

Food Security Policy Project (FSPP)

MIGRATION IN SOUTHERN SHAN STATE: CHARACTERISTICS AND OUTCOMES

By

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Food Security Policy *Research Papers*

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Authors' Acknowledgment:

This research is made possible by the generous support of the American people through the United States Agency for International Development (USAID) under the Feed the Future initiative. FSP grant number AID-482-LA-14-0003. The contents are the responsibility of study authors and do not necessarily reflect the views of USAID or the United States Government. This study is also supported with financial assistance from the Livelihoods and Food Security Trust Fund (LIFT), supported by Australia, Denmark, the European Union, France, Ireland, Italy, Luxembourg, The Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom, the United States of America, and the Mitsubishi Corporation. We thank these donors for their kind contributions to improving the livelihoods and food security of rural people in Myanmar. The views expressed herein should in no way be taken to reflect the official opinion of any of the LIFT donors. We thank Mekamu Kedir Jemal (IFPRI) for preparing the map.

This study is made possible by the generous support of the American people through the United States Agency for International Development (USAID) under the Feed the Future initiative. The contents are the responsibility of the study authors and do not necessarily reflect the views of USAID or the United States Government

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Published by the Department of Agricultural, Food, and Resource Economics, Michigan State University, Justin S. Morrill Hall of Agriculture, 446 West Circle Dr., Room 202, East Lansing, Michigan 48824, USA

EXECUTIVE SUMMARY

Migration is a common phenomenon in southern Shan. Nearly one in three households (31%) have a household member who has ever migrated. At the time of the survey, 14% of households had a migrant and 7% of individuals of working age were migrating. However, southern Shan has developed as a migrant sending area less rapidly than other areas of the country.

Migrant flows began to increase rapidly from 2009. Six times more individuals migrated for the first time in 2017 than in 2009

International migrants outnumber domestic migrants, but domestic migration is growing more rapidly. Sixty-five percent of current migrants are currently working internationally, as compared to 35% working domestically. However, in every year from 2013 onwards, the number of first-time migrants to domestic destinations exceeded the number of first-time international migrants, indicating that opportunities for migration within Myanmar have increased in recent years

Thailand and Shan State are the most common destinations for migrants from southern Shan. Eighty-eight percent of current international migrants work in Thailand. Surprisingly, the majority of domestic migration takes place within Shan state, where 62% of domestic migrants are based.

The vast majority of migration is to urban areas. Domestic migrants work in roughly equal numbers in state/region capitals (38%) and other urban areas (41%), indicating that secondary and tertiary cities are providing significant opportunities for migration.

Women and men migrate in roughly equal numbers. Women account for 46% of migrants, men 54%. This ratio varies little between international and domestic migrants

Propensity to migrate varies with ethnicity, but is not closely related to landholding status. Individuals of mixed and Shan ethnicity are most likely to migrate (22% and 13% of working age individuals of these ethnicities migrated). Households are equally likely to have a migrant, irrespective of how much land they own.

About half of current international migrants borrowed to cover the cost of their migration. Only 11% of domestic migrants borrowed to migrate. The average cost of migration was at MMK 549,327 (\$365) and MMK 25,321 (\$17) for international and domestic migrants, respectively. Average amounts borrowed to support migration are of a similar order. Migrant earnings are typically sufficient for migration costs to be recouped quite rapidly.

International migrants earn more than twice as much as domestic migrants on average. Reported monthly salaries averaged MMK 458,000 (\$305) and MMK 175,000 (\$115), for international and domestic migrants, respectively.

Well over half of migrants send remittances. Fifty-eight percent of migrants were reported to have sent remittances in the past 12 months.

Most remittances are spent on day-to-day living costs. More than half (52%) of respondents reported that the primary use of remittances was to cover the cost of day-to-day living expenses. Everyday necessities such as medical expenses, debt repayment, education costs and farm operating costs are among the most important uses of remittances after outlay for daily living expenses. This suggests that by migrating from rural areas ('stepping out'), remittance-sending migrants provide vital

support that enables remaining household members to get by ('hanging in'), but are less frequently able support household investments on a scale that allows for upgrading or expansion of productive activities ('stepping up').

The average duration of migration is quite short. Eighty percent of domestic migrants who returned to their place of origin migrated for two years or less. International return migrants spent more time away from home than domestic migrants (an average of four years, versus one year), but almost half migrated for one year or less (19% less than one year and 30% around one year).

Reasons for return migration reflect the precarious nature of much migrant work. Poor working conditions, loss or lack of work, poor health, and lack of legal status together account for 43% of decisions to return from migration. Together, these results suggest that the experience of migrating is often difficult and characterized by a high degree of precarity and vulnerability.

Most return migrants migrated only once, and have no intention to migrate again. Eighty-one percent of international and 69% of domestic return migrants had migrated on only one occasion, and more than 70% of return migrants did not expect to migrate again, with 14% undecided and 14% expressing the intention to migrate again.

Implications for policy and programming

- 1) **Domestic migration is growing more rapidly than international migration.** Domestic migration is cheaper, less risky, and is associated with higher levels of skills acquisition than international migration. Moreover, value created by domestic migrants remains in country, creating economic spillovers. A policy environment that stimulates the growth of businesses, combined with skills training for domestic migrants, can also help to ensure that more of the benefits of migration remain in Myanmar.
- 2) **The impact of migration on rural labor markets in Shan appears to have been smaller than expected to date.** Most migrants migrate only once, the average duration of migration is quite short, and most migrants return to farming when they come home. This may reflect high levels of access to agricultural land in southern Shan, relative to other areas of the country.
- 3) **...Nevertheless, the rural labor market in southern Shan is likely to tighten if migration continues to intensify.** This will result in rising agricultural wages, and the need for further mechanization in agriculture to offset increased costs and ensure timeliness.
- 4) **Financial services designed to meet migrants' needs could reduce the need to borrow informally, reducing the risk of becoming trapped in exploitative labor arrangements.**
- 5) **Expanded provision of public health care, social safety nets, and cheaper schooling can free up more remittance income to be saved or used in productive investment by lessening the impact of shocks and reducing the burden of every day expenses.**
- 6) **Although men and women migrate in roughly equal numbers, the burden of unpaid work caring for children left behind falls mainly on non-migrant women.**

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1 INTRODUCTION

Migration has accelerated rapidly in Myanmar over the past decade and has become a pervasive feature of economic and social life across the country (Pritchard et al, 2017; World Bank and LIFT. 2016; Belton & Filipinski, 2019). The effects of migration are felt particularly acutely in rural areas, where most migrants originate, and hold important implications for livelihoods, agriculture and the future of Myanmar's rural economy.

This report presents findings from the Shan Household Agriculture and Rural Economy Survey (SHARES) on the characteristics of migration in Southern Shan State. SHARES was conducted from May to August 2018 with 1562 rural households in nine townships in South Shan.

Results presented in the report are divided into five sections, the first three dealing with the characteristics of migration and the last two dealing with the outcomes. The five sections deal with: (1) The characteristics of migrants (demography, assets); (2) The characteristics of migration (destination, duration, costs); (3) The characteristics of migrant work (occupation, earnings, skills acquisition, childcare); (4) Remittances; (5) Post-migration.

