Abstract

**A Test of Neoclassical Models of Migration, The Impact of Wage
and Salary on Household Migration, A Cross Sectional Data Analysis :
A Case Study of Thailand**

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One of the most important factors determining migration in the Neoclassical model is **"Wage and Salary"** in particular, the wage and salary differentials among different local areas or different economic sectors are the stimulants for migration.

The objectives of this study are (1) to test the Neoclassical Model as to how much the impact of the wage and salary differentials on migrations of the Thai households, (2) to compare those impacts on the migrations of households in different regions, and (3) this study will be useful for teachings and studying in the classes of Population and Human Resource Economics.

Regression analysis in a log form is used in this study using cross-sectional data from the Households' Income, and Income – Distribution Survey in 1998. The analysis is on national as well as on regional levels.

It could be concluded from the study that *"Wage and Salary"* is a very important factor determining migrations as usually stated in the Neoclassical Model of Migrations. For Thailand, in particular, the regressional equation of the national level shows that the **"Wage and Salary"** is an important factor determining about 66.9% of households' migration, while many other factors responsible for about 33.1%. Thus, the changes in relative Wages and Salaries in different regions either in terms of minimum wages or others will, undoubtedly, have some impacts on migration and population distribution. Therefore, the increases in relative wage and salary may be a good instrument for population distribution as well as for income distribution.