



Labour Market Assessment Report

April 2013

by
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Thanks

Special thanks go to the staff from ADRA Myanmar, Thailand and Australia and the assessment teams in Myanmar who were so generous with their time, and whose insights, skill and energy made this assessment possible.

1. Executive Summary

The following labour market assessment is based on three weeks of intensive field work undertaken by a team from ADRA Myanmar in the Townships of Hpa-an and Myawaddy in Kayin State, Myanmar. Its primary purpose is to provide information on employment opportunities for a range of vocations that can be used to inform the design of vocational training programs for Myanmar refugees living in camps on the Thai side of the border.

The assessment adapted and simplified an existing labour market assessment toolkit to fit the context and scope required by ADRA. In effect the survey team were asked to consult with local business owners as well as representatives of business associations and local government. A market observation tool was also used. The assessment focused on identification of vocations for which there is a relative skills shortage, coupled with a large number of jobs, higher pay opportunities and potential for growth of the sector.

The findings suggest that overall ADRA's current vocational training program is fairly well aligned with the kinds of employment opportunities that currently exist in the main townships of Kayin State. For example: Sewing, hair cutting, massage, cooking and baking. However, it is also clear that there are a number of vocations with good opportunities which are not currently included in the program. Examples of these are: Maintenance of service on mobile phones and computers, bus and goods transportation, carpentry, hospitality, nurse aid, accounting, management, sales, and vehicle maintenance and repair. Consideration could be given to inclusion of some of these in the courses offered by ADRA's vocational training program.

Finally, it should be noted that this assessment focuses in some depth on a small geographic target area on the Thai border close to the refugee camps where ADRA is currently working. While it can be assumed that this would be a likely destination for repatriated refugees it is likely that job opportunities in other locations (in both Myanmar and Thailand) will be a draw factor in terms of employment. It is therefore important to read this report together with other reports addressing the labour market at a national level in Myanmar. It is also noted that the political and economic situation in Myanmar is highly dynamic. Change is taking place at a rapid rate and so it is recommended that this assessment should be followed up by additional and ongoing assessments covering a broader geographic area in coordination with other stakeholders in Myanmar such as government, the International Labour Organisation, donors interested in educational programs such as the Australian Agency for International Development and the Swiss Agency for Development and Cooperation and other International Non-Government Organisations.

It is recommended to:

1. Maintain focus on existing vocational training programs that show strong alignment with demand for labour in Myanmar (such as Sewing, Cooking, Hair Cutting). Begin to explore linkages with employers in Myanmar to better align expectations and demand with training.
2. Consider adjusting (e.g. small engine mechanics to full auto mechanics) or adding (e.g. computer and mobile phone maintenance and repair, driving and goods transportation, carpentry (furniture), accounting, management and sales and others) training programs for high demand skills that are currently not included in the existing vocational training program.
3. Continue to conduct assessments in Myanmar to fill gaps in information, expand geographic coverage and maintain up to date information in a dynamic environment. This should be done in coordination with other key actors such as government, other NGOs, donors and ILO.

2. Background and Purpose

The genesis of this labour market assessment was a series of conversations in the last quarter of 2012 between ADRA Australia, ADRA Thailand, ADRA Myanmar and AusAID that explored the topic of vocational training programs for refugees and conflict affected people along the Thai – Myanmar border. ADRA currently operates vocational training programs in seven refugee camps on the Thai side of the border while in Myanmar ADRA has programming in sensitive border areas that few external organisations are able to access.

With the change in political climate within Myanmar there exists an opening up of potential for both greater engagements by organisations like ADRA and AusAID, and at the same time an increased likelihood of voluntary repatriation for refugees currently living in the Thai camps. For the people of Myanmar on both sides of the border there is a need for vocational training services to provide skills needed to strengthen livelihood opportunities.

ADRA’s vocational training program in the Thai camps currently focuses on a range of vocational skills that can be useful to refugees in the camps. This was an intentional decision based on the restriction of their movement and employment opportunities outside of the camps. At the same time, the program also chose to include vocations that were assumed to be relevant should the refugees be able to return. However, with the rapidly changing situation in Myanmar and the potential for repatriation there is an information gap regarding the kinds of employment opportunities that exist in Myanmar. This assessment is intended to contribute to filling that gap and to inform planning for future vocational training programs in the Thai camps.

