.¹³

In January 2019, there was a special order from the MOLIP that outlines the establishment of WCC is compulsory, i.e. that any dispute cases must be first settled at WCC. A settlement case cannot be continued on higher levels without the WCC procedure, e.g. the case could not be resolved at the Township Conciliation Body (TCB) (see below). The main concern is that most

of the WCC members are representative of workers are appointed by the employer.¹⁴

Township Conciliation Body (TCB)

Disputes not resolved through the WCC can be brought to a TCB for a hearing. The TCB is composed of 11 members: three from the government, three from employers, three from unions, and two experts. In cases where WCCs are nonexistent or dysfunctional, the TCB is an opportunity to negotiate. The TCB process is one of conciliation, not arbitration; i.e. the TCB does not issue a decision. This institution supports the two parties to reach an agreement and resolve their dispute. The MOLIP argued that TCBs have been established in most of Myanmar's 325 townships. On the other hand, official data point towards that the majority of disputes were dealt with in and around Yangon. The number of cases received increased from 965 in 2012 to 1,238 in 2016. It was noted that some TCBs confronted a high volume of cases with limited resources. The ratio of resolved cases to received cases dropped from 94% to 85% during the mentioned period.¹⁵

Arbitration Body (AB) (region/state)

If disputes are not resolved at the TCB level, the disputes can be directed to an AB, which is established in each region or state, i.e. a total of 15, including one for Nay Pyi Taw. ABs are composed of 11 members: three from the government, three nominated by employer organizations, three nominated by labour organizations, and two distinguished persons. The decisions of the AB are binding, but if either party is not satisfied with the decision, they have seven days to submit their dispute to the Arbitration Council (AC). The number of cases received increased from 57 in 2012 to 154 in 2016. The ratio of resolved cases to received cases dropped from 40% to 32% during the mentioned period.¹⁶

Arbitration Council (AC)

AC is the highest tripartite instance of SLDL in the arbitration process. It consists of 15 members: five selected by MOLIP, five nominated by employer organizations, and five nominated by labour organizations. AC meets at least once per month to consider whether to approve sending cases of noncompliance to court. The Council's duties are to stand as an independent and impartial organization regarding social justice, decent work, and principles of equity. It is in charge of forming the Tribunal that will finally decide the outcome of the different issue. A Tribunal has the authority to make the final decision. Unions are involved in about half of the cases, either



helping with the written complaint or by being physically present. There are observed wearies among factory workers due to some mistrust of the AC.¹⁷ This institution registered 17 cases received in 2012 that, so far, peaked at 90 cases in 2016.¹⁸ In January 2019, the CTUM argued that the rate of dismissal cases are increasing day-by-day and the unions are not able to provide legal protection for the dismissed workers. When they are to the disputes going to the AC, the Employers refuse to abide by the ruling, pay a token penalty and get away.¹⁹

Judicial System

For individual disputes, if either party is not satisfied with the outcome at the TCB level, they should then take the case to court, not to an AB. Collective disputes not resolved at the TCB must go to the AB. However, the SLDL has some practical uncertainties on this issue (see also the section: National Labour Legislations). It was observed that the current limitations of the judicial system tend to seek possibilities in the abovementioned arbitration system.

Social dialogue

As described, social dialogue institutions are taking new steps towards a more balanced and democratic tripartite power structure in the labour market. The Settlement of Labour Dispute Law opened up for an improved social dialogue structure among stakeholders on the labour market, but it remains in an infant stage. Industrial relations are somehow adversarial or non-existing. Trust and confidence are frail and influence relations between UMFCCI and the major trade unions. At the company level, social dialogue is more or less non-existing even though legislation holds provisions for establishment of workplace coordination committees. More instances of conflict between employers and employees along with workplace unrest and disputes occur in factories, which undermine collective bargaining. In practice, employers usually fail to take workers' demands into account.

In 2018, at least 64 agreements have been concluded by a number of employers and local unions in the garment industry, despite the absence of law or policies on the institutionalized practice of Collective Bargaining Agreements (CBAs). In practice, collective agreements are made with the help of the relevant conciliation body. Due to the low trade union density and weak cooperation in labour-employer relations, CBA negotiation is still in its infancy in Myanmar. CTUM is

developing its own culture of negotiation practices, which is recognized by some employers.²⁰

As already mentioned, the trade union movement raised concerns on social dialogue procedure in the tripartite mechanisms in the beginning of 2019. Some of the key points that raise the trepidations are especially related to a lack of consultation in the proposed labour law process, barriers to freedom of association in the proposed-amended Labour Organization Law; and proposed law failing workers on leave and holiday clauses.

NATIONAL LABOUR LEGISLATION

The labour market legislation in Myanmar accounted to 111 in February 2019. Overall, the country went through political reforms at the beginning of the 2010s, and a series of political, economic and administrative reforms were approved. Especially on the labour market, the Labour Organization Law (2011) and the Settlement of Labour Dispute Law (2012) were launched. A series of legal amendments were demanded by labour organizations, reporting gaps and failures that might undermine the exercise of free association (see more below). The government also passed some labour reforms from 2014 to 2017, which includes the Myanmar's Companies Law and amended the Shops and Establishment Law and the Payment of Wages Law (Table 3 and Appendix Table 23). The government introduced the Parliament a draft Health and Occupational Safety Law and a Foreign Worker Law, which still are under review. The just mentioned new proposed leave and holiday law stating that if a worker arrives five minutes late to work, they would lose their rights to take a day off on Sunday; and also reduces the annual Myanmar New Year holidays (Thingyan) from 10 days to 5 days. This reform suggests heavily impacting workers from rural areas returning to their home villages to attend the religious ceremonies with their families.

Apart from the legislation, several policy reforms were launched in 2017 in the areas of youth employment, skills development, minimum wages, and the Rights of Persons with Disabilities.²¹

Table 3: Number of approved labour market related legislations in Myanmar, 2014-2018

2014	2015	2016	2017	2018
8	13	7	1	0

Source: [ILO, NATLEX, Myanmar](#)



Since 2017, a technical working group of Labour Law is working on reforms of the Labour Dispute Settlement Law and the Labour Organization Law. As mentioned, the tripartite meetings did not reach a consensus on the coverage of labour dispute settlement law particularly on dispute settlement mechanisms and some of the prohibitions and penalties for employers. Employers supported the government's proposal to change the registration criteria of trade unions providing restrictions on all levels. This includes a proposal to eliminate the workers' right to strike while workers proposed to add a new chapter on collective bargaining processes and union recognition.

ILO has elaborated upon a guide as a quick reference to identify the principal rights, powers, and obligations of employers, workers, unions, and government under Myanmar labour law. This guide is useful to employers and their organizations, workers and unions, policymakers, non-governmental organizations (NGOs), investors, and international buyers.²²

Constitution²³

The Republic of Myanmar Constitution of 2008 can be seen as the first movement towards a re-democratization of the country after the military regime since 1962. Independent executive, legislative and judiciary powers compose the state. The constitution includes several sections that are related to the labour market: i) the Union shall enact necessary laws to protect the rights of workers; ii) citizens shall enjoy equal opportunity in carrying out occupation; and iii) the Union prohibits forced labour except for hard labour as a punishment for crime duly convicted and duties assigned by the Union in accord with the law in the interest of the public.

In recent years, ongoing human rights issues have been highlighted in Myanmar, which included criticism of the continued existence of outdated and oppressive laws. The military drafted an amended constitution, but it has not yet approved.²⁴ In January 2018, the government proposed new reforms of the 2008 Constitution that included justice for all recognized minorities under a federal system. The media noted that the proposal did not mention the treatment of its Rohingya Muslim minority population that confronts forced displacement of around 700,000 people from this ethnic minority.

Labour Organization Law (LOL)

The LOL from 2011 protects the rights of workers and enables them to organize in free and independent labour organizations. Workers only have the right to

join a labour organization according to their relevant activity.²⁵

The law permits labour federations and confederations to affiliate with international union federations and confederations. It furthermore gives unions the right to represent workers, to negotiate and bargain collectively with employers, and to send representatives to a conciliation body or conciliation tribunal. The law offers the right to strike in most sectors, with a majority vote by workers, permission of the relevant labour federations, and detailed information and three days' advance notice provided to the employer and the relevant conciliation body.²⁶

This legislation is not fully in line with the ILO Convention 87 of Freedom of Association, and several features undermining these rights. Among others, CTUM registered a wide range of legal deficiencies on several of the current bill's chapters, e.g. trade unions have no legal protection within the period of setting up the organization (organizing period) and registration period. In addition, the government is controlling unions in administering their structure.²⁷ Also the International Trade Union Confederation noted, among others, that basic labour organizations must have a minimum of 30 workers to officially register as a trade union. They must have the support of at least 10% of the workers in the relevant activity. In the case of federations, the number goes up to 20%. Workers demand these numbers to be reduced and the adoption of a more flexible trade union structure.²⁸ The law is not guaranteeing that workers will not suffer from retaliation or anti-union discrimination. Despite these features, the Labour Organizations Law can still be regarded as a major step in the improvement of social dialogue and creating a legal framework for the establishment and operation of trade unions.

Several amendments and new articles of the LOL were in progress in 2018. Despite recommendation from the ILO's Direct Contact Mission (DCM) to Myanmar in October 2018, and several observations of the reform from CTUM, it created concerns. A declining trust in the process of the draft bill not only stalled the CTUM's participation in the social dialogue in the beginning in 2019, but also its approval, along with the Dispute Settlement Law reform, struggle significant differences between the parliament's houses and the government.

Settlement of Labour Dispute Law (SLDL)²⁹

The SLDL from 2012 created a multi-tiered labour dispute resolution system in Myanmar. The system is



aimed to improve the environment at the workplace level, in which workers, individually or collectively, can participate and negotiate their terms of employment. The bill gives workers an active voice and legal protection on the collective agreements undertaken with employers. It sets the rules of relationship and agreements that must be taken by employers and employees. The SLDL does not cover the public sector, construction, agriculture and informal workers.

The SLDL was first amended on October 2014 after labour groups objected to provisions that let employers define the rules with impunity or at the risk of small fines. However, lawmakers and members from the labour union movement argued that the changes to the bill were necessary because the weak penalties in the law encourage employers to ignore labour council rulings. On the other hand, employers have warned that the changes could deter foreign investments. A new Second Amendment Bill was discussed and forwarded for approval in November 2017. This bill included an increase in up to three months in jail for employers convicted of violating labour law and fines to be increased to 10 million Kyats (US\$7,260). It has not yet been approved by the Parliament (February 2019).

The SLDL is still a relatively new system. Informality among workers is rampant. A majority of enterprises operate with less than 30 workers that are not covered by the mediation and arbitration system. Implementation of the regulations is confronting a lack of awareness and incentives. It is also not easy to get to formalizing a business and enforcing contracts (see also Appendix Table 25). Bureaucratic processes have been lengthy and cumbersome. This situation poses obstacles to workers using it to resolve grievances.³⁰ Cases furthermore suggest that the system has a bias towards employers, and the government and the parliament continue putting more restrictions in the Labour Organization Law amendments, which is systematically undermining the union existence. Equally important, the bill does not explicitly state the terms of collective bargaining.