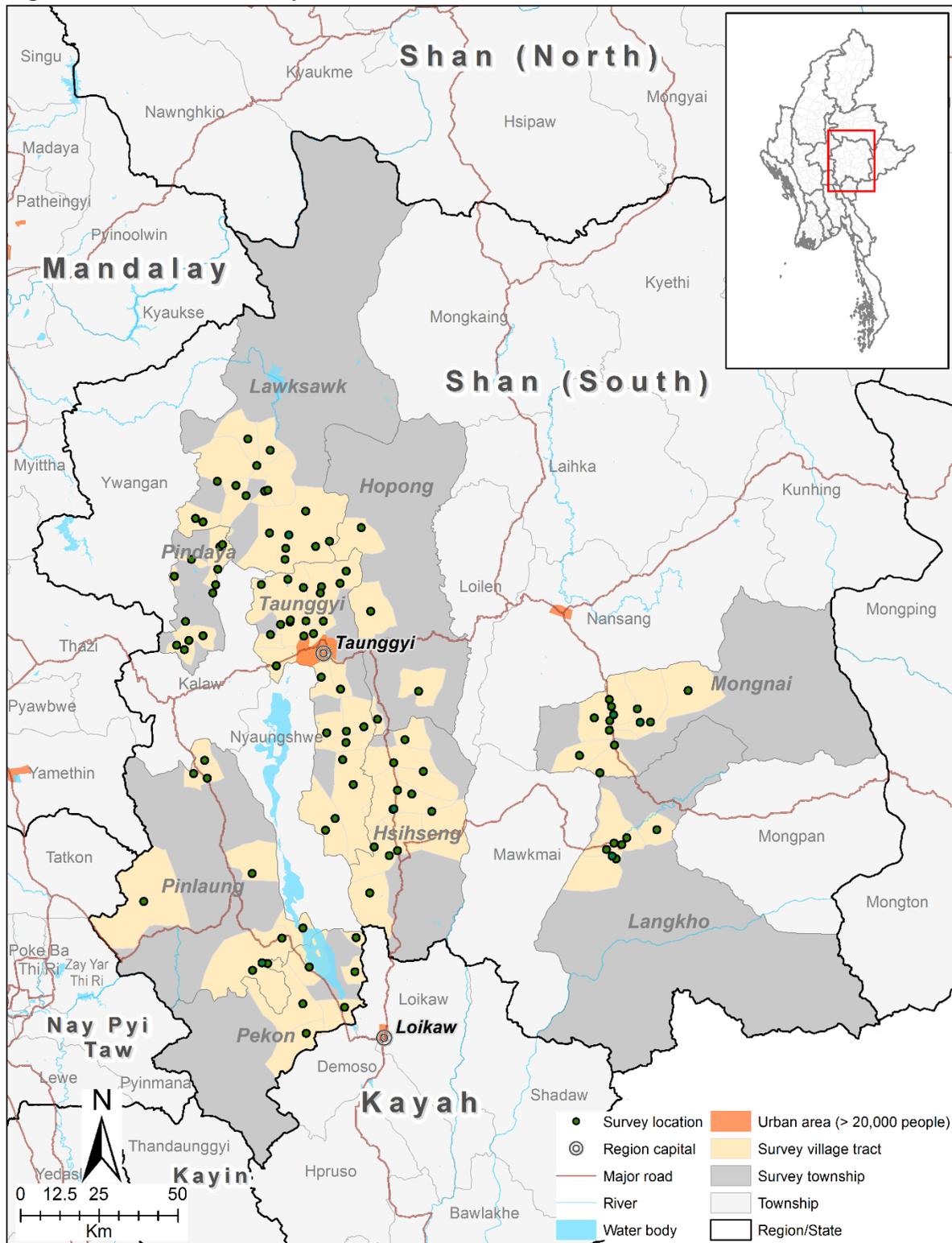
In this report, migrants are defined as people who have lived and worked in a location away from their place origin for a period of at least one month. For the purposes of this study, individuals who moved for education, to accompany a spouse or family members without working, or for other non-work reasons are not regarded as migrants. Individuals who worked in other locations but visited their place of origin at least once a month were also not defined as migrants. When drawing direct comparisons between migrants and non-migrants, we refer only to non-migrants of working-age (15 to 59) for consistency.

2 SURVEY METHODOLOGY

The SHARES household survey was fielded from May to August 2018 with 1562 households in 99 villages in nine townships in southern Shan (Lawksawk, Pindaya, Taunggyi, Hopong, Hsihseng, Pinlaung, Phekon, Mongnai and Langkho). The survey was designed to capture detailed information on the farm and non-farm components of the rural economy, with a particular emphasis on the cultivation of maize and pigeon pea (two important commercial crops that have been widely adopted in South Shan over the past decade).

Selection of enumeration areas for the survey followed a stratified two-stage sampling design that reflected the focus on these two crops. Enumeration areas in 'high maize and pigeon pea' strata were sampled at a higher rate than those in 'low maize and pigeon pea' strata, defined using village tract level data on the area planted to different crops in 2017. This information was collected from township offices of the Department of Agricultural Land Management and Statistics. The 'high' strata was comprised of village tracts that accounted for 80% of total planted area of maize and pigeon pea in the nine townships selected for inclusion in the survey. Permission was not granted to work in townships and village tracts regarded by the General Administrative Department as unsafe, and these were excluded from the sample frame. As a result, most of the townships surveyed were concentrated in the western half of southern Shan, covering an area running approximately 200 km north-south, and 100 km east-west, with Inle Lake roughly at its center. The location of all enumeration areas included in the household survey is presented in Figure 1.

Figure 1 Household survey locations in southern Shan



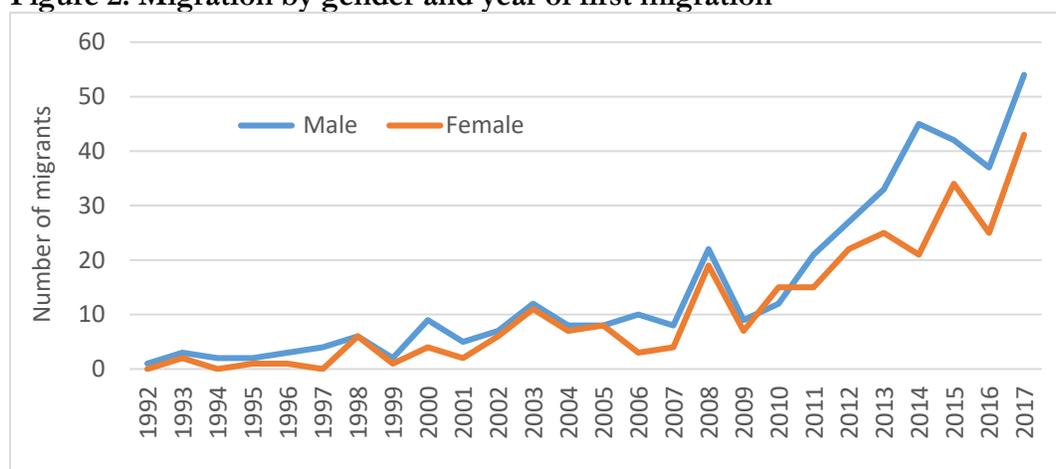
3 RESULTS

3.1 Migrant characteristics

Migration is a common phenomenon in the survey area. Nearly one in three households (31%) had a household member who had ever migrated and 14% had a migrant at the time of the survey. Among individuals of working age, 15% had ever migrated, and 7% were migrating at the time of the survey. Thus, although growing migration from southern Shan has developed less rapidly than in other areas of the country. For instance, in the Dry Zone, among households surveyed 2017, 24% had a household member who had ever migrated and 14% had a migrant at the time of the survey, and 43% had ever had a migrant member (Belton & Filipski, 2019).