3. Literature Review

Prior to conducting the assessment a desk review of available literature on employment opportunities in Myanmar was conducted. Documents were sourced through a combination of contacts to key informants identified by ADRA’s offices in Thailand and Myanmar along with an online search. The purpose of the literature review was to gather existing information on labour market needs in relation to vocational training and to ensure that ADRA’s assessment did not duplicate existing or ongoing efforts. A summary of the sources identified with brief commentary is presented in the table below.

1	International Labour Organisation (ILO): Decent Work in Myanmar – ILO Programme Framework Nov. 2012 – Apr. 2014 (2012) While the ILO did not have assessment information on labour markets or employment opportunities to share their Myanmar Director indicated that they have plans to conduct such assessments as part of their programme framework and that they are interested in learning the outcomes of ADRA’s assessment as well as exploring future collaboration opportunities. MMR301 in the programme framework focuses on enhanced employment opportunities, especially for youth.
2	Australian Agency for International Development (AusAID): The Market for Skilled National Labour in Myanmar (2012): J. Bissinger This report while not directly relevant to the location and likely employment sectors for repatriated refugees does contain some relevant information. Firstly, it highlights an increasing expansion of demand for labour by both international and local NGOs in Myanmar and in particular a demand for employees with English and computer skills.

3	<p>Institute of Developing Economies (IDE): Financing Small and Medium Enterprises in Myanmar (2008): K. Aung Does not provide a great deal of relevant or current information, However, it does highlight the key role that small and medium enterprises (SMEs) play in employment opportunities in Myanmar. According to the report SMEs account for 80% of employment opportunities. This suggests that SMEs are an appropriate as one of the focus areas for the assessment.</p> <p>Issues Affecting the Movement of Rural Labour in Myanmar: Rakhine Case Study (2009): I. Okamoto This discussion paper highlights a lack of employment opportunities in rural areas of Myanmar and explores a specific case of this factor and the resulting movement of labour to areas of higher employment within Myanmar or even overseas. This suggests that there is an existing pressure on non-agricultural labour opportunities that should be taken into account when considering the repatriation of refugees.</p>
4	<p>Government of Myanmar: Presentation to Capacity Building Workshop on Labour Market Information and Analysis in ASEAN (2010) The presentation highlighted primarily the lack of significant and up-to-date labour market information available for Myanmar. It did note the relatively high proportion (60%) of labour engaged in the agriculture sector. This does suggest a potential challenge for returning refugees who may have challenges accessing land suitable for agriculture and who may have lost key skills which are challenging to provide in vocational training programs in the Thai camps.</p>
5	<p>Bangkok Research Center (BRC): Newly Emerging Industrial Development Nodes in Myanmar (2012): A. Min and T. Kudo This chapter in a larger report notes the growing importance of new economic zones being established in Myanmar (including along the Thai border) for future employment opportunities.</p> <p>Myanmar Migrants to Thailand and Implications to Myanmar Development (2012): S. Chantavanich This paper notes an increase in migration from Myanmar to Thailand for labour and employment purposes. Further exploration of the push/pull forces driving this trend may be valuable when exploring future voluntary repatriation of refugees from Thailand to Myanmar.</p>
6	<p>Adventist Development and Relief Agency (ADRA) Thailand: Training Needs Analysis (2011): R. Allaburton This assessment was conducted over several months in seven refugee camps in Thailand. It was used to develop the current vocational training program operated in the camps by ADRA Thailand.</p>
7	<p>Agency for Technical Cooperation and Development (ACTED): Aligning Vocational Training with Myanmar Job Market Needs (2013) This report comes closest of all literature reviewed to aligning in purpose with ADRA's assessment. The report provides useful information on labour market needs for specific vocational skills at the national level with some information in a case study relating to Kayah State.</p>

4. Methodology

This assessment used an innovative and participatory approach to the structure and staffing of the assessment, while the core of the assessment process was based around an adaptation of tools developed in 2008 by a team of researchers from the School of International and Public Affairs: Columbia University for the Women's Commission for Refugee Women and Children. The tools comprised a Market Assessment Toolkit for Vocational Training Providers and Youth. The tools were developed for and used in the context of displaced and conflict affected populations in northern Uganda and were designed to assist with linking vocational training programs to market opportunities.

In order to address both time and resource constraints ADRA pursued a unique approach to conducting the assessment. Following the literature review, ADRA Australia and ADRA Myanmar each identified a suitable staff member to take the lead on the assessment. ADRA Myanmar also identified eight staff from a small local NGO, Youth Fellow Development, that they partner with to act as data collection teams. Four tools were selected from the toolkit and were translated by ADRA Myanmar into Burmese. These were: 1) a market observation tool; 2) a tool for use with business associations; 3) a tool for use with government staff; and 4) a tool for use with business owners. It was determined that the assessment would take place in two locations in Kayin State, Hpa-an Township and Myawaddy Township as these are primary centres of employment in the state.