In June 2018, the government issued a directive order that individual case should be settled at a competence court. The dismissal case is considered as individual cases. This leads to severe situation of mounting unresolved dispute cases.

Ward and Village Tract Administration Act³¹

In March 2012, the Ward and Village Tract Administration Act was launched. This law prohibits all

forms of forced or compulsory labour and provides for the punishment of persons who impose forced labour on others in Myanmar. Forced labour refers to situations in which persons are coerced to work through the use of violence or intimidation, or by subtler means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities.³² However, the law is not effectively enforced in practice by the government (see also the section: Trade Union Rights Violations).

Employment and Skill Development Law (ESDL)

The ESDL from 2013 formed a Central Body that is responsible for formulating policies on job creation, the reduction of unemployment and the promotion of skill development among workers. Provisions allow foreigners to set up training schools or skills assessment entities. In the framework of the law, it launched in September 2015 that the employers and the workers must execute written employment contracts (EC), i.e. enterprises employing more than five workers must sign EC with the workers.

Observations on the labour legislation

The International Trade Union Confederation (ITUC) has registered several observations of the national legislations concerning the international standards of the right to organize, right the collective bargaining, and the right to strike. Some of the primary considerations are summarized below:³³

- The labour law prohibits anti-union discrimination but does not provide adequate means of protection against it.
- Prior authorization or approval by authorities required for the establishment of a union.
- Excessive representativity or a minimum number of members as are necessary for the establishment of a union.
- Single trade union system imposed by law and order banning or limiting organizing at a certain level (enterprise, industry and sector, regional and national).
- Restrictions on workers' right to join the trade union of their choosing imposed by law (i.e. obligation to join a trade union of a certain level, e.g. enterprise, industry and sector, regional and national).
- Administrative authorities' power to unilaterally dissolve, suspend or de-register trade union organizations.



- Imposition of fixed and unreasonable procedural requirements (e.g. short time-limits for reaching an agreement).
- Excessive representativity or a minimum number of members required to hold a lawful strike.
- Undermining of the recourse to strike actions or their effectiveness, i.e. the Labour Organization Law provides that strike is not conforming with the date, place, time, period, the number of participants and manner as obtained permission in advance may be declared illegal.

It has been observed that freedom of association is violated through a series of restrictions towards the eligibility of executive committees in trade unions. The Labour Organizations Law requires certain aspects that must be matched with the worker's profile so he/she can be elected for the Executive Committee. Requirements, such as being a Myanmar legal resident for at least five years, or being an employee in the relevant trade or activity with at least six months' service, clearly impose a barrier to the freedom of election of their representatives. Furthermore, unions have restrictions on the use of their funds, limiting their judgement on how the funds may be spent.³⁴

The government has not effectively implemented or enforced the labour related laws. Authorities lack resources as well as the informal economy stymies the labour market's regulations. In practice, trade unions are struggling to obtain registration, workers facing retaliation for legitimate union activity and existing dispute resolution procedures not proving effective in remedying violations of the labour laws.

Status of Myanmar's ratification of ILO's Conventions

With reference to Myanmar's ratification of international labour standards, a total of 24 ILO Conventions are ratified. First, the eight Fundamental Conventions are the most important conventions that cover four fundamental principles and rights at work. Myanmar has so far ratified 3 of them.

Second, ILO has designated four Governance Conventions that are important to build national institutions and capacities that serve to promote employment, i.e. these conventions promote a well-regulated and well-functioning labour market. The country has not ratified any of these Governance Conventions.

Third, ILO has furthermore 183 Technical Conventions, out of which 83 conventions are "Up-To-Date" and actively promoted, i.e. an Up-To-Date Convention is one that is ready for ratification by member States and/or one that has been examined by the ILO Governing Body and deemed to be still relevant.³⁵ Myanmar has to date ratified 21 of the Technical Conventions (see also Appendix Table 24).³⁶

Out of the 24 Conventions ratified by Myanmar, of which 18 are in force, 2 Conventions have been denounced; and 4 instruments abrogated.

The latest ratified Convention was the Seafarers' Identity Documents Convention (No. 185) from January 2018.

Trade Agreements

International trade agreements are approved by the parliament and their context are relevant to the labour market in Myanmar.

Myanmar is one of the 10 member countries of the Association of Southeast Asian Nations (ASEAN) and participates in all intra-ASEAN agreements as well as multilateral free trade agreements with Australia, New Zealand, China, India, Japan, and South Korea. ASEAN Free Trade Area (AFTA) was introduced in Myanmar in January 1998 and it is geared to support local trade and manufacturing in all ASEAN countries, and facilitating economic integration with regional and international allies. It was agreed to eliminate tariffs in assigned years: from reducing 60% of the total tariff lines by 2008 to 100% of the total tariff lines by 2018. It was expected to launch of ambitious regional single market under the ASEAN Economic Community in 2018, following a three-year grace period for Myanmar and three other countries, which includes a 5% tax levied on agricultural products elimination. The country has been exporting primary products with low prices, but the tax levies are supposed to a rising competition and imports in the country. The Rohingya humanitarian crisis in the the Katchin area in Myanmar has caused tensions between ASEAN members. Relations between Myanmar and its Muslim-majority neighbors, Malaysia and Indonesia, are concerned. Sources suggest that it could undermine unity within the ASEAN.³⁷

Myanmar has bilateral trade agreements with Bangladesh, Sri Lanka, China, South Korea, Laos, Malaysia, the Philippines, Thailand, and Vietnam in the



Asian region. Myanmar also benefits from several Generalised System of Preferences (GSP) schemes held with following countries: Australia, Belarus, Japan, New Zealand, the Russian Federation, Switzerland, and Turkey. Norway and the EU have reinstated GSP treatment with Myanmar in 2012 and 2013, respectively.³⁸ In November 2016, the United States government also reinstated Myanmar's GSP trade benefit in recognition of the progress that the government had made in protecting workers rights. GSP allows developing countries exporters to pay less or no duties to their exports, giving them access to markets and contributing to their economic growth.³⁹ However, in the aftermath of the Rohingya humanitarian crisis concerns were generated on EU's GSP. In October 2018 the trade union movement raised their worries of this GSP withdrawing, which could hardly hit the workers from the garment industry.⁴⁰

A survey on the use of Free Trade Agreements (FTAs) in Myanmar from 2015 revealed that they were not effectively utilized. As far as perceptions of firms' use of FTAs were concerned, most remained unfamiliar with the term 'FTA' and did not realize a Certificate of Origin as a form of FTA. Most firms assumed that FTAs only benefit the importers, not the exporters. Some manufacturing exporters even viewed FTAs as a kind of trade barrier.⁴¹ Other studies illustrated that 5 FTAs in Myanmar did not have any labour provisions (i.e. any standard which addresses labour relations or minimum working terms or conditions, mechanisms for monitoring or promoting compliance, and/or a framework for cooperation).⁴²

TRADE UNION RIGHTS VIOLATIONS

Myanmar is ranking 4 out of 5+ on ITUC's Global Rights Index in 2018 (5 is worst), which was characterized as "systematic violations of rights"; i.e. workers have reported systematic violations. The government and/or companies are engaged in serious efforts to crush the collective voice of workers putting fundamental rights under threat.⁴³

ITUC reported eight trade union rights violations cases in the period from 2016 to 2017; there were none from 2018, so far. These cases were related to:

- Garment worker fired for forming a union, and 280 more for going on strike in his support.
- Union busting dismissals at bakery.

- Garment factory dismisses union leader, after it bargained in bad faith.
- Textile company persistently refused to negotiate new collective agreement.
- Unfair dismissal of union activists at textile factory highlights ineffective system.
- Mass dismissal of striking garment workers and refusal to abide by arbitration ruling.
- Blacklisted for union activity.
- Arrests and prison sentences against workers marching to defend their rights.

A report revealed that serious problems persist with long working hours, low pay, poor working conditions, including health and safety standards, and sexual harassment, among others, in the garment sector. It was difficult for workers to organize, owing to serious flaws in labour legislation that restrict the freedom to join and form trade unions. Many workers were deterred by the threat of dismissal for joining a union.⁴⁴

Enforcement of the laws generally took place in the public sector, but frequent violations occurred in private enterprises. ILO, labour activists and media continued to report concerns of employers subsequently fired or engaged in other forms of reprisal for workers who formed or joined labour unions. Trade unions noted cases in which criminal charges were filed against workers for exercising their right to strike. Albeit the Ministry of Labour is helpful in urging employers to negotiate, reports show that many employers are ignoring the negotiated agreements or engaging in other forms of antiunion discrimination. On the positive side, media reported fewer allegations of dismissal, imprisonment, and beatings of workers for organizing activity than in previous years.⁴⁵

Forced labour has been widespread across the country, including what was once a military custom. The government vowed to end it through legislation in 2012. Back in 2015 it was noted that army units in the north of Myanmar's restive Rakhine state still routinely forced minority Rohingya to porter loads, tend military-owned fields and maintain military infrastructure, according to interviews with 16 villagers in three hamlets.⁴⁶ Turmoil in this particularly zone entered into a humanitarian crisis among the Rohingya population since August 2017. This particularly stateless Muslim-oriented group of around 1 million people is called as illegal immigrants from Bangladesh. Generally, forced labour workers in the private sector often experience excessive overtime without compensation. Domestic workers remain at risk of domestic servitude.⁴⁷



With reference to the ILO's Freedom of association cases, there were no active cases (Table 4). The only follow-up case had a complaint date from November 2015. The complainant, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), alleged anti-union practices, including harassment, discrimination and dismissals of trade union members and officials. Ten other registered cases are closed.

Table 4: ILO Complaints Procedure, Freedom of association cases, Myanmar, 2018 (September)

Active	0
Follow-up	1
Closed	10

Source: [ILO, NORMLEX, International Labour Standards country profile, Myanmar](#)

WORKING CONDITIONS

The minimum wage was raised by 33% from 3,600 kyats per day (US\$3.1) in September 2015, which was the country's historically first national minimum wage, to 4,800 kyats (US\$3.5) in March 2018 (Table 5). The law requires the minimum wage to be revised every two years in the National Committee for Designating Minimum Wages. The minimum wage applies to workers across all sectors, except small and family-run businesses that employ fewer than 10 workers. In addition, Myanmar's minimum wage remains the lowest compared to other countries in Southeast Asia.

Table 5: Status of minimum wage and earnings in Myanmar

	Kyats	US\$
Minimum wage (2018)	115,200	84
Mean average nominal monthly earnings of employees * (2017)	195,000	143
Men	196,295	144
Women	186,300	137

* The mean average nominal monthly earning of employees was estimated by 22 of the registered International Standard Industrial Classification of All Economic Activities.