Migrant flows began to increase rapidly from 2009. There was limited migration until 2007 for both men and women. From 2009 until 2017, migration rose at a slightly faster rate for men than for women. The total number of individuals who migrated for the first time in 2017 was six times higher than the number who migrated for the first time in 2009 (Figure 2).

Figure 2. Migration by gender and year of first migration



The vast majority of migrants are young adults. Eighty-four percent of current migrants left their homes in search of work between the ages of 15 and 29, and 11% of them at ages between 30 and 44. At the time of the survey, sixty-nine percent of current migrants were aged 15-29 and 28% were aged 30-44. Very few (3%) migrated before the age of 15. (Table 1).

Table 1. Age at first migration and time of survey (% of migrants)

Age group	Age at first migration	Age at time of survey
< 15	3	0
15-29	84	69
30-44	11	28
45-59	0	2
>60	3	1

Women and men migrate in roughly equal numbers. Women account for 46% of migrants, men 54%. This ratio varies little between international (48% female) and domestic migrants (43% female).

Propensity to migrate varies by ethnicity. Individuals of mixed or Shan ethnicity are most likely to migrate (22% and 13% of individuals of working age in these groups migrated). Other ethnic groups have 6% or fewer working age migrant members. Almost all (98%) of Shan and more than half of Pa’O (67%), Burmese (67%), mixed (57%) and Kayan (56%) migrated internationally. All Taungyoe (100%) and almost all of Danu (92%) migrated domestically (Table 2). Shan people are the most likely to migrate internationally to Thailand, probably due to similarities in language, culture and established social networks. The share of migrants of each ethnicity in the migrant population matches the ethnic makeup of the population of the survey area quite closely, with the major exception of individuals of mixed ethnicity, who comprise only 6% of the general population.

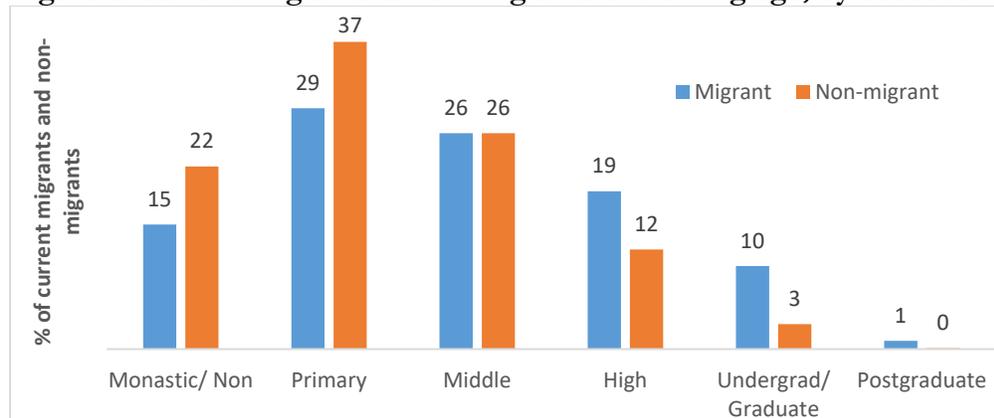
Table 2. Migration and migration destination by ethnicity (%)

Ethnicity	Share of individuals migrating by ethnic group	Of which:		Share of migrant population
		International	Domestic	
Mixed	22	57	43	17
Shan	13	98	2	21
Kayan	6	56	44	10
Pa-O	5	67	33	38
Danu	5	8	92	6
Burmese	3	67	33	5
Taungyoe	3	0	100	3
Other	4	39	61	2

Some townships are much more important ‘migrant sending’ areas than others. Langhko, a Shan majority area in the eastern part of the area surveyed, accounted for 24% of all migrants, followed by Hopong, a Pa-O majority township close to southern Shan’s main city, Taungyi (11% of migrants). The other seven surveyed townships each sent 3-8% of all migrants. These variations are likely reflect variability in social networks, geographical linkages, and ethnic backgrounds.

Migrants had higher education levels on average than non-migrants of working age. Nineteen percent of current migrants had attended high school and 10% had attended university, as compared to 16% and 4% of non-migrants, respectively (Figure 3).

Figure 3. Current migrants & non-migrants of working age, by educational achievement (%)



Likelihood of domestic migration is positively correlated with remoteness (measured in terms of time needed to travel to the nearest town), but there is no clear pattern for international migration. Half of all domestic migrants (51%) came from the 1/3 of villages with the longest travel times to the nearest urban area, whereas only 19% of domestic migrants came from the 1/3 of villages with the shortest travel times to the nearest town.

Propensity to migrate varies little with landholding status. The share of migrants originating from landed and landless households is similar to the share of landed and landless households in the wider population. Households are also equally likely to have migrant members, irrespective of how much land they own (Table 3).

Table 3. Landholding status of current migrants and non-migrants of working age

Landholding status	All Individuals	Current migrant
Landless	19	14
Landed, of which:	81	86
Tercile 1	33	30
Tercile 2	32	33
Tercile 3	35	37

Single men and women are more likely to migrate than those who are married. Seventy two percent of all migrants were single at the time of migration. International migrants are more likely than domestic migrants to be married when they migrate; approximately 50% more likely in the case of men, and more than three times as likely in the case of women (Table 4). Married domestic migrants are more likely to have children than married international migrants. Most migrants were reported to be the children (77%) or children-in-law (9%) of a living household head, and continued to be considered as household members, despite being absent from the household at the time of interview.

Table 4. Marital status at time of migration of current migrants by gender and destination (%)

Marital status	All	Domestic		International	
		Men	Women	Men	Women
Single	72	81	88	71	58
Married	28	19	12	29	42

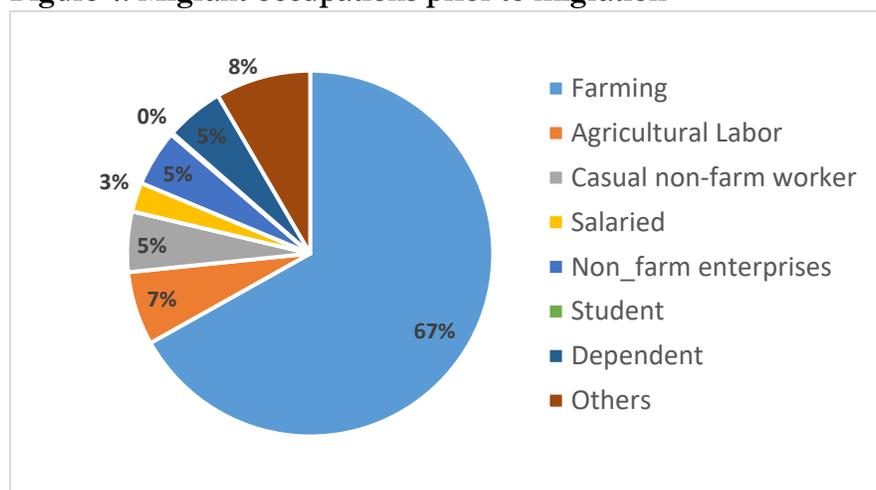
Households with lower dependency ratios are more likely to have migrant members. The dependency ratio is the ratio of the number of household members aged under 14 or 65 and older (dependents) to household members aged 15 to 64 (non-dependents). Just over half of households with no migrant members (55%) have a dependency ratio of less than one, compared to 80% of households with migrant members (Table 5). This suggests that households with a surplus of labor are most likely to have migrant members, and also reflects that relatively few migrants have children.

