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Labour Standards and Bilateral Migration Flows in ASEAN

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Abstract : This study employs a panel data set of ASEAN member states, 17 European Union (EU) countries, 7 American countries and 11 other Asia Pacific countries (China Mainland and Hong Kong SAR are treated as two separated countries) to investigate the role of labour standards in explaining the pattern of bilateral migration flows in ASEAN. Using pooled Ordinary Least Square (OLS) this study found mixed results. The result varies on how indicators were used to measure the level of labour standards in the empirical analysis. In one side, better labour standards (represented by number of strikes and weekly average working hours) promote bilateral migration among the selected countries. On the other side, increase in cases of occupational injuries lead to an increase in bilateral migration, reflecting that worsen in working conditions do not influence the workers' decision from moving. The finding from this study become important to policy maker as the issues of massive low skilled workers have a significant impact to the role of labour standard in shaping the migration flows.

Keywords: labour standard, migration, ASEAN, economics and financial engineering

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