Source: [Myanmar Times](#) and [ILO, ILOSTAT](#)

Myanmar workers appear to benefit from the national minimum wage. As a case study in 2016 showed, the income of the lowest-wage workers from garment and food industries increased by 70%, as well as a 9% increase for skilled-workers.⁴⁸ First of all, rising commodity prices and living costs also increased, which meant that the workers did not get any significant salary relief. This also activated women to seek waged work in addition to household work. Secondly, the

minimum wage rate has often been misused by employers especially when it is treated as the regular pay rate instead of a minimum wage rate. Other benefits, such as transportation money, overtime pay, and bonuses, were decreased. Not to mention, relatively low wages in Myanmar has been the root to cause of conflict between employers and workers.⁴⁹

Other data reveal that mean nominal monthly earnings of employees was estimated at 195,000 kyats (US\$143) on mean average in 2017. The lowest was 124,175 kyats (US\$91) in agriculture and the highest 352,149 kyats (US\$259) in the so-called 'Activities of extraterritorial organizations and bodies'. On average, there is an earnings gender gap at 5% that favours men (Table 5). In the sectors: finance/insurance; real estate; professional, scientific and technical activities; and administrative and support service activities, women have higher earnings than men (see also Table 9).

A point often overlooked is that the informal economy is covering three out of four workers in Myanmar in a 'grey zone' where labour regulations are not fully enforced, which include minimum wage. On the other hand, an impressive reduction of extreme working poor is triggered by an increase among employees and applying minimum wage (see more in the sections: Workforce and Economic Performance).

Working hours vary depending on the sector of employment. The public sector prescribed a five-day, 35-hour workweek; the private-sector, a maximum six-day, 44-hour workweek and paid additional work system. For the state-owned factories, employees must work from 44 to 48 hours during the week. In practice, employed persons worked 52 hours a week on average, which was similar in both rural and urban zones. Only 19% work less than 40 hours, while more than 50% of employed persons work for at least 50 hours per week at their main job.⁵⁰ There is no premium on wage payment for night work, and premium for working on the weekly rest day is 100% of the hourly pay.⁵¹ This indicates that workers might work during 13 days non-stop if choosing to work on the rest day and earn double for the worked hour. Maternity benefits cover only 0.6% of the workforce (see more on Table 6). At company level, many sectors experience very high employee turn-over rates of up to 50% per year.



Table 6: Status of Working Conditions in Myanmar

Fixed-term contracts prohibited for permanent tasks	No
Maximum length of a single fixed-term contract (months)	No limit
Standard workday	8 hours
Premium for night work (% of hourly pay)	0 %
Premium for work overtime work (% of hourly pay)	100 %
Paid annual leave (average for working days with 1, 5 and 10 years of tenure, in working days)	10
Minimum length of maternity leave	98
Receive 100% of wages on maternity leave	No
Five fully paid days of sick leave a year	Yes
Unemployment protection after one year of employment	No

Source: [World Bank, Doing Business, Labor Market Regulation in Myanmar](#)

Myanmar has a lack of resources to supervise the working conditions of the employees across the country. As an example, in 2014 the Ministry of Labour, Employment and Social Security registered 99 general labour inspectors, 104 occupational safety and health inspectors, and 53 inspection offices for the entire country.⁵² It equals one inspector (including occupational safety and health inspectors) per 148,000 workers in the workforce. In contrast, the ILO recommends one inspector per 40,000 workers in less developed countries.⁵³

WORKFORCE

Myanmar is one of the largest South Eastern Asian countries. The total population was estimated at 55.1 million people in 2017. The population growth is quite low at 0.9%. The urbanization rate (i.e. the share of urban population in the total population) increased from 30% in 2007 to 35% in 2017.⁵⁴

Myanmar's first comprehensive Labour Market Survey in three decades was published in 2016 and revealed that the working age population (15 years and above) represented 34 million people with a gender gap of 8 percentage points favoring women. Those active on the labour market (i.e. the labour force participation rate) was 65% with a stark gender gap of 19 percentage points that favored men.⁵⁵ Data furthermore revealed, that close to one out of two (48%) of women was outside the labour force; for men it was just two out of five (20%).

Myanmar is basically in par with the South-Eastern Asia average in employment-to-population rate; both are on a slowly dwindling trend. Among youth, this ratio is significantly higher in Myanmar than the region's

average (Table 7). On the other hand, estimations of the employment evolution point towards that the youth's trend is declining quite fast, but is still hovering far above the region average with 14 percentage points in 2019. One of the main reasons is, that the country has lower school enrolment rates on all levels than the region average (see more on the section: Education).

Table 7: Estimations of employment-to-population ratio in Myanmar and the South-Eastern Asia, Age and Sex distribution, 2019

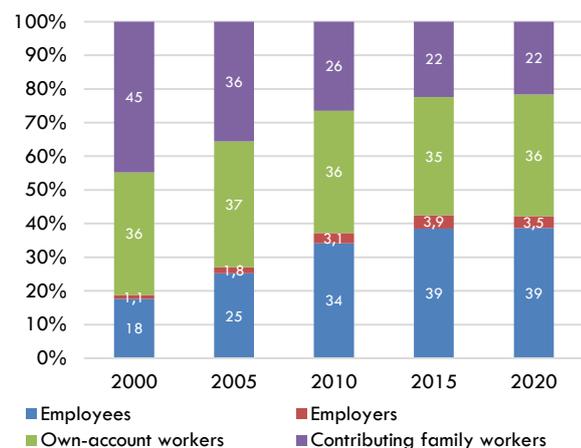
Sex	Age	Myanmar	South-Eastern Asia	
Total	Total	15+	64 %	66 %
	Youth	15-24	58 %	44 %
Men	Total	15+	79 %	78 %
	Youth	15-24	66 %	51 %
Women	Total	15+	50 %	55 %
	Youth	15-24	50 %	37 %

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Myanmar has experienced some structural changes on the status of employment since 2000. First of all, 'employees' (i.e. workers who get a basic remuneration) has increased fast from 18% in 2000 to 39% in 2017. This upsurge was drawn from the segment of 'contributing family workers' (i.e. self-employment in an establishment operated by a related person) that dropped from 45% to 22% in the same period. Among own-account workers (i.e. self-employment and not engaged as 'employees' on a continuous basis) it basically stayed at status quo at around 35% (see also Figure 1).⁵⁶ These two latter segments were operating under 'vulnerable employment' which is characterized as inadequate earnings, low productivity and difficult conditions of work that undermine workers' fundamental rights.⁵⁷ The upsurge among employees is thus considered as a positive evolution of the employment and as a formalization process. The segment of employees is still smaller in Myanmar than the South-Eastern Asia average (50% of total employment); and also slightly lower than the World average at 54% in 2017.



Figure 1: Estimations and projections of status of employment in Myanmar, %, 2000-2020

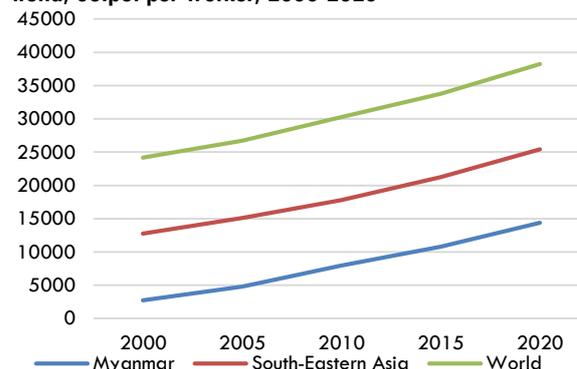


Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Other data from the Labour Market Survey 2015 show that the employment is divided by a formal sector (24%) and a dominating informal economy (76%) (see more in the sub-section: Informal Economy). Employers are a very small group of around 3.5% of the total employment in Myanmar.⁵⁸

There is a linkage in the changes on the status of employment and the labour productivity. First of all, employees are often more present in the formal sector with more access to capital, finance and training while own-account workers and contributing family workers often operate in more informal micro or small enterprises with low productivity activities. Thus, the abovementioned changes on the status of employment are mirrored on Figure 2 below, which illustrates an upsurge of the labour productivity in Myanmar. This is accelerated by the legal and policy reforms as well as economic integration after decades of isolation with a high economic growth; and opening possibilities of special economic zones with high increases that are particularly related to the growing garment industry sector. However, the country stays far below the South-Eastern Asia and the World average. One of the reasons is that at least 61% of employed persons work in a business or establishment with a size of less than five persons; these often invest little in human capacity development and many operate in informality. The relatively low labour productivity is furthermore related to, that the educational system is not doing enough to endow workers with the skills their employers need in the formal sector along with a high rate of 'less than basic' education (see also the section: Education).

Figure 2: Estimations and projections of labour productivity trend, output per worker, 2000-2020 *



* Labour productivity is defined as output per worker (GDP constant 2011 international \$ in Purchasing Power Parity (PPP))

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Unemployment and Underemployment

According to the latest Myanmar labour force survey from 2015, only 0.8% of the workforce are unemployed and with a similarly low youth unemployment rate at 1.6%.⁵⁹ Estimations remain on similar rates in 2018. There are gender gaps on the margin that favour men; and Myanmar's unemployment rates are much lower than the South Eastern Asia average (Table 8). It is worthwhile to mention, that the measurements are based on a strict statistical interpretation of unemployment, i.e. persons that altogether lack employment.⁶⁰ Actually, the unemployment in Myanmar is considered to be unrealistically low and misleading the reality of the country's labour market. In practice, unemployment should be understood in relation to the strength of social safety nets, the prevalence of informal employment and underemployment. In Myanmar, unemployment protection schemes are not present and there is limited social safety net coverage (revisit Table 6 and see the section: Social Protection). Instead, work, of some sort, has to be found to survive, which is most often in casual and informal activities.

The latest estimations of underemployment, which measures those who worked less than 44 hours a week, was high at 38% of the total employment in 2010, and higher than the 34% in 2005. An Integrated Household Living Conditions Survey from 2011 found that the underemployment was not closely associated with poverty.⁶¹ Instead, it was more related to agricultural cycles in rural areas, i.e. underemployment reached a peak of 45% in May 2010, against 30% in December-January 2009-2010. Stated differently, underemployment is more related to low returns to work, rather than with the absence of work. The survey



also showed that underemployment is higher among women (42%) than men (35%); and slightly more usual in rural than urban areas (38% and 35%, respectively).

Table 8: Unemployment and underemployment in Myanmar and South Eastern Asia average, 2018

Type	Gender	Myanmar	South Eastern Asia
Unemployment	Total	0.8 %	2.7 %
	Men	0.7 %	2.8 %
	Women	0.9 %	2.6 %
Youth Unemployment	Total	1.7 %	9.6 %
	Men	1.5 %	9.4 %
	Women	1.9 %	9.8 %
Underemployment *	Total	38 %	-
	Men	35 %	-
	Women	42 %	-

* Those who worked less than 44 hours a week.