Table 5. Dependency ratio in migrant and non-migrant households (%)

Dependency ratio	Non-Migrant	Migrant	Total
<1	55	80	59
>=1	45	20	41

Most migrants engaged in agriculture prior to migrating. This reflects the predominance of farming in livelihoods in southern Shan. Sixty-seven percent of migrants reported that farming was their primary occupation prior to migrating. Casual agricultural labor was the primary occupation of an additional 7% migrants (Figure 4). This suggests that migration has contributed to a reduction in the size of the agricultural labor-force in south Shan.

Figure 4. Migrant occupations prior to migration

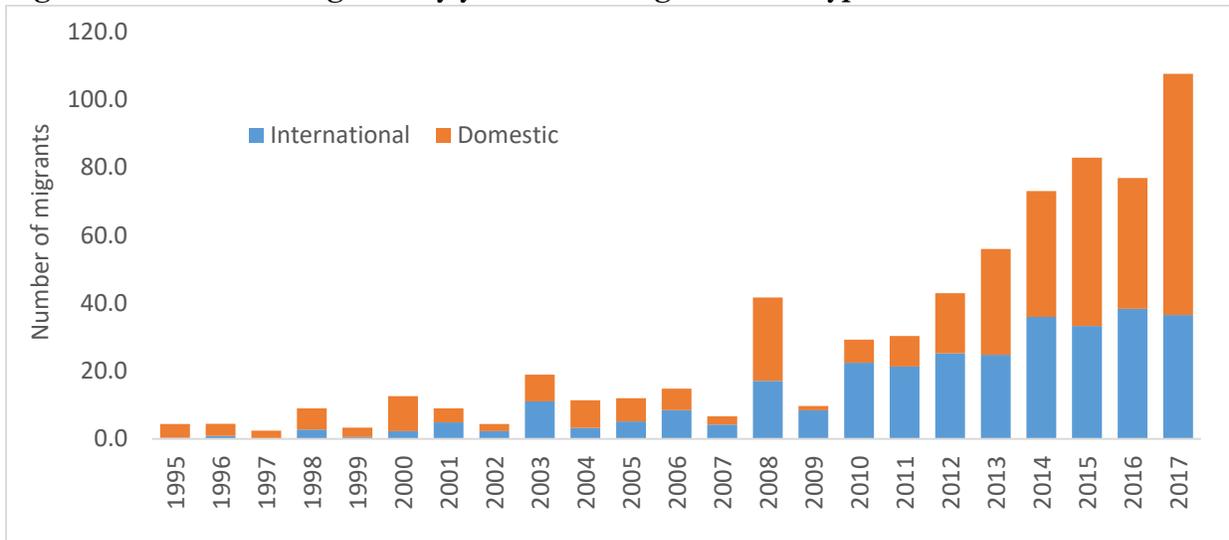


3.2 Characteristics of migration

More migrants are currently migrating internationally than domestically, but numbers of domestic migrants are growing more rapidly. Two-thirds (65%) of current migrants are currently working internationally, as compared to 35% working domestically. Levels of domestic and international migration were low until 2007 and increased from 2010 onwards (Figure 5). In every year from 2013 onwards, the number of first-time migrants to domestic destinations was higher than the number of first-time international migrants, indicating that opportunities for migration within Myanmar have increased in recent years. However, the total number of current migrants working abroad is still higher than the number working domestically because international migrants tend to migrate for longer periods than domestic migrants.

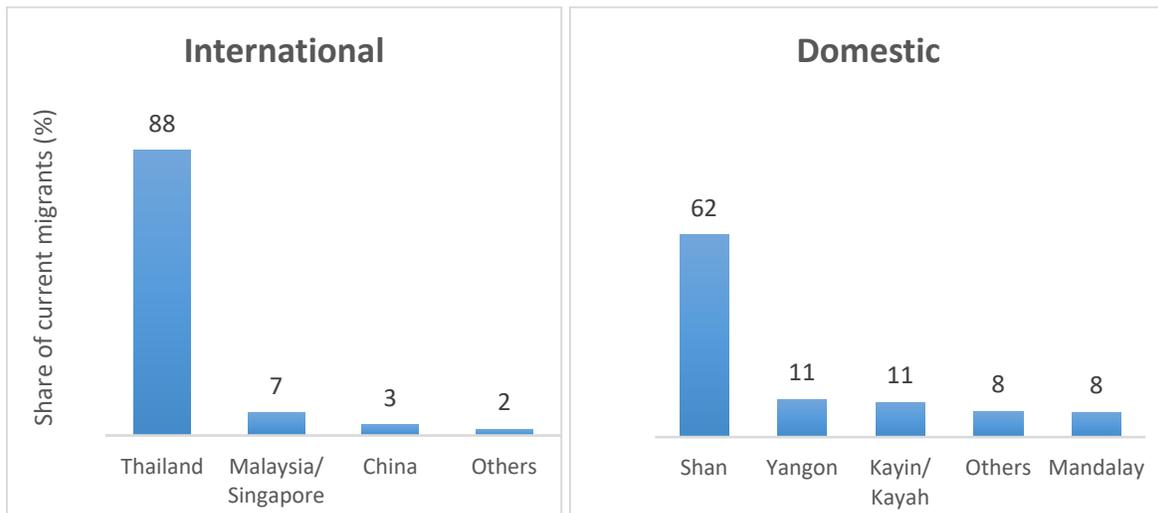
The vast majority of migration is to urban areas. Eighty-nine percent of international migrants and 79% of domestic migrants live and work in urban areas. Domestic migrants work in roughly equal numbers in state/region capitals (38%) and other urban areas (41%). This means that secondary and tertiary cities are providing significant opportunities for migration.

Figure 5. Number of migrants by year of first migration and type of destination



Thailand and Shan State are the most common destination for international and domestic migrants, respectively. Eighty-eight percent of current international migrants work in Thailand, while 62% of current domestic migrants are based in Shan (Figure 6). Thailand’s status as the major destination for international migrants is unsurprising given its proximity and high demand for low-skilled workers. The high share of domestic migrants working within Shan is more surprising and seems indicative of urban growth and employment opportunities emerging outside Myanmar’s two major cities, Yangon and Mandalay.

Figure 6. Destination of international and domestic current migrants



Migration is driven by a mix of push and pull factors that vary by migration destination. Expectation of higher income was the main reason for current migration cited by both international and domestic migrants (33% and 28%, respectively) (Table 6). Low household income was also cited by international and domestic migrants in similar numbers (20% and 17%). The second most commonly cited reason overall for migration - insufficient agricultural land – was cited more frequently

by international migrants (31%) than domestic (10%). Domestic migrants were more likely than international to report being unwilling to do agricultural work (18% versus 6%) or migrating for professional work (17% versus 0%) as the main reasons for migrating. Similar shares of international and domestic migrants reported that their primary motivation was for adventure to gain new skills (8% and 9%). Low household income was the most commonly cited second reason for migration (mentioned by 39% and 18% of international and domestic migrants), with seeking higher incomes the next most commonly cited second reason (13% of responses), followed by unwillingness to work in agriculture (9%) and seeking adventure or new skills (7%).