In mid-January 2013, ADRA Australia's Director for Program Effectiveness and Planning facilitated a two day workshop in Yangon for the team from ADRA Myanmar and their local partner. During the workshop the participants finalised translation of the tools and made modifications to adapt the tools further to the local context. Tools were then pilot tested and further refined. The team then developed a data summary form for recording the data collected by the team in the field. Finally a data collection plan was developed by the teams which would see them collecting data over an approximately three week period in January and February 2013. Data collection involved both market assessments and interviews with government staff, representatives of business associations and business owners in the target areas.

Following data collection by the local team the ADRA Myanmar team leader for the assessment transferred the raw data from the assessment tools into the data summary forms that were developed during the Yangon workshop. These summary forms were translated into English and sent to ADRA Australia where the Program Manager for Myanmar and Thailand along with the Director for Program Effectiveness and Planning reviewed and analysed the data to identify patterns and priorities. The findings are presented in this report and have been reviewed by all three ADRA stakeholders.

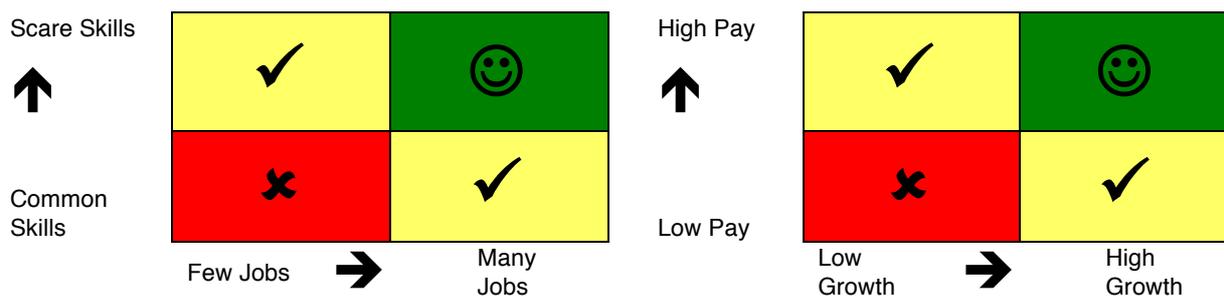
5. Findings

The assessment identified a wide range of employment opportunities in Hpa-an and Myawaddy Townships. The assessment team were asked to assess employment opportunities using the following criteria:

- **Scarcity** – what is the existing availability of labour?
- **Scale** – what is the existing extent of jobs available?
- **Pay** – what is the level of pay available?
- **Growth** – what is the potential for growth?

Some of the interactions between the criteria are illustrated in Table 1 below.

Table 1. Employment Opportunity Matrices



These findings present those employment opportunities and vocations that were assessed as meeting multiple positive criteria. The assessment process intentionally screened out employment opportunities or vocations that were assessed as having limited opportunities.

Each working place included in the assessment tended to require a range of roles. A couple of examples are mentioned here to provide an idea of the kinds of role combinations commonly listed by potential employers.

In *vehicle workshops and services* the following roles need to be addressed:

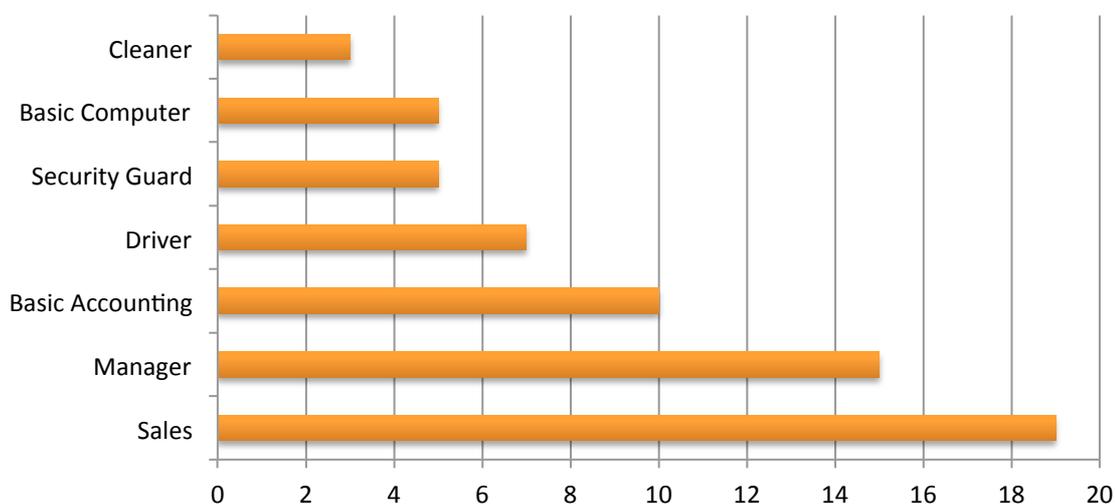
1. Sale Promoter
2. General workers
3. Auto-Mechanic Technician
4. Cashier and Accountant
5. Manager