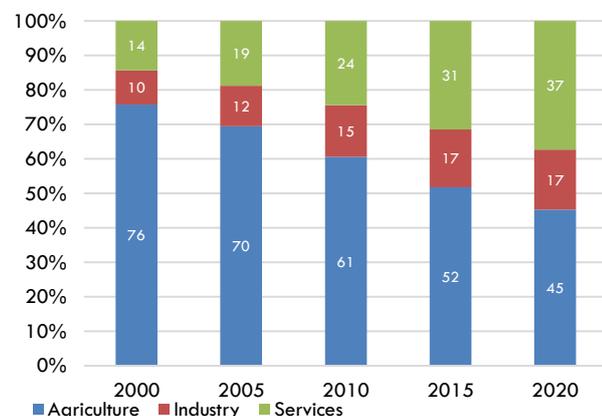
Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#) and [United Nations Development Programme in Myanmar, Poverty Profile](#)

The aggregate measure of the labour underutilization rate, which comprises unemployment, underemployment and potential labour force, was 6.9% in 2015 and higher for women compared to men. Labour underutilization refers to a mismatch between labour supply and demand, leading to an unmet need of employment among the population.

Sectoral Employment

Just as the mentioned structural changes in the status of employment in Figure 1, it is similarly reflected in the employment by aggregate sector trends. Employment in the agricultural sector dropped down by 24 percentage points in the period from 2000 to 2015. The industry sector experienced a small upsurge while especially the employment in the service sector rose significantly (see more on Figure 3).

Figure 3: Estimations and projections of employment by aggregate sector in Myanmar, 2000-2020



Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Based on the latest census data from 2014, around 21 million people are in employment in Myanmar with a total gender gap of 20 percentage points favouring men. Women are slightly dominating the manufacturing, the trade and restaurant/hotel, and finance sectors.

As already mentioned, the agricultural sector is employing the largest segment of workers (52%) in Myanmar. The second largest sector is trade and restaurant/hotel (14%) sub-sector followed by other services (10%), manufacturing (6.8%) and administration/public sector/education/health (6.8%). The finance sector and the electricity, gas and water sector are the smallest sectors, both with 0.3%. (See more details on Table 9 below.)

It is worthwhile to mention that the Myanmar national-owned garment industries have been struggling to survive, resulting in a 10% reduction in employment in 2017. Conversely, privately-owned enterprises have increased their employment by 10% in 2017, with 50% considering further market expansion. Approximately 90% of production workers employed in the industry are women.⁶²

Table 9: Employed per sector in Myanmar, 2014

Sector	Total sector employment	Sector employment share, %	Share of men in sector employment, %
Agriculture	10,726,809	52%	64%
Mining & quarrying	164,881	0.8%	82%
Manufacturing	1,395,314	6.8%	43%
Electricity, gas & water	70,306	0.3%	87%
Construction	940,231	4.6%	90%
Trade, restaurants & hotels	2,886,120	14%	45%
Transport, storage & communication	858,338	4.2%	95%
Finance, real estate & business services	53,659	0.3%	46%
Administration, public admin., education and health	1,397,225	6.8%	52%
Other services *	2,052,724	10%	49%
Total	20,545,607	100%	60%

* Other services: Arts, entertainment and recreation; Other service activities; Activities of households as employers, undifferentiated goods and services-producing activities of households for own use; and Activities of extraterritorial organizations and bodies.

Source: [Ministry of Immigration and Population, Census Report Volume 2-B, 2016](#) and own calculations on sector employment shares by sector.



A way to measure how much the employment contributes to the Gross Domestic Product (GDP) per sector is through calculations of the sectoral GDP values divided per worker. This gives a reflection of a sector's linkage between the labour market and the economy. These values are diverging significantly between sub-sectors. For example, even though the agricultural sector has the highest share of employment, it has a relatively low GDP share at 28%. A calculation of the GDP share by agricultural worker per year is US\$1,702. This is relatively low, which is reflected in the previously presented relatively low labour productivity in the country. Employment in the 'other services' has the lowest GDP share by sector per worker, which is related to informality; while the mining sector has the highest GDP value per worker, which is related to a more capital intensive industry. The manufacturing sector covers 6.8% of the total employment and contributes to 20% of the GDP, which is similarly related to the more capital intensive sector. More details are available in Table 10.

Table 10: GDP share by sector and GDP per worker per year in Myanmar, 2014

Sector	GDP share by sector, %	GDP share by sector per worker, US\$
Agriculture	28%	1,702
Mining & quarrying	7.0%	29,086
Manufacturing	20%	9,350
Electricity, gas & water	1.4%	13,159
Construction	5.8%	4,018
Trade, restaurants & hotels	19%	4,234
Transport, storage & communication	13%	10,172
Finance, real estate & business services	0.2%	2,535
Diverse services	3.1%	1,450
Other sources	2.3%	749
Total	100%	N/a

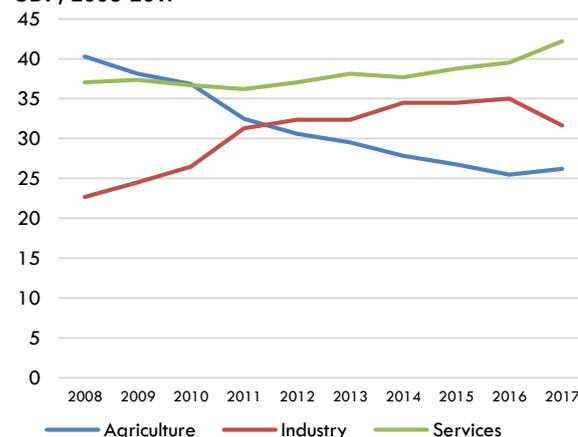
Note: GDP share by sector per worker is calculated by the total GDP (current US\$) divided by GDP share per sector origin, which is then divided in number of workers per sector.

Source: [Ministry of Immigration and Population, Census Report Volume 2-B, 2016](#) and [ADB, Key Indicators for Asia and the Pacific 2015, Myanmar](#); and own calculations on GDP share by sector per worker.

Myanmar is going through an economic transformation. After decades as primarily an agrarian society, Myanmar has since the beginning of the 2000s made considerable progress towards the development of an industrial base. Its key manufacturing sectors – which include textiles and garments, food and beverage (F&B) products, and construction materials – have

attracted growing investment that rapidly has expanded output.⁶³ To put this in some numbers: The agricultural sector has experienced a fast declining trend in terms of sector share of GDP value added from 40% in 2008 to 26% in 2017. In contrast, the industry sector increased from 23% to 32%; the service sector also experienced an upsurge from 37% to 42% in the mentioned period (Figure 4).

Figure 4: Sector Share of value added in Myanmar, % of GDP, 2008-2017



Source: [World Bank, World Development Indicators](#)

Migration

Changes on the employment and economy structures echoed in the migration flow in Myanmar. Migration is happening both internally and externally. Regarding the internal migration, still, 65% of the population live in rural areas. Generally, people who migrate internally migrate to improve their employment, to follow their family members, for marriage, for education or to avoid poor socio-economic conditions. Based on a national survey from 2014, 3.3% of people in Myanmar changed their usual place of residence from one township to another.⁶⁴ This movement is also replicated in the previously mentioned urbanization rate. However, the evolution of the structural employment changes and economic development are most likely to change the urbanization in the upcoming years. A survey on formal sector internal migration in Myanmar from 2013-2014 revealed that nearly half of all formal sector workers had undergone significant internal migration for work.⁶⁵ Another study on internal migration in Myanmar from 2015 concluded that only 7% had a written contract with their employer and approximately 60% worked seven days per week. Thus, internal migration workers have precarious working conditions.⁶⁶



Concerning the external migration, Myanmar has grown to be one of the most significant migration sources in the Greater Mekong sub-region. According to the Myanmar Government, around 4.3 million Myanmar nationals are living abroad. Key factors of this regional migration flow are driven by a search of jobs with higher wages in neighbouring countries; conflict and environmental migration due to natural disasters; the country is ranked low as 165 out of 181 countries on the Vulnerable to Climate Change Index (1 is best).⁶⁷

Myanmar migrants in the region send remittances, which help boost the rural development, much of it through unofficial channels. Approximately 70% of the total remittances are directly flowing to rural families. The use of formal remittance channels has increased over time due to better access to services, though. However, the majority of Myanmar's migrant workers are working in low-wage countries which are related to that they are considered low-semi skilled workers. Still, personal remittances in Myanmar are much higher than the East Asia and Pacific (excluding high-income countries) average. In addition, the net migration rate has experienced a fast declining trend since the end of 2000s (Table 11 and Figure 5). This is related to the national economic upturn, openings of formal jobs as well as tightening migration laws in Thailand (see below).

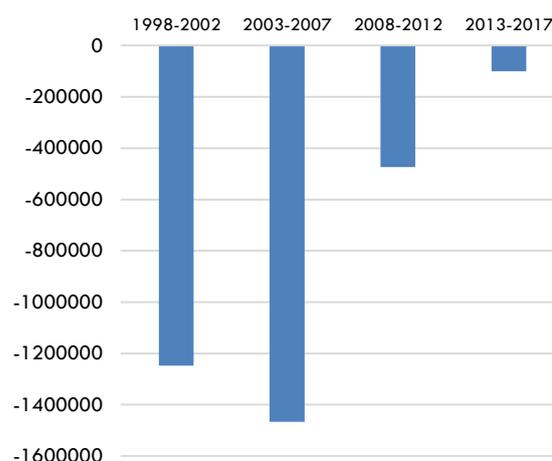
Table 11: Status of Migration in Myanmar

Net number of migration (2013-2017)	Myanmar	- 99,998 *
Net migration rate	Myanmar	- 1.85 ** (2015)
		- 5.95 ** (2010)
Personal remittance (received), % of GDP (2013-2017, av.)	Myanmar	3.3 %
	East Asia & Pacific **	0.7 %

* Net migration is the net total of migrants during a period of five years, i.e. the total number of immigrants less the annual number of emigrants, including both citizens and non-citizens. ** One migrant per thousand of the population. ** Excluding high income countries.

Source: [World Bank DataBank](#) and [KNOEMA](#)

Figure 5: Net migration rate trend, 1998-2017



Source: [World Bank, World Development Indicators](#)

The top destination for Myanmar migrants is Thailand (70%); then followed by Malaysia (15%), China (4.6%), and Singapore (3.9%).⁶⁸ Workers, especially women, frequently migrate to Thailand and end up working in the garment sector. The outflow of Myanmar workers into Thailand has been uncontrolled for decades. Thai employers often do not register the workers, so they can be exempted from paying health insurance and social security costs. These migrant workers then become illegal in the neighbouring country and even more vulnerable to abuse and exploitation. They typically receive one-third of the official minimum wage.⁶⁹ At the beginning of 2018, Thai authorities tightened fines and prison sentences of up to five years for migrants working without a valid permit, and steeper penalties on employers who hire them. This reform is increasing the risk of many Myanmar migrants, who are forced to return to their own country.