Table 6. Reasons for migration by destination (% of responses)

Reasons	Primary reason for migration			Second reason for migration		
	International	Domestic	All	International	Domestic	All
For higher income	33	28	31	17	6	13
Not enough land	31	10	24	5	5	5
Low household income	20	17	19	39	18	32
Adventure/to gain new skill	9	8	9	5	10	7
Not willing to work in agriculture	6	18	10	10	6	9
Social pressure	1	2	1	1	0	1
For professional work	0	17	6	0	3	1
No 2 nd Reason	-	-	-	23	52	33

Domestic migration is shorter on average than international migration. Almost 80% of domestic migrants who had returned to their place of origin migrated for two years or less (60% for less than a year, 10% for one year, and 9% for two years). International return migrants spent longer away from home on average than domestic migrants (four years, versus, one year), but almost half migrated for one year or less (19% less than one year and 30% around one year). The maximum duration of migration for returned domestic and international migrants was 13 years and 16 years, respectively. Domestic migrants are able to return home more frequently than international migrants due to proximity to their place of origin and cheaper transportation costs. International migrants returned home 1.7 times on average during their entire migration, as compared to 3.9 times for domestic migrants.

International migration is costlier than domestic migration. Migration costs for international migrants, including visa fees, transport costs and any agent's fees were MMK 544,817 (\$365) while domestic migrants spent an average of MMK 30,439 (\$20).

About half of current international migrants borrowed to cover the cost of their migration. Only 11% of domestic migrants borrowed in order to migrate, reflecting the lower cost of doing so. The average amount of money borrowed by international and domestic migrants to fund their migration was very similar the average outlay on migration at MMK 549,327 and MMK 25,321 respectively.

Migrant earnings are typically sufficient to recoup migration costs quite rapidly. We calculated the average duration of work required to cover migration costs based on average international and domestic wages. International migrants had to work for 35 days as casual workers or 1.2 months as salaried workers in order to earn an amount equivalent to their initial migration costs. Domestic migrants

needed to work for only 4.4 days as casual workers or 0.2 months as salaried workers to recover the initial costs of their migration.

Most migrants who borrowed in order to migrate reported having paid off their debts. Among debt taking migrants, 87% of international and 67% of domestic migrants were reported to have repaid their debt in full. Seven percent of international migrants had repaid part of the money they borrowed. However, 6% of international and 33% of domestic migrants were yet to pay any part of the money that they borrowed in order to migrate. International migrants may have been able to repay a higher share of their migration debts than domestic migrants due to the higher wages they earned, but also due to the longer average duration of their migration (Table 7).

Table 7. Debt repayment status by migrant destination (%)

Debt repayment status	International	Domestic	Total
Fully repaid	87	67	85
Partially repaid	7	0	6
Completely unpaid	6	33	8

Most migrants migrated only once. Eighty-one percent of international and 69% of domestic migrants were reported to have migrated one only one occasion.

3.3 Characteristics of migrant work

International and domestic migrants are employed in different types of work. Some of the main types of work performed by international migrants are unskilled labor: construction work (28%), domestic work (23%) and factory work (16%). These occupations each account for only 6-7% of work performed by domestic migrants. Conversely, salaried work and casual non-farm work account for 34% and 12% of employment by domestic migrants, but only 5% and 1% for international migrants. Only service sector work is equally important to both international and domestic migrants (17% each). Most of the salaried jobs taken by domestic migrants are in the public sector (Table 8).

Table 8. Migrant occupation by destination and gender (%)

Occupation at Destination	International	Domestic	Male	Female	Overall
Construction worker	28	7	27	14	21
Domestic staff	23	6	1	35	17
Service sector	17	17	17	18	17
Salaried work	5	34	18	12	15
Factory worker	16	7	16	10	13
Agricultural worker	6	4	6	5	5
Other casual non-farm work	1	12	5	5	5
Natural Resource Extraction	0	6	4	0	2
Others	3	7	7	1	5

Some gender division of migrant labor is evident, but many types of work employ similar numbers of men and women. Domestic work is the single largest category of employment for

women (35%), but employs almost no men (1%) (Table 8). Construction is the largest source of jobs for migrant men (27%) but is also a significant employer of women (14%). Women and men are employed in service sector work in similar numbers (18% and 17%, respectively), as well as in salaried work (12% and 18%), agricultural work (5% and 6%) and casual non-farm work (5%). However, it is important to note that the specific types of employment within these broad categories may vary by gender.

International migrants earn more than twice as much as domestic migrants on average.

Reported monthly salaries ranged from MMK 190,000-650,000 (\$125-435) for international migrants and MMK 45,000-380,000 (\$30-255) for domestic migrants, averaging MMK 458,000 (\$305) and MMK 175,000 (\$115), respectively (Table 9). Daily wages earned by international migrants for casual work averaged MMK 15,500 (\$10) (a figure close to the level of the Thai minimum wage) whereas domestic migrants earned an average of MMK 6900 (\$4.6). The average daily wage of domestic migrants is 60% higher than the mean peak season agricultural wage of MMK 4300 (\$2.8) earned by men in southern Shan in 2017, and 83% more than the average peak season women’s agricultural wage (Lambrecht and Belton, 2019).

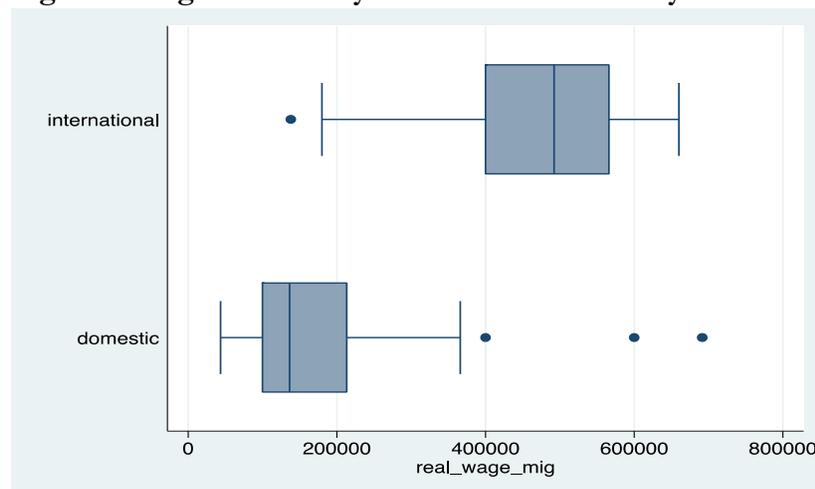
Table 9. Difference in average real wage by destination, 2007-2018 (MMK, constant 2017 prices)

	Domestic	International	Difference (%)
Daily Wage	6,928	15,593	125
Monthly Salary	174,590	458,287	162

More than half of domestic migrants in fulltime work earned less than the lowest salary earned by international migrants.

Figure 7 shows that the median salary earned by international migrants was MMK 500,000/month (\$335), as compared to MMK 130,000/month (\$90) for domestic migrants. One quarter of international migrants earned less than MMK 400,000/month (\$270) as a monthly salary, with the remainder earned MMK 400,000-660,000/month (\$270-440). Conversely, three-quarters of domestic migrants earned less than MMK 210,000/month (\$140), with the remainder received MMK 210,000-380,000 (\$140-255).