In *beauty salons and services* there may be a need for some of the following:

1. Massage and SPA
2. Beauty parlour trainers and manicure
3. Hair cutting designer
4. Make-up designer

While all of the businesses included in the assessment identified vocational skills largely unique to their type of business, such as sewing, cooking, auto mechanics or carpentry; there were also a number of vocational skills that were commonly found across a range of businesses. These are shown in Table 2 below.

Table 2. Demand for Common Skills Across Businesses



It is interesting to note that out of 31 business categories surveyed through the assessment almost two thirds and approximately half listed sales and management respectively as key skills that were in demand by their businesses. A third also listed basic accounting as a needed skill set. It could be argued that due to the relatively low numbers of businesses listing them as a required skill that driving, security, basic computer and cleaning skills are specialist skills required only by a smaller range of businesses. It should also be noted that with regard to sales and management skills in most cases the business owner also indicated that there was a need for people to also understand and be skilled in the core business area. So, for example, a garment factory would want people with management or sales skills who also have skills in sewing or designing garments.

While discussing general employment requirements it is also worth noting that honesty, good character and 'a smiling face' were characteristics commonly listed by employers as highly desirable in potential employees. This is not a surprising finding and reflects the findings of other assessments, but it may provide some guidance for any life-skills training components being added to vocational training programs.

The following sections provide a description of key employment opportunities or vocations identified by the assessment team. These are divided between: 1) those that align with vocational training currently being provided by ADRA's program in the Thai camps; and 2) those that are unaligned and could be considered for inclusion in ADRA's vocational training programs. Within the aligned and unaligned categories they are presented broadly in relation to the criteria presented in Table 1 with highest relevance first and lowest relevance last.

5.1 Aligned

Sewing, Cutting and Design

Sewing is in high demand and job opportunities are expected to grow rapidly. Ability to sew with motor sewing machines is particularly in demand with a current shortage of skilled labour. Employees who have been well trained and who hold certificates are particularly in demand. They can earn the equivalent of USD 5-8 per day with the potential for earning over USD 100 per month compared with USD 50-100 per month for employees with limited skills. There is potential for export related growth as new garment factories open in Kayin State. The State Government currently has plans underway for opening nine new factories which would create demand for an additional 5,400 skilled workers. There is also good employment on the Thai side of the border for skilled workers. Some employers listed cutting and design skills as relevant, but limited information was provided about the need and it is likely that the volume of demand for such skills is low in comparison to sewing skills. A related, but relatively small speciality skill area is the design and production of traditional clothing. At present this is not a high demand for labour or potential for growth.

Catering, Cooking and Baking

There is a demand for this skill set from two primary sources. The first is the hospitality industry, in particular hotels and guesthouses. With the current growth in tourism and trade in Myanmar and trends towards resolution of conflict in Kayin State, it is anticipated that this will be a growth sector for the future in which growth is likely to align with the potential for repatriation of refugees. Skilled cooks and chefs who have certificates and who can cook a variety of food styles are in demand as there are presently very few people with knowledge and skills on European food, Thai food and Myanmar food cooking style. The second source of demand is from restaurants and cafes. For the time being, most of the eating places are family businesses and privately owned. However, the young people want to go to shops (cafes), and it is expected that the demand will increase. The state government is encouraging young people to start small businesses and small loans are offered with very reasonable interest. The pay is USD 70 per month for unskilled staff, and USD 100 and above per month for skilled workers (cook/chef/manager).