As already indicated in this report, in many years the Muslim Rohingya people in Myanmar have been discriminated by different policies. Renewed violence in 2017 triggered a massive exodus of Rohingya amid charges of ethnic cleansing against Myanmar's security forces. Those forces claimed they carried out a campaign to reinstate stability in the western region of Myanmar.⁷⁰ It caused some regional trade tensions and affected investor sentiment that could affect the growing manufacturing sector.

Informal Economy

Both the economy and the labour market in Myanmar are part of a formal sector and an informal economy. According to the national labour force survey from 2015, 76% of the total employment is operating in the



informal economy and 24% in the formal sector. A statistical definition of this informality is divided into informal economy and informal employment. The former is characterized as i) ownership of the business is private or not government/joint venture, and ii) business/farm is not registered under any ministry. The latter is defined if i) contributing family workers; ii) other self-employed with an informal sector enterprise; iii) employees with no employer contribution to social security; iv) employees with employer contribution to social security but no paid annual leave; or v) employees with employer contribution to social security and paid annual leave but no paid sick leave. See more on Table 12.

Table 12: Percentage of persons employed in the formal sector and informal economy

Employment status	Formal economy	Informal sector	Private household	Total
Total	24 %	76 %	0.3 %	100 %
Formal employment	98 %	1.6 %	0.0 %	100 %
Informal employment	11 %	89%	0.3 %	100 %

Source: [The Ministry of Labour, Employment and Social Security and the Central Statistical Organization, Myanmar labour force, child labour and school to work transition survey 2015, Executive Summary, Report](#)

Small and Medium-sized Enterprises (SME) play an important role in Myanmar's economy. According to national statistics, SMEs occupy 90% of the businesses. Estimations suggest that there are over 620,000 business entities - constituting over 83% of all Myanmar businesses, who operate in the informal economy. The majority are family-based establishments and self-employed workers.⁷¹ Informal firms are most often smaller and have lower productivity than firms in the formal sector. The high dominance of informal SME enterprises gives a signal of the still relatively high own-account workers in the country (35% of total employment, Figure 1) and eight out of ten (79%) of those are in the informal economy. It is interesting to observe that seven out of ten (71%) of employees operate in the informal sector. It points towards that the formalization of enterprises remains weak, which is related to that few firms has a favourable opinion of the benefits from formalization.⁷² Not to mention, it is not easy to do formal business in Myanmar; the country is ranked 171 out of 190 countries (1 is best) on the Doing Business Index 2018. Especially enforcing contracts, protecting minority investors, and getting credit, has very low rankings (see also Appendix Table 25).

Another way of understanding the informal economy is to look into the areas where the labour regulations are not applied in practice. For example, informal workers are not paying income taxes just as the majorities are often not receiving the minimum wage. Only 13% of employees operate with a written contract and 56% with an oral contract; one out of three (31%) is not aware of the type of contract.⁷³ Although the segment of employees is on the rise in Myanmar, which can increase the application of working contracts, this segment continues to be dominated by the informal economy. Mostly it is own-account workers and contributing family workers, who are working without any formal contract. According to the latest national survey data from 2014, only 12% of employees have provisions of either a pension and/or gratuity.⁷⁴ If this measurement includes the total employment, the coverage is down to 4.2%. Stated differently, the outspread informality on the labour market in Myanmar places a majority of the workforce in vulnerable working conditions with weak social protection (see also the section: Social Protection).

As mentioned in the sub-section Sectoral Employment, women are less active in the formal sector than men. Instead, they often find more opportunities for occupations in the informal economy or as domestic workers. This makes many women more vulnerable to discrimination, marginalization, and human rights abuses, physical and sexual abuses.⁷⁵ Many women from the informal economy raised some complaints and also made stipulations to improve their working and living condition. Some of these are: daily rest periods of at least one hour, paid holidays, having their privacy respected, transparent and fair terms of employment, to be protected from oppressive practices.⁷⁶ There are no domestic workers trade unions, so far.

National forums dealing with informal economy workers and policies addressing the status of informal economy workers are not present in Myanmar.⁷⁷

Child Labour

Child labour is prevalent and highly visible in Myanmar. In 2016, the government raised the minimum age for work in shops, establishments, and factories to 14 years and set out special provisions for youth employment for those older than 14. Employees from 16 to 18 must have a certificate to authorize them to carry out 'work fit for an adult'. The law prohibits employees younger than 18 from working in a hazardous environment.⁷⁸



Table 13 below shows that almost one out of ten (9.3%; 1.1 million) Myanmar children are working children. This is in line with Asia and the Pacific average. Child labour prevents them from education, studying normally and also from developing skills and abilities to that matches their highest potentials (see also the section: Education). Child labour is a violation of human rights and fundamental rights and principles at work.⁷⁹ Also, hazardous work could harm their physical, mental or moral development and it is also present in the country. Most of the children in hazardous work are between 12-14 years old (24%) and three out of four (75%) are between 15-17 years old.

Table 13: Working children, Proportion of all children

Region	Year	Type	Proportion
Myanmar (age 5-17)	2015	Children in employment	11 %
		Child labourers	9.3 %
		Hazardous work	5.1 %
Asia and the Pacific (age 5-17)	2012	Children in employment	16 %
		Child labourers	9.3 %
		Hazardous work	4.1 %

Source: [The Ministry of Labour, Employment and Social Security and the Central Statistical Organization, Myanmar labour force, child labour and school to work transition survey 2015, Executive Summary, Report & ILO, Marking progress against child labour, Global estimates and trends 2000-2012](#)

Key sectors where child labour occurs are in agriculture (61%), manufacture (12%) and wholesales & retail trade; repair of motor vehicles etc. (11%). Children most often operate in the informal economy.

The country is ranked at the bottom on the Child Labour Index as 7 of 196 countries in terms of the child labour risk (1 is worst). This index evaluates the countries on the prevalence, gravity and impunity of child labour under the age of 15 which is defined as work that directly or indirectly limits or damages a child's physical, mental, social or psychological development. In addition, Bangladesh, India and Pakistan are also among the 10 lowest rankings.⁸⁰

Gender

Myanmar's Constitution guarantees all persons' equal rights and equal legal protection just as no discriminating against any Myanmar citizen by gender. The government released the National Strategic Plan for the Advancement of Women 2013-2022 (NSPAW), which aims to create fairness and equal rights of women

in employment, credit, resources, assets and economic benefits. However, there is currently no national legislation on sexual harassment of women in the workplace. Despite these legal provisions, traditional cultural stereotypes also continue to keep gender inequality and discrimination persisting in the country. These attitudes are among others reflected in the behaviour within the institutional culture, which discriminates against women who seek to take up job opportunities in nontraditional sectors. For example, there is a great divide between men and women regarding employment (revisit Table 7).

Women have experienced increases in non-agricultural employment; especially the manufacturing sector has opened women's access to the formal sector. Be as it may, women are yet dominating the informal economy where they are kept as unskilled labourers, traders, artisans or subsistence farmers. Women bear the responsibility for unpaid care work furthermore in addition to their paid jobs, while men are typically household heads.

Gender gaps in the labour market mirror women's insufficient full economic empowerment. As an example, data show that men have a much higher employment rate than women. Women instead have higher underemployment and vulnerable employment rates (see more on Table 14). Also, men's wages are significantly higher than women's: women receive 81% of men's monthly average earnings for work of equal value.⁸¹

Table 14: Workforce key indicators gender gaps in Myanmar, 2017

	Men	Women	Gender gap, percentage point (p.p.)
Employment	79 %	51 %	- 28 p.p.
Unemployment	0.7 %	0.9 %	+ 0.2 p.p.
Underemployment *	35 %	42 %	+ 7 p.p.
Employees	39 %	37 %	- 2 p.p.
Vulnerable employment **	56 %	62 %	+ 6 p.p.

* Those who worked less than 44 hours a week. ** Aggregate own-account workers and contributing family workers.

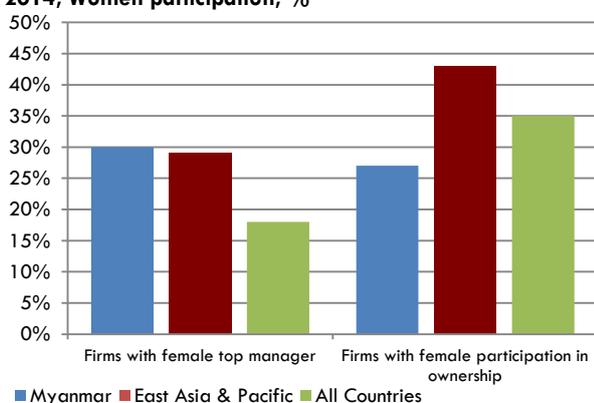
Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

The international Gender Inequality Index – measuring health, empowerment and economic status – ranked Myanmar 148 of 159 countries (1 is best).⁸² As an indication, women are highly under-represented in decision-making in both public and private offices. This is related to the mentioned cultural issues, such as women that are frequently not allowed into leadership



and decision-making positions.⁸³ According to the Enterprise Survey from 2014, 27% of firms had women participation in ownership compared to the East Asia and the Pacific average at 43%. One reason of this low women firm ownership is related to, that women are typically listed as a 'dependent' on land title and so women-led SMEs have trouble accessing finance in the absence of a land title. On the other hand, regarding firms with women top managers (30%) is in line with the region's average (29%); and higher than the all surveyed countries' average (18%) (Figure 6). This illustrates that gender inequality and discrimination is not only in Myanmar, but persisting on a global level.

Figure 6: Women in Management and Ownership in Firms 2014, Women participation, %



Source: [World Bank, Myanmar Enterprise Survey, 2014](#)

Youth

The youth population (15–29 years) covers 26% (12.1 million) of the total population of Myanmar in 2015. Women youth population outnumber men by 0.77 million people, but men youth outnumber women in employment by 0.67 million people. This is related to the mentioned cultural gender stereotypes in Myanmar.

Youth still holds a weak representation in the country. In their struggle to gain representativeness, there are several groups claiming to represent all young people in Myanmar. Among them are the Myanmar Youth Forum, the National Youth Congress, and the National Youth Network.

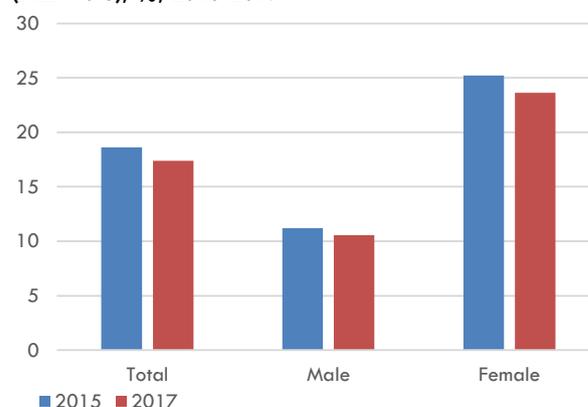
As in many other countries, youth find it difficult to find formal employment. The transition of young people from school to the labour market is confronting challenges in Myanmar. As an example, only one out of two (50%) of youth, transit to stable and satisfying jobs. Around 20% are in transition (i.e. those who are employed in a temporary and non-satisfactory position or wage and salaried employment with no contract or

self-employed and unsatisfied or in unpaid family employment). Not to mention, 30% has not yet started a transition.