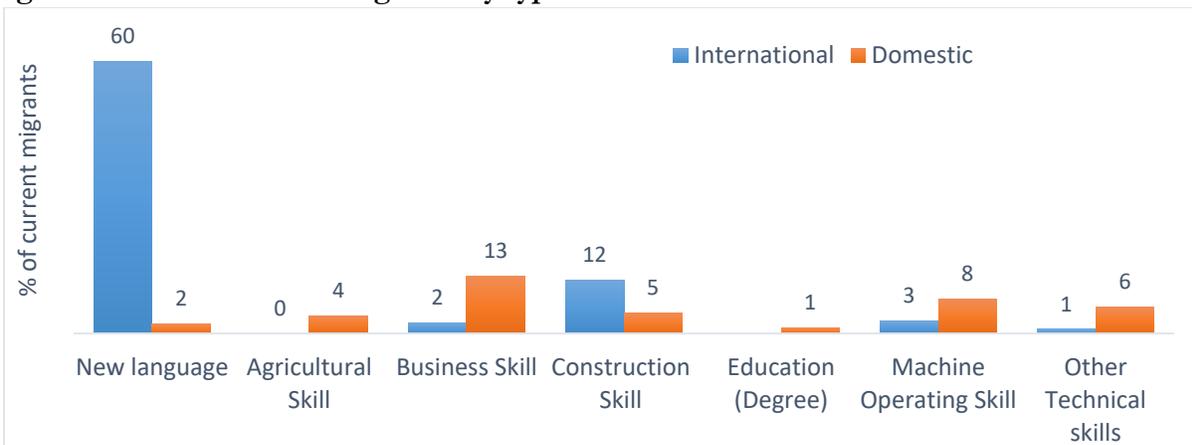
Figure 7. Migrant monthly salaries distribution by destination



Few migrants received food and lodging from their employers, with the exception of international migrants working as domestic staff. Just under half (46%) of international migrants working as domestic staff received food and lodging from their employers, as compared to 7% of internal migrants doing domestic work.

Domestic migrants acquired a more varied set of skills than international migrants during the course of their migration. Thirty-eight percent of domestic migrants reported learning a new skill, across a range of areas including business, agriculture, construction, machine operation and other technical skills (Figure 8). By far the most common skill acquired by international migrants during the course of migration was a new language, acquired by 60%. Few international migrants acquired any other skills, with the exception of construction (learned by 13%).

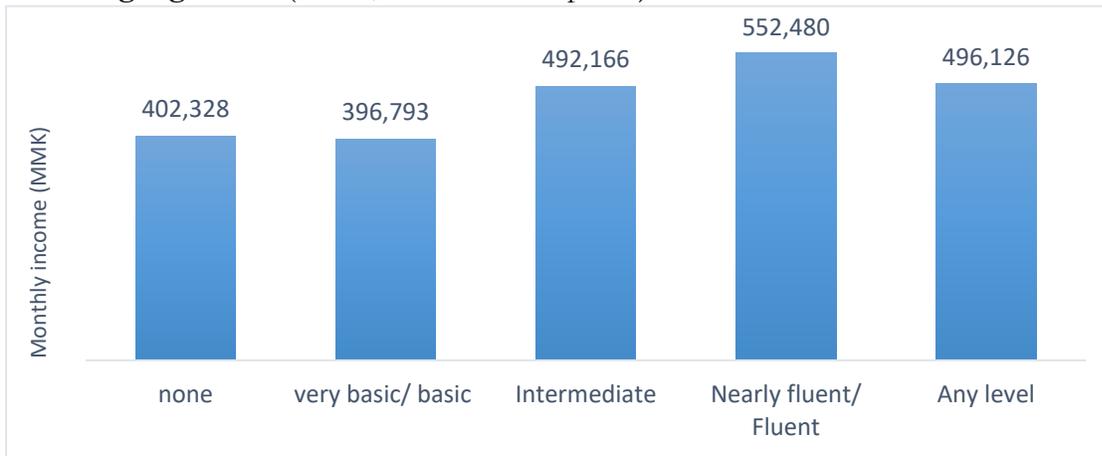
Figure 8. Share of current migrants by types of new skill learned



Foreign language skills are positively correlated with earnings for international migrants. Eighty-seven percent of international migrants worked in Thailand. The monthly salary earned by migrants working fulltime jobs in Thailand who spoke any level of Thai language was 23% higher on average than that earned by migrants who learned no Thai (Figure 9). A similar pattern was found for migrants earning daily wages. However, disaggregating results further by degree of fluency shows that only individuals with intermediate, nearly fluent or fluent language skills obtained higher wages on average. Migrants who were nearly fluent/fluent in Thai earned monthly wages 37% higher than those with no Thai language skills. Duration of migration and language skills are likely correlated as learning a new language takes time. Migrants who have worked in Thailand long enough to learn the language to a high standard may also have gained skills or experience or developed social networks that enable them to access better paying jobs.

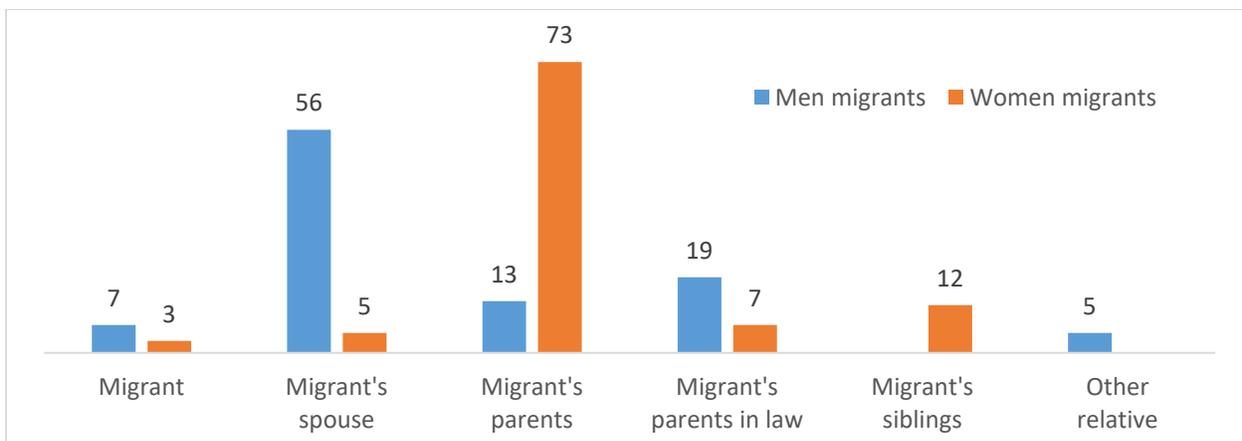
International and domestic migrants with children rely heavily on household members at their place of origin to provide childcare. Nearly 80% of both international and domestic migrants with children left them in the care of other members of their own household at their place of origin. Eighteen percent of domestic migrants brought their children with them to their migration destination, as compared to only 5% of international migrants. This likely reflects the cost and difficulty associated with taking children abroad.