Trainers of Vocational Skills

To the extent that vocational training programs for refugees in the Thai camps provide an opportunity for people to gain skills as trainers in their chosen vocation, good opportunities exist for employment in Myanmar. For those who obtain a relevant certificate there are possibilities for work at institutions such as Women Household Management Training School. This however requires the ability to teach others. Skills such as tailoring, handy crafts, basic cooking, weaving, knitting, hair cutting, and fancy accessories making skills are on demand. The principal of the mentioned institution earns USD 150 per month, the instructors earn USD 100 a months. One NGO is planning to expand the topics being taught. People who have experience and certification as trainers are in demand across a range of businesses as well as vocational training programs. It is expected to be a high growth sector with expanding opportunities from government, NGOs and businesses.

Massage

Massage is often offered as part of the services in a beauty salon. In the labour assessment certificates were not stressed, just the skill itself. This may however change over time. For skilled workers the pay can be from USD 100 and above, for internship workers the pay is USD 40. However, there is no fixed salary so it depends on customers. A second avenue for employment of skills massage professionals is in the hospitality industry with some hotels listing this as a valuable skill and a service that they seek to provide to clients.

Hair cutting

A skilled hair cutter designer is in demand. Young people in Hpa-an and Myawaddy have good knowledge of neighbouring country's hair styles, and generally they cut and colour their hair like the youth in Thailand. Basic knowledge on facial makeup and nail paints are also associated with the skills in a beauty salon. Skilled hair dressers can earn USD 100 and above, but it all depends on how many customers they have.

Small Engine Mechanics

Demand for this vocational skill was not significantly noted during this assessment. Rather there was an emphasis on skills related to larger motor vehicle such as cars, buses and trucks. This will be described in more detail in the unaligned section. Likely potential employers would include petrol stations that offer basic repair and maintenance services as well as vehicle workshops, including some that specialise in motorcycles. Skilled workers with auto mechanic skills can earn from USD 50-190 per month. It is likely that those with skills relating to larger vehicles will be earning at the top end of the scale.

Basic Computer Skills

While a number of businesses indicated that basic computer skills were in demand, there was not a high level of interest expressed by potential employers that were approached during this assessment. It may be the further assessment of the nature and scope of demand this skill set is required or that larger demand exist outside of the geographic area covered by this assessment.

Basic Electrical Wiring and Fitting

This vocational skill was not strongly identified through this assessment. Garment factories, hotels and motor vehicle services made limited reference to the need for these skills. It may be the further assessment of this vocation is required or that larger employment opportunities exist outside of the geographic area covered by this assessment.

Child and Elderly Care

This vocation was largely absent from the employment opportunities identified in the assessment. The only mention came as a secondary note in relation to demand for workers with Nurse Aid and Pharmacy Assistant skills. This is further discussed in the unaligned section.

5.2 Unaligned

Maintenance/service of mobile phones or computers or sewing machines

Experienced mobile service and/or laptop service technicians are in demand and are likely to be in higher demand in the future. In addition to the actual skill of providing service and repairing mobiles/laptops, certificates of qualifications are usually required. A skilled technician worker can earn USD 200 or above per month.

Maintenance of sewing machines was mentioned as a desired skill but no further information was provided to indicate level of demand or potential salary rates.

Driver (truck/bus)

Bus driver and goods transportation were identified as an area in high demand, which is well paid and an area where high growth is expected. A Myanmar Driving License is required, and basic knowledge of auto-mechanics is an advantage. Skilled workers are likely to get paid USD 120-200 per month.

Carpentry

Skilled workers in carpentry and wood working skills are in demand. Plastic and aluminium products from China and Thailand influence the market, but there is still a market for wood products. The pay for skilled workers can be USD 190 and above + free accommodation and meal.

Hospitality

As mentioned above the hotel sector is likely to expand. Hospitality will be in demand, and skilled workers is likely to get paid USD 100 and above. Having a Tour Guide license or knowledge of guiding tourists will also be valued. Part of the same package is the importance of good language skills.

Nurse Aid and Pharmacy Assistant

Presently there are very few young skilled workers. Expected to be in high demand in the future, and jobs will be available in private clinics, state government run rural health centre and private hospitals. The pay is USD 70 per month (with free accommodation and meal) for internships and permanent staff, and USD 120 per month for manager or overall in-charge.

Management

Management competence and skills are/is in demand across a whole range of businesses. The assessment didn't specify much about the nature of the vocation, but clearly identify management skills as core to many businesses. Skilled managers have high earning potential, usually USD 100 +.