Many young people struggle to find work that matches their skills and education in the formal sector. Particularly in the industry sector. It has questioned the education system's quality and created incentives to keep students to improve their capacities. This situation illustrates that despite relatively few of the youth have no education (5.5%), only 17% have a high school and above level of education; one out of two (52%) of the youth have left school without completing middle-school (see more in the section: Education).

Many are thus becoming discouraged and withdrawing from the employment and become inactive on the labour market. An overview of this phenomenon in Myanmar is illustrated by the NEET rate (i.e. those not in employment, education or training) which was estimated to be 17% in 2017 (Figure 7). Data reveal that the NEET rate dropped by 1.2 percentage points in the period from 2015 to 2017. A stark men-women gender gap is present of 13 percentage points, though.⁸⁴ However, adjusting the women NEET by considering household work as productive domestic work brings the rate down to a level that is lower than the men's.⁸⁵

Figure 7: Youth not in employment, education or training (NEET rate), %, 2015-2017



Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

EDUCATION

Myanmar's economy, labour market and social development are interwoven into the education system. Since 2011, the government has been implementing ambitious reforms to create a better education system. The National Education Sector Plan (NESP) 2016-2021 was interlinked to the National Education Law from 2014 (with Amendment 2015). Starting in the 2017/18 academic year, the country will adopt the K-12



structure (i.e. primary, lower secondary and upper secondary), extending schooling by two years. Education is directed to be free. Initiatives attempt to improve the access to education as well as the conditions that will keep children in school. Also, the funding for education rose significantly from US\$252 million in the fiscal year 2012/13 to US\$1.2 billion in 2016/17. The government has also stated that a 5% tax on mobile phones could be directed to the education sector.⁸⁶ Not to mention, teachers are now required to undertake training, so that they can familiarize themselves with new curricula and teaching methodology.⁸⁷

Information on the employed population by level of educational attainment provides insights into the human capital dimension of employment with potential implications for both employment and education policy. Data of the employment-by-education indicator reveal that over one-fifth of the population (22%) has less than basic education in Myanmar. Around 61% of the population have basic education; below 10% of the people in employment have intermediate or advanced education levels (see more on Table 15). Gender differences are on the margin in school dropping-out and education levels, except on advanced level where women have a much higher employment distribution than men. This signals that the education system is confronting a big challenge.

Table 15: Employment by education, % of employment distribution in Myanmar, 2017

	Less than basic	Basic	Intermediate	Advanced
Total	22 %	61 %	8.5 %	9.0 %
Men	22 %	63 %	9.0 %	6.8 %
Women	22 %	58 %	7.8%	12 %

Note: Employment by education concepts and definitions are available at [ILO website](#).

Source: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

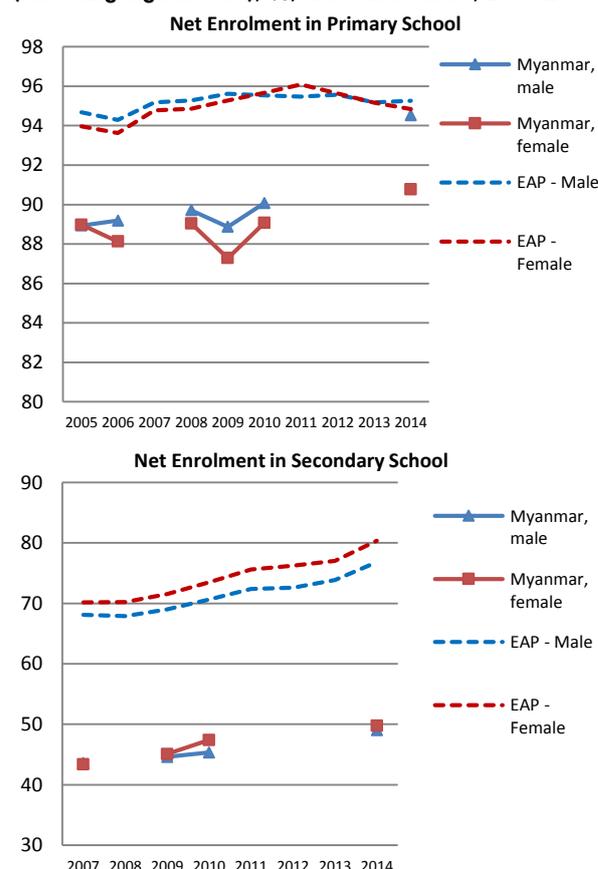
On the positive side, an impact of the education reforms has mainly succeeded in reaching the total net enrolment in primary school level at 100% in 2017.⁸⁸ Data is not fully updated on gender differences, but Figure 8 below shows that the trend was on a fast upsurge at the beginning of the 2010s. This country's total net enrolment in primary school level is now in line with East Asia and Pacific average (excluding high-income countries).

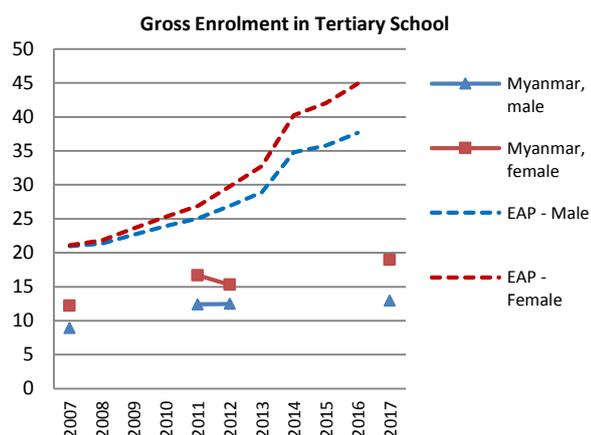
Although drop-out rates are still high during the transition from primary to middle-school and from there to high-school, the total net enrolment in secondary

school has experienced an upsurge from 49% in 2014 to 57% in 2017; again, data are not fully updated on gender. Other statistics exemplify that the net enrolment in secondary schools had deep gaps between rural and urban areas (47% and 75%, respectively) and between the poor and non-poor (35% and 59%, respectively).⁸⁹ The country's net enrolment in secondary school stays far below the region average.

Gross enrolment in tertiary education rates has only experienced a modest growth for women while it stayed on a flat growth for men since 2011. This suggests that reforms in the tertiary sector requires systemic change and will take time to achieve. Just 11% of Myanmar's young people received any higher education in 2013. Student enrollments at universities remain limited, i.e. only those who pass the matriculation exam at the very top of their class – usually the top 30% – are accepted.⁹⁰

Figure 8: Enrolment in Primary, Secondary and Tertiary school level in Myanmar and East Asia & Pacific (EAP) (excluding high income), %, male and female, 2005-2017





Note: Net enrolment is the ratio of children of official school age, who are enrolled in school to the population of the corresponding official school age. Gross enrolment is the ratio of total enrolment, regardless of age, to the population of the corresponding official school age. Gross primary enrolment is therefore sometimes higher than 100 %.

Source: [World Bank, Education Statistics](#)

The education system in Myanmar is still confronting many challenges and barriers to overcome the reforms. Among others, the implementation of the curriculum reform has been observed as very challenging due to outdated teaching methods. Studies even argued that significant cultural changes are required in the style of leadership and management at all levels to improve the education system.⁹¹

Vocational training

Technical Vocational Education and Training (TVET) was one of the six focal areas of the national Comprehensive Education Sector Review (CESR) in the period from 2012 to 2014. Today, the TVET system is under the NESP 2016-2021; but as mentioned the education reforms are still in progress. The TVET system aims to prepare workers (students, trainees, and apprentices) to enter the labour market quickly. The TVET sector is currently being reviewed by the TVET Sub-working Groups participated by 19 ministries. In addition, the Ministry of Labour, Employment and Social Security has established the National Skill Standard Authority (NSSA), which has been able to develop a number of skills standards for 175 technical occupations, with remarkable speed. The format used for the standards is a common and internationally recognized format.⁹² The demand of vocational training has exploded since 2011 which is part of stepping out of isolation and opening the economy to invite foreign investment and create new jobs in the export sector (see also the section: Economic Performance).

Spread across 21 ministries, 459 public training institutions provide TVET in Myanmar. And more than 210 courses on 16 types of TVET are being opened by unregulated private services providers, as well as NGOs working on community development projects and other initiatives. Based on the limitations of data availability, the TVET system covered around 80,000 students in all study fields and institutions in 2012 (Table 16). This system remains primarily focused on advanced, multi-year diploma programs targeted at high school graduates; e.g. Technological Universities (TUs) correspond to the most significant number of students in TVET, around 90%.⁹³ A ratio of pupils in vocational training to secondary education has been calculated at 2.8%.

Table 16: Status of vocational training in Myanmar

Pupils in vocational training (2012)	79,771
Secondary education, vocational pupils (% , women) (2017)	22 %
Ratio of pupils in vocational training to secondary education (2012)	2.8 %

Sources: [JICA, Data Collection Survey on Education Sector in Myanmar, 2013](#) and [World Bank, Education Statistics](#)

Skill standards adapted to fit into the current training and work environment in Myanmar has been questionable; just as an example, TVET requires an amount of equipment that is not available. The TVET system is furthermore dominated by supply-driven for both public and private providers. One of the reasons is that the consultation system with entrepreneurs, business associations, and chambers of commerce that would enable the system to be more demand-driven is not yet in place.⁹⁴ The curriculum was developed without the involvement of, or consultation with, industry partners. A Business Survey from 2015 identified that many firms were facing difficulty in hiring skilled workers; more than half of the respondents spend nothing on training their employees. A few firms preferred to cooperate with private vocational institutes and business/industry associations rather than public institutes.⁹⁵ Only 15% of firms offer formal training.⁹⁶

Another aspect of the TVET system's challenges is that 40% of students in the first year of their TVET studies could not proceed to the second year, due to examination fail or because they drop out. This questions the quality of this education. It is relevant to mention that skill shortage, mismatch of education and labour market demands remains a critical issue in the country. Even though training outside the formal education system plays an essential role in improving the employability of a person, data shows that only



0.7% of the working-age population had undergone training in the last year; a proportion of 2% has experienced any such training during a lifetime.⁹⁷

SOCIAL PROTECTION

Social protection is an investment in a country's human capital and economic development. Estimations point towards that social protection coverage in Myanmar is minimal regarding both legal and adequate coverage. Based on the limitations of data availability, health social protection coverage measured at around 3.6% in Myanmar. This low rate is significantly lower than the Asia and the Pacific average that estimated at 58% on average. Social protection expenditure to the GDP has been extremely low in comparison to the region average both regarding total and health social protection expenditure (see more on Table 17).

