

Thesis Title : Factors Affecting Labor Mobility from Agricultural Sector
to Industrial Sector in Lamphun Province.

Author : Chira Bureecam

M. Econ : Economics

Examining Committee :

Assist. Prof.	Vasant	Siripool	Chairman
Assist. Prof.	Thongchai	Shusuwan	Member
Assist. Prof.	Dr. Satiean	Sriboonruang	Member

Abstract

The main objective of this study is to analyse factors affecting labor mobility from agricultural sector to industrial sector in Lumphun province. Interview questionnaire which designed to collect primary data from 258 samples consist of 97 samples from agricultural labor, 61 samples from labor in informal sector and 100 samples from labor in formal sector.

This study has 2 models. First model or Model I was designed to analyze factors affecting labor mobility from agricultural sector to informal sector. Second model or Model II was modelled to analyze factors affecting labor mobility from agricultural sector to formal sector. The variables used in the models consist of two types of factor. Firstly, income factors i.e. present income in agricultural sector, present income in formal and informal sectors, and present family income. Secondly, non-income factors i.e. distance, age, education, family - size, arable land-holding, sex, marital status, information, and experience.

LOGIT model is applied for the study purposes. Maximum Likelihood Estimates (MLE) technique was used to estimate the coefficient of independence variables stated in the models. The research results of Model I show that an increase in present income of informal sector will attract more labor to move from agricultural sector to informal sector quite rapidly. Meanwhile, decrease both present income and present family income of agricultural sector will also push labor out of agricultural sector. An increase in arable land-holding will discourage labor mobility. Male labor has higher tendency to move from agricultural sector to informal sector than female.

Furthermore, the research results also show that whenever present income in agricultural sector is increased labor will be ready to move back to original agricultural sector immediately. If such a case, therefore, labor mobility from agricultural sector to informal sector can be described as circular mobility or temporary mobilization of labor.

From the research results of Model II, it was found that decrease in present income in agricultural sector will push more labor to move into formal sector meanwhile, an increase in arable land-holding and labor's age will slow-down mobility of labor into formal sector. Moreover, larger family-size will induce more labor to move out of agricultural sector, while more job's information in informal sector and working experience of labor in non-agricultural sector will induce more labor to move into formal sector.

It should be noted here that mobility of labor from agricultural sector into formal sector is permanent mobility in the sense that even though income in agricultural sector increase, labors will be reluctant to move back to their original agricultural sector. This is due to higher direct monetary benefit and higher expected indirect benefit which obtained from formal sector in the forms of better and easier accessibility of the following facilities such as education, medical care, communication, and entertainments, since they move into formal sector.