Car workshop and service (Auto-Mechanic Technician)

There are already 10 Car Servicing and Workshops in Myawaddy Town alone. However, the new trading highway being built may increase the demand due to more vehicles. Recent action by the Government to reduce restrictions on the import of used vehicles, has led to many older cars has been replaced with newer ones (which again mean that more people can afford to buy a used car). Overall the number of vehicles is growing rapidly and this is an employment sector with a strong growth potential in terms of demand for labour. A skilled worker can earn USD 50-190 per month. In the car workshop there is also a demand for car washing and polishing, petrol filling, decorate and installation of accessories inside and outside the car

Rubber plantation worker (gardener or agriculturalist)

People with basic knowledge of rubber plantations, and in particular to collecting raw products from rubber plants, may earn around USD 100 per month (if considered skilled worker). No formal education certificate is asked for, but relevant experience counts. There are many jobs, and the sector is expected to have high growth.

Accounting

There is a scarcity of skilled accountants. Accountants are needed in all sorts of businesses. The level of pay would be USD 50-100 per month.

Sales

The assessment indicates that there are many opportunities for sale promoters, in various sectors. This is also a vocation where very high growth is expected. In addition to good communication and people's skills and basic knowledge of the product to sell, experience with sales is important. Knowledge in assessing quality and price, packaging and storage are other skills identified.

A sale promotion worker is likely to receive USD 70 per month in for instance phone or computer sale.

Another area is sales at Night Markets (Kyne Khin Zay and Nye Zay). This includes importing goods from the Night Markets in Thailand. Wages can vary from USD 20 per day for daily wages worker, to big sellers who can earn as much as USD 120 per day.

Another area for sale is in Concrete Brick Making Business. It's on demand and growing. Salaries are around USD 85 per month, with free accommodation and meal.

Mini marts is a growth area with many jobs available. However, it is long days for a relatively low salary (approx. USD 50 per month). There are potential to run businesses successfully with some good sales skills.

A particular area of sales is Karen Costume and traditional clothing. This area has opportunity for export or sales to tourists. However, the growth is low and the pay is also low (USD 30-60 per month).

Poultry Livestock breeding

Both eggs and chicken are on demand from Thailand and Yangon Town, and there are plenty of space and places where new construction of poultry chicken houses and businesses can be built. Pay would be approximately USD 70 per month for general workers (with free accommodation and daily meal), and USD 100 per month for management level.

Steel welding, Gas Welding and Arc Welding

Many new construction projects are coming with steel structure, and balconies are decorated with steel pipe and iron frames. Pay per day for skilled worker is USD 6.5.

Candle making specialist

There are already many candle makers, and according to the market assessment it has a growth potential, at least for people with creative ideas and ability utilise machines and boiling unites efficiently. The expected income would be between USD 30-80 per month. Per today it is a small scale type of business.

Photographer and designer

There are already many still and video photographers, in Myawaddy alone there are presently 30 photos and printing shops. Monthly salary would vary between USD 40 – 90. Those who have both computer skills in editing and printing can earn from USD 100-200 per month. Only low growth is expected in the sector/vocation.

Concrete Brick Making

Concrete Brick Making is a growing business, and workers are in demand. No higher education requested, only good health and honesty. Paid staff earns USD 85 per month, daily worker's pay above USD 5 (per day?). There is potential to set up a successful business for USD 3000 Lakhs.

Gemstone repairing business

Gemstone cutting and design is on demand and growing. Shops locally and export to Thailand. Linked to the business are also managers who can assess value and quality, as well as sales persons. Pay per day is USD 12 for skilled workers.

Agriculture and Gardener working with Shwe Thapyay Plants

Unlike the agricultural and gardener work linked to rubber plants, the work with Shwe Thapyay Plants generally pays USD 50 a month (although a good sales person may earn up to USD 10 dollars per day). It is an area with little growth expected.

Golden fish breeding and sale

This is a vocation with limited jobs, and limited growth potential.

6. Recommendations

1. Maintain focus on existing vocational training programs that show strong alignment with demand for labour in Myanmar (such as Sewing, Cooking, Hair Cutting). Begin to explore linkages with employers in Myanmar to better align expectations and demand with training.
2. Consider adjusting (e.g. small engine mechanics to full auto mechanics) or adding (e.g. computer and mobile phone maintenance and repair, driving and goods transportation, carpentry (furniture), accounting, management and sales and others) training programs for high demand skills that are currently not included in the existing vocational training program.
3. Continue to conduct assessments in Myanmar to fill gaps in information, expand geographic coverage and maintain up to date information in a dynamic environment. This should be done in coordination with other key actors such as government, other NGOs, donors and ILO.