Table 17: Status of public spending and coverage on social protection schemes in Myanmar and Asia and the Pacific average, %

Indicator	Measure	Myanmar	Asia/Pacific
Total social protection expenditure	% of GDP	1.0 % *	4.6 %
Public health care expenditure	% of GDP	0.3 %	1.5 %
Health social protection coverage	% of total population	3.6 % **	58 %
Trends in government expenditure in health	% change per year	6.1 %	N/a

* Data from 2004.

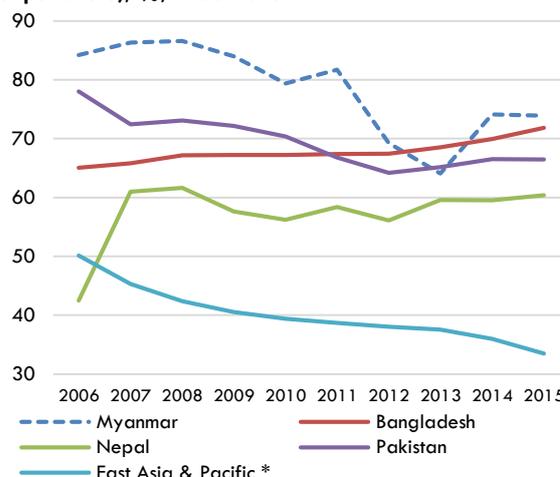
** The health social protection coverage is calculated of ILO estimations of the two main social security schemes coverage (app. 2 million people) divided in the total population of 55.1 million people.

Note: All data on the most recent available data.

Source: [ILO, Social Protection, Statistics and indicators](#)

In 2014, the first National Social Protection Strategy was launched. It was noted that the health expenditure increased dramatically from US\$24 per person in 2013 to US\$62 in 2014, with a slight downturn in 2015 reaching US\$59 per person. Despite the share of private health spending fell by ten percentage points in the period from 2006 to 2015, out-of-pocket health expenditures remained relatively high, standing at 75% of the current health expenditure in 2015. Out-of-pocket health expenditures in Myanmar stayed more elevated than in Asian countries and significantly higher among East Asia and Pacific (excluding high income) average (Figure 9).

Figure 9: Out-of-pocket expenditure (% of current health expenditure), %, 2006-2015



Note: Out of pocket expenditure is any direct outlay by households, including gratuities and in-kind payments, to health practitioners and suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals or population groups. It is a part of private health expenditure.

* Excluding high income.

Source: [World Bank, World Development Indicators](#)

Two central social security schemes are composing social protection. The first scheme is the civil servant pension scheme, which offers income security for the elder who is civil servants. The second central social security scheme is directed at formal private sector workers. It provides income security to formal sector employees in the cases of sickness, maternity, the death of the breadwinner, and employment injury. The scheme also provides free medical care to contributors in the Social Security Board's healthcare facilities. Both schemes combined cover less than 2 million people, which equals 7.9% of the total employment.⁹⁸ A series of small-scale assistance programs and many emergency relief programs continue in some parts of the Myanmar territory.

Based on the Labour Force Survey from 2015, just 12% of employees had provisions of either a pension and gratuity (i.e. the sum of money customarily given by a client or customer to a service worker in addition to the basic price). Another aspect is that women employees have a higher share of security benefits at 16% while it is much lower at 9.0% for men (see more in Table 18). This gender gap in the benefits is mainly because more women are employed in public sector jobs located primarily in urban areas; the gender gap is minimum in the agriculture sector. It is important to realize that since employees represent just 39% of the total employment, a majority (57%) is working as own-account workers or contributing family workers with limited access to



national social security schemes. Based on calculations, only 4.2% of the total employment is covered by social security facilities in Myanmar. This low coverage is mainly because that only civil servants, politicians and defence personnel receive pensions. In reality, the system leaves employed in the small formal sector vulnerable due to its limited coverage, the absence of unemployment insurance and minimal levels of pension and health insurance benefits.⁹⁹

Table 18: Percentage of employees with social security benefits in Myanmar, 2015

	Total	Men	Women
Pension or gratuity	12 %	9.0	16 %
Paid annual leave	17 %	14 %	22 %
Paid sick leave	8.0 %	10 %	5.1 %
Maternal benefits only	0.6 %	0.3 %	1.0 %
Paid sick leave and maternity benefits	12 %	6.1 %	20 %
Medical benefits	19 %	18 %	21 %

Source: [The Ministry of Labour, Employment and Social Security and the Central Statistical Organization, Myanmar labour force, child labour and school to work transition survey 2015, Executive Summary Report](#)

In a report from 2014, it found that employers might not give the proper assistance for workers regarding employee's benefits and access to social security schemes.¹⁰⁰ As previously mentioned, employees are frequently not aware of their fundamental rights and benefits recently enabled. It is often overlooked that any schemes do not cover workers from the informal economy under the Social Security Law from 2012. However, the expansion of mandatory registration to small and micro-enterprises and voluntary certification for sectors not covered by the mandatory registration provide room for a progressive extension of social security provisions to the informal economy. Nonetheless, the law will have to be amended to include social security for the informal economy, legally and mandatory.¹⁰¹

In 2014, Myanmar's first national Social Protection Strategy was adopted, with eight flagship programs:¹⁰²

- Cash transfers for pregnant women and children to age.
- Child allowance for children aged 3-15.
- Cash transfers for Persons with Disabilities.
- School Feeding for children attending school.
- Public Employment and Vocational Education.
- Social Pensions for those aged 65 and above.
- Older Persons Self Help Groups (OPSHGs).

- Integrated Social Protection System (ISPS) to ensure the presence of social workers at the township level.

A Bill on Occupational Safety and Health was drafted by the Government and has been debated at the Parliament. One of the significant features of the new law is that it will cover all sectors, including construction and agriculture where there is a high prevalence of accidents and injuries, which currently do not fall under the existing labour inspection system.

The Ministry of Social Welfare, Relief and Resettlement began to support senior citizens aged 90 and above at the end of 2015 with a modest pension. The original strategy provided for a 25,000 kyats (US\$22) monthly stipend for citizens over 90 but was scaled back due to funding shortages. It was estimated that 30,000 seniors were covered by the scheme and supported with Kyats 18,000 (US\$15) per month in 2015.¹⁰³ It increased to over 50,000 seniors applied for social pensions on the 2017/18 fiscal year. The Ministry now proposed to lower the age for senior citizens who are eligible to receive social pensions allowances to 85 years old starting in October 2018. The reform suggests a budget request for the 2018-2019 fiscal year of 140,000 senior citizens who are 85 years old and over. According to the 2014 census, there are around 231,000 senior citizens who are 85 years old and above. Not to mention, the pension value is lowered down to Kyats 10,000 (US\$7.3) per month.¹⁰⁴

ECONOMIC PERFORMANCE

After decades of economic isolation, since 2011 Myanmar has been implementing reforms to reintegrate into the global economy and attract foreign investment. International trade is flourishing in the country. The United States sanctions were lifted with a reinstatement of the Generalized System of Preferences trade benefits in November 2016. A crisis erupted in late August 2017 due to conflicts with various ethnic minorities that triggered an exodus of around 700,000 Rohingya people. This generated international condemnation and intensified uncertainty about the aftermath of this crisis.

Myanmar is a lower-middle income economy with a Gross Domestic Product (GDP) per capita at US\$1,299 in 2017, which is significantly lower than the East Asia and the Pacific average at US\$7,128 (excluding high-income countries) (see more on Table 19). The state is ranking 163 out of 229 countries regarding the GDP



per capita in purchasing power parity (1 is best).¹⁰⁵ Robust economic growth has passed during the last two decades, but with a declining trend in recent years. It stayed in line with the region's average and above 5% (Figure 10). The economic growth was driven by strong industrial performance, in particular, garment manufacturing; and to some extent an upsurge in the service sector.

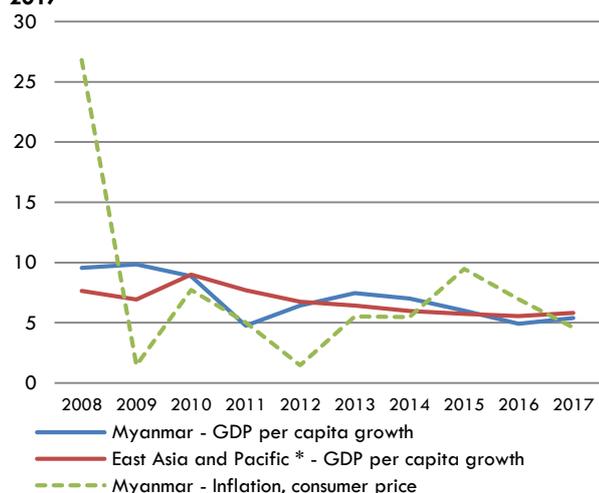
Inflation in consumer prices has been fluctuating and relatively high at 7.5% on average during the last decade, staying far above the region average at 2.9%. Like most developing countries, the leading cause of inflation in Myanmar is due to national budget deficits. Tax revenue remains quite low at 5.8% of GDP in 2017, while it is 12% in the regional average. Due to insufficient tax income revenue, the state turns into printing money to finance the state's total spending. In recent years, inflation in consumer prices was hovering above 5%. It has negatively affected workers' income purchasing power. This situation will be followed up upon by the National Committee for Designating Minimum Wages that is geared to adjust the minimum wage growth to inflation increases.

Table 19: Key economic data in Myanmar, 2017

GDP (2017)	US\$69.3 billion
GDP per capita (current US\$)	US\$1,299
GDP real Growth (av., 2008-2017)	7.9 %
Inflation in consumer prices	4.6 %

Source: [World Bank, World Development Indicators](#)

Figure 10: GDP per capita growth and inflation, %, 2008-2017



* East Asia and Pacific excluding high income countries.

Source: [World Bank, World Development Indicators](#)

Costs of labour in Myanmar are not a barrier to investment as wages appear to be much lower than in

neighbouring countries.¹⁰⁶ Instead, the economy confronts skill shortage and mismatch of education, especially in the industry sector.

Gross fixed capital formation signals how much of the new value added in the economy is invested rather than consumed; when it increases, it points towards that economic activities are in progress that could support the economic development and job creation. To put this in some numbers: gross fixed capital formation increased from 19% of GDP in 2008 to 35% in 2015 in Myanmar and now hovers above the East Asia and Pacific average set at 32% in 2015. This upsurge mirror by the abovementioned relatively higher GDP growth per capita and in an upsurge of employees.

Foreign Direct Investment (FDI) is the net inflows of investment, to acquire a lasting management interest in an enterprise operating in an economy, other than that of the investor. In Myanmar, the amount of FDI is quite high at 6.3% of GDP on average in the period from 2015 to 2017 while it was 2.5% on average in East Asia and Pacific. This FDI increase demonstrates international economic interests in the country. Also, the century-old Companies Act from 1914 relaunched as the Myanmar Companies Act that came into force in August 2018. A lot of barriers and restrictions removed for foreigners who are doing business in the country. On the negative side, it is still not easy doing business in Myanmar: The state is scoring very low on the global Doing Business Index as 171 out of 190 countries (1 is best) in 2019 and stayed below East Asia and Pacific average. Out of ten doing business indicators, it is noted that dealing with construction permits has the best score on a high-medium level, i.e. 81 out of 190 countries. Enforcing contracts (188), protecting minority investors (185) and getting credit (178) have the lowest rankings (see more on Appendix Table 24). Not to mention, doing business regulations are most often not covering the activities in the informal economy.