Figure 9. Average monthly wages earned by fulltime migrant workers in Thailand, by level of Thai language skills (MMK, constant 2017 prices)



Patterns of caregiving vary depending on the gender of the migrant. Wives assume primary responsibility for childcare when married men migrate without them. It is rare for married women to migrate without their husbands. When married couples migrate, it is usually the woman’s parents that assume responsibility for the care of grandchildren (73% of cases in which women with children migrate) rather than the man's parents (13%). Similarly, migrants’ siblings were only reported to assume childcare duties when the migrant was a women. This implies that the burden of reproductive care that falls to mothers also extends to the families of women migrants (and likely primarily to the female members of those families), reproducing wider norms and inequalities in gender roles (Figure 10).

Figure 10. Primary caregiver of migrants’ children during migration by gender (%)



3.4 Migration outcomes

Well over half of migrants remitted money to their place of origin. Fifty-eight percent of migrants were reported to have sent remittances in the past 12 months (Table 10).

International migrants are more likely to send remittances, and remit larger amounts. A larger proportion of international migrants (73%) remitted money than domestic migrants (39%), reflecting

higher wage earning opportunities overseas. Domestic migrants are more likely to bring back goods or cash on their person when returning from migration (reported by 54% and 21% of domestic and international migrants, respectively) (Table 10). International migrants remitted 65% more on average than domestic migrants: MMK 76,000/month (\$51) versus MMK 46,000/month (\$31). When the value of cash and goods brought back to the household by migrants themselves is also considered, the annual value of income received by the households of international migrants is 41% higher than that received by households of domestic migrants: MMK 1,000,000 (\$670), versus MMK 710,000 (\$475) (Table 10).

Men and women migrants are equally likely to remit, but women send slightly larger remittances on average. Fifty eight percent of men and 57% of women migrants remitted money within the past 12 months. Women’s monthly remittances were 20% higher on average than men’s – MMK 74,000 (\$49), versus MMK 62,000 (\$41) (Table 10).

Landless migrants are slightly more likely to remit than landed migrants. 66% of landless migrants and 56% of landed migrants sent remittances. Migrants with more land sent more remittances. Moving from landholding tercile 1 to tercile 3, the share of migrants sending remittances increases from 50% to 64%.

Table 10. Share of migrants sending remittances in the past 12 months by destination, gender, land terciles

Migrant	% migrants sending remittances in past 12 months	Average value of remittances per migrant (MMK/month)	% of migrants bringing back cash/goods	% migrants remitting and/or bringing back cash/goods	Average value of transfers in past 12 months (MMK/million)	Value of all transfers to surveyed households in past 12 months (MMK million)
All	58	66,791	36	75	0.87	32,272
Domestic	39	46,037	54	72	0.71	11,298
International	73	76,033	21	77	1.00	20,975
Men	58	61,544	37	77	0.84	18,254
Women	57	73,981	34	72	0.92	14,018
Landless	66	63,445	40	79	0.80	5,909
Landed	56	67,686	35	74	0.89	26,364
Tercile1	50	48,181	37	76	0.77	7,288
Tercile2	52	81,568	33	68	1.00	8,986
Tercile3	64	70,466	34	77	0.91	10,090

* Transfers = value of money remitted remotely + cash/goods brought back to the household by the migrant

There has been a slight reduction in the use of hundi for transferring international remittances. Hundi is the traditional means by which international remittances are transferred to Myanmar, through a network of informal agents. The share of international remittances moved by the hundi system dropped from 48% to 38% between 2013 and 2018. Wire transfers (formal transfers through banks and other formal financial institutions) increased slightly, from 22% to 26% of international remittance transactions. Interestingly, transfers through brokers also increased slightly, from 18% to 24%. The

reasons for this are not known. Wire transfers (likely through banks) are the most common mode of remittance for domestic migrants, though unaccountably the share of migrants remitting through this channel fell from 61% to 46% between 2013 and 2018, whereas carrying cash, either by self or friends/relatives, became slightly more common. Use of mobile money transfer platforms is still very limited for both domestic and international remittances.

Table 11. Method of remittances in 2013 and 2018 (%)

	International		Domestic	
	2013	2018	2013	2018
Hundi	48	38	0	1
Carried by relative/friend	11	11	35	38
Through broker	18	24	0	4
Wire transfer	22	26	61	46
Mobile money transfer	1	1	0	1
Carried by self	0	0	4	11

Most remittances are spent on day-to-day living expenses. Households were asked about the primary, secondary and tertiary uses of the remittances they received. More than half (52%) of respondents reported that the primary use of remittances was to cover the cost of day-to-day household living expenses. Agricultural operating costs were the second most common use of remittances (9%) and an important secondary use (21%), underlining the importance of non-farm income in supporting agricultural activities (Table 12).

Table 12. Use of remittances by destinations (%)

	Primary reason	Secondary reason	Tertiary reason
Day to day household expenses	52	0	0
Agricultural operating costs	9	21	7
Medical expenses	7	17	22
Repayment of debt	7	1	3
Education	6	35	24
Housing	6	8	11
Child care	5	10	22
Purchase of agricultural assets	5	4	1
Savings	3	3	5
Give donations	2	1	5

Everyday necessities such as medical expenses, debt repayment, and costs associated with education are the next most important uses of remittances. Education costs, medical expenses and child care costs were among the most important secondary and tertiary uses of remittances. Child care costs may be associated with migration when migrants' children are cared for by members of remittance receiving households. Investments in productive assets and savings are limited, as is

expenditure on housing, despite the common perception that remittances are often used for home construction or improvements (Table 12). These results suggest that remittances play an important role in facilitating households to get by from day-to-day, but that living costs, shocks such as ill health, and expenses such as school fees erode the ability to save remittances or invest them productively.

4.5 Post-migration

Reasons for returning from migration reveal the precarious nature of much migrant work. The most commonly cited reason for terminating migration is the prospect of a job at home (reported by 33% and 18% of domestic and international migrants, respectively). However, poor working conditions, loss or lack of work, poor health, and lack of legal status together account for 43% of decisions to return from migration (Table 13). Poor working conditions is the most common of these, cited by 16% and 17% of international and domestic migrants, respectively. Loss of work is more commonly reported by domestic migrants, while ill health is reported more often by international migrants. Only 8% of migrants reported returning home because they had achieved a goal such as attaining savings or acquiring a new skill. Domestic migrants were slightly more likely than international migrants to report having done so (10% versus 4%). Together, these results paint a picture of migrant experiences that are difficult and often characterized by a high degree of precarity and vulnerability.