The high economic growth and the structural changes in the labour market have trickled down to an impressive poverty reduction. A middle-class, with workers living with at least US\$5 per day, has increased from 1% in 1990 to 32% in 2017. It is projected to reach 40% in 2020. Extremely poor (<US\$1.9 per day) fell by 60 percentage points in the same period, and it is projected to reach around 13% in 2020. Many workers in employment were still in vulnerable positions that keep them as moderately poor (>=US\$1.90 & <US\$3.10 per day) or as near poor (>=US\$3.10 & <US\$5 per day) with 23% and 27% in 2017,



respectively (see more on Table 20). A large share of households remains vulnerable to the danger of falling into poverty due to ill-health and other shocks.

Table 20: Estimation and projection of employment by economic class in Myanmar, 2000-2020

Year	Extremely poor (<US\$1.90)	Moderately poor (>=US\$1.90 & <US\$3.10)	Near poor (>=US\$3.10 & <US\$5)	Middle class (>=US\$5)
2000	78 %	18 %	3.2 %	1.0 %
2010	34 %	27 %	22 %	17 %
2020	13 %	20 %	27 %	40 %

Sources: [ILO, Key Indicators of the Labour Market \(KILM\)](#)

Special Economic Zones (SEZ)

The Special Economic Zone (SEZ) Law enacted in 2014; its implementing rules were published in 2015. EPZ framework promotes incentives, such as:

- A five-year tax holiday;
- 50% income tax relief on items exported overseas for five years;
- 50% income tax relief on reinvested profits from overseas exports for five years;
- a five-year exemption on customs duties on approved products; and
- the granting of 30 years land leases.¹⁰⁷

Under the SEZ Law, the government appointed labour inspectors and established zonal tripartite committees responsible for setting wage levels and monitoring the ratio of local and foreign labour.¹⁰⁸ The law requires 75% of the skilled workforce employed in zonal firms, after four years of commercial operations, to be local. SEZ Law does not fully conform to international laws and standards to protect labour rights. The legislation does not establish clear procedures and lines of responsibility and accountability. This has contributed to labour rights violations and abuses at Myanmar's SEZ sites, which includes that workers do not have rights to organize freely.¹⁰⁹ ILO's Committee on the Application of Standards in June 2018 raised concerns to procedures for dispute settlement within the SEZs. These were argued to be cumbersome because no process had been established for parties in a dispute to notify the Management Committee so that it could mediate.¹¹⁰

There are registered three SEZs in Myanmar in development: Dawei SEZ, Thilawa SEZ, and Kyuakpyu SEZ. Thilawa has made considerable progress. Since May 2016, 13 factories begun commercial operations and created close to 2,200 jobs apart from the thousands of construction-related jobs in the zone.¹¹¹ In December 2017, 87 companies were granted investment permission. Of the total companies, a vast majority (75%, 65 companies) are in the manufactory.¹¹²



APPENDIX: ADDITIONAL DATA

Table 21: CTUM and affiliated federations' members and women's share (%), 2018 (November)

	Members	Women share
CTUM	65,002 *	36 %
Agriculture and Farmers Federation	27,792	31 %
Transport Workers Federation	15,946	3 %
Construction and Wood Workers Federation	2,260	31 %
Aquaculture Workers Federation	744	9 %
Mine Workers Federation	3,850	30 %
Service Workers Federation	187	58 %
Industrial Workers Federation	13,564	86 %
Media Workers Federation	62	0 %
Education Workers Federation	597	82%

* Aggregate number of affiliated trade unions federations.
Source: CTUM.

Table 22: CTUM Affiliated, 2013-2018 (November)

CTUM affiliated organizations	2013	2014	2015	2016	2017	2018	Increase in number of organizations from 2013 to 2018
Agriculture and Farmers Organizations	158	506	521	611	618	539	381
Industrial Workers Organizations	37	40	44	50	54	56	19
Transport Workers Organizations	17	35	48	56	56	74	57
Construction and Wood Workers Organizations	7	23	30	35	34	43	36
Aqua-culture Workers Organizations	1	12	14	14	15	16	15
Mine Workers Organizations	1	8	9	11	10	12	11
Service Workers Organizations	-	1	5	5	5	5	5
Media Workers Organizations	2	2	2	2	2	2	0
Education Workers Organizations	-	-	8	11	13	16	16
Total	223	627	681	795	807	763	540

Note: Despite the breakaway of the Agriculture and Farmers Federation of Myanmar (Food Allied Workers) (AFFM-IUF) in 2015 it does not appear to affect the number of CTUM's Agricultural and Farmers Organizations. It was first in 2018, a significant drop of affiliated organizations in this federation was noted.

Source: CTUM Data on Membership



Table 23: Labour market related national legislations approved in Myanmar, 2014-2018 (August)

Type	Legislation
2014	
General provisions	Counter-Terrorism Law, 2014 (23/2014)
	National Human Rights Commission Law, 2014 (21/2014)
	Media Law, 2014 (12/2014)
	Myanmar Special Economic Zones Law, 2014 (1/2014)
Freedom of association, collective bargaining and industrial relations	Registration of Organizations Law (Pyidaungsu Hluttaw Law No. 31/2014)
	Settlement of Labour Disputes Amendment Law, 2014 (40/2014)
	Law amending the Right to Peaceful Assembly and Peaceful Procession Law, 2011 (26/2014)
Education, vocational guidance and training	National Education Law, 2014 (41/2014)
2015	
General provisions	Second Amendment of the Law Relating to the Pyidaungsu Hluttaw [Assembly of the Union] (Pyidaungsu Hluttaw Law No. 63/2015)
	Law on the Practice of Monogamy (Pyidaungsu Hluttaw Law No. 54/2015).
	Buddhist Women Special Marriage Law (Pyidaungsu Hluttaw Law No. 50/2015).
	Law amending the Constitution of the Republic of the Union of Myanmar, 2015 (45/2015)
	Law Amending the Referendum Law for the Approval of the Draft Constitution of the Republic of the Union of Myanmar, 2008 (36/2015)
	Small and Medium Business Development Law, 2015 (23/2015)
Equality of opportunity and treatment	Buddhist Women Special Marriage Law (Pyidaungsu Hluttaw Law No. 50/2015)
Employment policy, promotion of employment and employment services	The Rights of Persons with Disabilities Law, 2015 (30/2015)
Education, vocational guidance and training	National Education Amendment Law, 2015 (38/2015)
Occupational safety and health	Boiler Law, 2015 (39/2015)
Social security (general standards)	Law Repealing the Pensions Act (Pyidaungsu Hluttaw Law No. 59/2015)
Indigenous and tribal peoples	Indigenous Persons' Rights Protection Law, 2015 (8/2015)
Specific categories of workers	Shops and Establishments Law (2015).
2016	
General provisions	Shops and Establishments Law (2016) (Pyidaungsu Hluttaw Law No. 18/2016).
	Law Amending the Code of Criminal Procedure (Pyidaungsu Hluttaw Law No. 16/2016)
	Law Amending the Penal Code (Pyidaungsu Hluttaw Law No. 6/2016)
Conditions of employment	Payment of Wages Law (2016) (Pyidaungsu Hluttaw Law No. 17/2016)
Occupational safety and health	Pesticide Law (Pyidaungsu Hluttaw Law No. 14/2016)
	Law Amending the Factories Act 1951 (Pyidaungsu Hluttaw Law No. 12/2016)
Specific categories of workers	Shops and Establishments Law (2016) (Pyidaungsu Hluttaw Law No. 18/2016)
2017	
General provisions	Myanmar Companies Law, 2017 (2017, Union No. 29).
2018	
None	None

Source: [ILO, NATLEX, Myanmar](#)



Table 24: Ratified ILO Conventions, Myanmar, 2018

Subject and/or right	Convention	Ratification date
Fundamental Conventions		
Freedom of association and collective bargaining	C087 - Freedom of Association and Protection of the Right to Organise, 1948	1955
	C098 - Right to Organise and Collective Bargaining Convention, 1949	Not ratified
Elimination of all forms of forced labour	C029 - Forced Labour Convention, 1930	1955
	C105 - Abolition of Forced Labour Convention, 1957	Not ratified
Effective abolition of child labour	C138 - Minimum Age Convention, 1973	Not ratified
	C182 - Worst Forms of Child Labour Convention, 1999	2013
Elimination of discrimination in employment	C100 - Equal Remuneration Convention, 1951	Not ratified
	C111 - Discrimination (Employment and Occupation) Convention, 1958	Not ratified
Governance Conventions		
Labour inspection	C081 - Labour Inspection Convention, 1947	Not ratified
	C129 - Labour Inspection (Agriculture) Convention, 1969	Not ratified
Employment policy	C122 - Employment Policy Convention, 1964	Not ratified
Tripartism	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976	Not ratified
Up-to-date Conventions		
Working time	C014 - Weekly Rest (Industry) Convention, 1921	1923

Source: [ILO, NORMLEX, Myanmar](#)

Table 25: Ease of Doing Business in Myanmar, 2019

Topics	Ranking
Overall	171
Starting a Business	152
Dealing with Construction Permits	81
Getting Electricity	144
Registering Property	136
Getting Credit	178
Protecting Minority Investors	185
Paying Taxes	126
Trading Across Borders	168
Enforcing Contracts	188
Resolving Insolvency	164

Note: Doing Business 2019 indicators are ranking from 1 (top) to 190 (bottom) among other countries. The rankings tell much about the business environment, but do not measure all aspects of the business surroundings that matter to firms and investors that affect the competitiveness of the economy. Still, a high ranking does mean that the government has created a regulatory environment conducive to operating a business.

Source: [World Bank & IFC, Ease of Doing Business 2019 in Myanmar](#)



Table 26: CTUM and MICS demands to reinstate the social dialogue, January 2019

Demands
1. For the Dispute Settlement Law to cover the Public Sector.
2. For the Dispute Settlement Law to cover the SEZ.
3. To provide a fair justice system for the workers.
4. To work faster to develop a Labor Court.
5. Unless there is a Labor Court, all disputes be allowed to be dealt by the Dispute Settlement Law and not by the Civil Court.
6. When there is a decision by the Arbitration Body and the Arbitration Council all must abide. even if the accused after the decision pays a fine; the law must see to the fact that the decision be followed after paying the fine.
7. The leaves, holidays law be amended together with the stake holders.
8. Not to dismiss trade union leaders without explanation.
9. To sign convention for the Right to Collective Bargaining.
10. The Right to Strike in accordance with the ILO recommendations.
11. To guarantee Freedom of Association (FoA).
12. To include recommendations of the ILO's Direct Contact Mission in the amendments

Source: CTUM



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