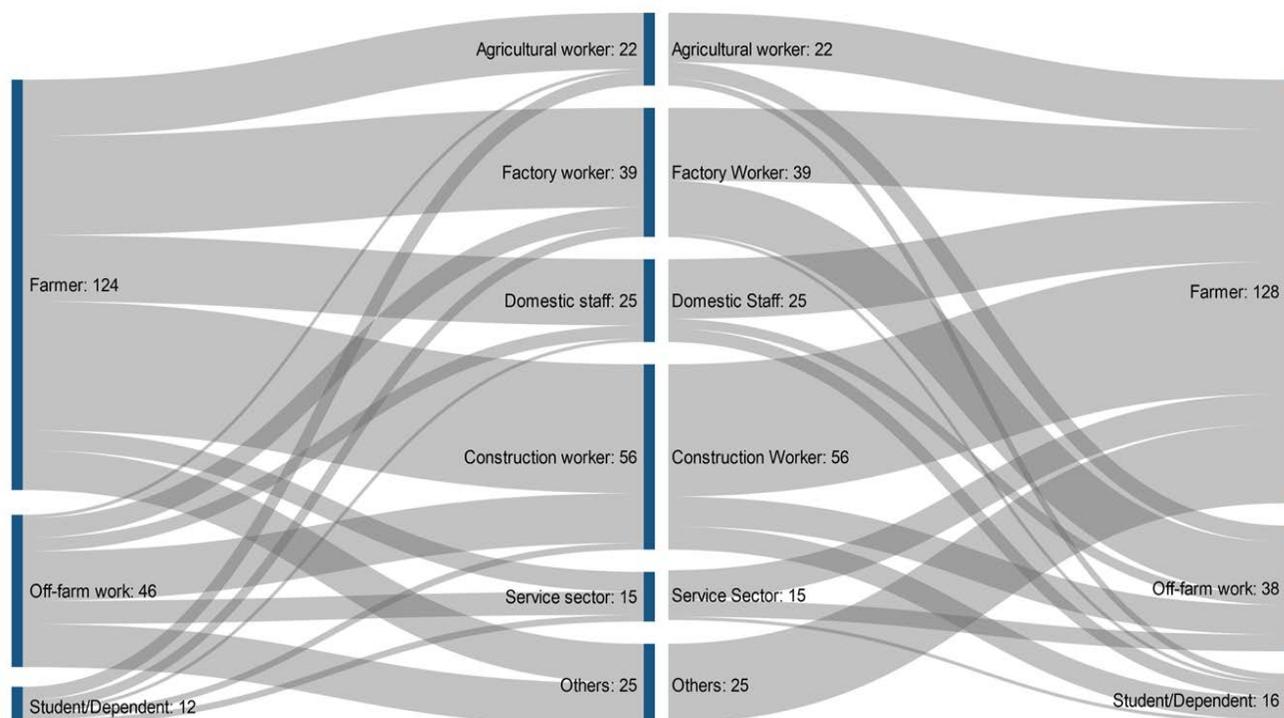
Table 13. Reasons for return by destination

Reason of return	International	Domestic	Total
Job prospect at home	18	33	28
Poor working conditions	16	18	17
Loss of work/no job opportunities	10	16	14
To take care of family members	18	7	10
Poor health	16	6	9
Achieved goal (saving/new skill)	4	10	8
Marriage/pregnancy	7	5	5
No legal status	5	3	3
Others	7	4	5
Total	100	100	100

Although most migrants are farmers, migration does not appear to have significantly affected the long-term rate of labor force participation in agriculture in southern Shan. Figure 11 illustrates the occupations of returned international migrants prior to, during and after migration. Farming was the primary occupation of most international migrants before they migrated, practiced by 124 migrants (68% of the total). A similar number of migrants (70%) took up farming as their primary occupation following their return. There was a slight reduction in the number of migrants working off-farm on their return (down from 25% to 21%) and a small increase in the share of migrants who became dependents or enrolled in education (up from 7% to 9%). Domestic migrants also return to their original primary occupations in similar numbers. As the average duration of migration is quite short, an implication of this finding seems to be that impacts on scarcity of

agricultural labor may be less severe than expected. This interpretation seems to correspond with the observation that real agricultural wages in southern Shan did not increase sharply over the past decade, unlike many other areas of the country (Lambrecht and Belton, 2019).

Figure 11. Occupation of return international migrants before, during and after migration



Around half of migrants are able to use skills learned during migration to generate income after returning home. Domestic return migrants more likely to use skills acquired during to generate income at their place of origin than international migrants. Sixty-two percent of domestic return migrants were able to use skills acquired while migrating to generate income at their place of origin, as compared to only 22% of international return migrants. This reflects the wider variety of skills acquired by domestic migrants as compared to international migrants, for whom the most commonly acquired skill is proficiency in a foreign language (Table 14).

Table 14. Return migrants using new skills for income generation (%)

Able to use new skill	International	Domestic	Total
Yes	22	62	45
No	78	38	55

Most return migrants have no intention to migrate again. More than 70% of migrants do not expect to migrate again. Fourteen percent were uncertain whether they would migrate again, and 14% were undecided. Most migration from southern Shan is temporary and circular, and migration is used strategically to cope with low incomes, shocks, limited opportunities for local non-farm employment.

CONCLUSION

The following features stand out from our analysis in the preceding sections. Labour migration has become an increasingly important phenomenon in surveyed townships in southern Shan over the past decade, accelerating particularly in the past 5 years, but the rate and scale of migration remains smaller than in many other parts of the country. International migrants make up two-thirds of the migrant workforce, but domestic migration – particularly to urban areas within Shan - now outpaces international migration, suggesting the emergence of new employment opportunities in secondary and tertiary cities.

Reasons given for return migration underline the difficult and precarious nature of much migrant work. The average duration of migration is quite short. Most return migrants have migrated only once and have no intention to do so again, and similar numbers of migrants who farmed prior to migration take up agriculture upon returning home. This observation suggests that migration does not necessarily reduce the long-term rate of labor force participation in agriculture and, at present, may have smaller than expected impacts on the availability of agricultural labor. This interpretation seems to correspond with the observation that real agricultural wages in southern Shan did not increase sharply over the past decade, unlike many other areas of the country.

International migrants earn considerably more than domestic migrants, but face much higher migration costs and often borrow in order to fund migration, potentially putting them at risk of exploitative labor arrangements. A majority of migrants send remittances to their place of origin, and remit quite substantial amounts on average. However, remittances are most commonly used to cover the cost of day-to-day living expenses and everyday necessities such as education, health and farm operating costs, while savings and investment in productive assets are rare. This suggests that by migrating from rural areas ('stepping out'), remittance-sending migrants provide vital support that enables remaining household members to get by ('hanging in'), but are less frequently able support household investments on a scale that allows for upgrading or expansion of productive activities ('stepping up').

Collectively, this evidence suggests a number of implications for policy and programming, as follows.

- 1) **Domestic migration is growing more rapidly than international migration, and may eventually contribute to a reduction in the scale of international migration.** Although domestic migrants earn and remit significantly less than international ones, domestic migration offers a number of other advantages, being cheaper, less risky, and resulting in higher levels of reported skills acquisition than international migration. Moreover, value created by domestic migrants remains in country, creating spillovers. A policy environment that contributes to the growth of businesses can thus also help to ensure that more of the benefits of migration remain in Myanmar.
- 2) **The impact of migration on rural labor markets in Shan appears to have been smaller than expected to date.** This is because most migrants migrate only once, the average duration of migration is quite short, and most migrants return to farming when they come home. This may reflect high levels of access to agricultural land in southern Shan, relative to other areas of the country.

- 3) **...Nevertheless, the rural labor market in southern Shan is likely to tighten if migration continues to intensify.** This will result in rising agricultural wages, and the need for further mechanization in agriculture to offset increased costs and ensure timeliness.
- 4) **Financial services designed to meet migrants' needs could reduce the need to borrow informally, reducing the risk of becoming trapped in exploitative labor arrangements.**
- 5) **Expanded provision of public health care, social safety nets, and cheaper schooling can free up more remittance income to be saved or used in productive investment** by lessening the impact of shocks and reducing the burden of every day expenses. These investments could also reduce the rate of migration, as migration is partly driven by need for money to pay for basic necessities.
- 6) **Although men and women migrate in roughly equal numbers, the burden of unpaid work caring for children left behind falls mainly on non-migrant women.**

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