



# Economic and Social News

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## Thailand's Social Development in Q1/2014

Office of the National Economic and Social Development Board (NESDB) released the official report on Thailand's social development in the first quarter of 2014. Details of the situation are described as follows.

### Social situations and indicators in Q1/2014

#### **Employment declined and unemployment rate increased while income rose**

In the first quarter of 2014, employment declined by 1.8 percent owing primarily to a decline in agricultural sector of 13.7 percent following the drought condition. On the contrary, employment in non-agricultural sector increased by 4.8 percent. Unemployment rate was recorded at 0.89 percent compared with 0.72 percent in the same period last year. Average working hours remained at 42.7 hours per person per week, decreasing from 43.8 hours per person per week in the same period last year or declining by 2.4 percent. Average working hours of non-agricultural and agricultural workers dropped by 3.6 and 2.5 percent respectively.

Wages and salaries in the private sector excluding overtime pay and other benefits in the first quarter of 2014 increased by 10.4 percent compared with the same period last year. Due to a 2.0 percent rise in price levels, wages and salaries of the private sector after deducted by inflation increased by 8.2 percent.

#### **Household debts slowed down but some insolvency risks remained.**

**Household economic status in 2013:** Household Socio-Economic Survey revealed that average household income was 25,194 baht per month, increasing by 4.1 percent per annum and average household expenditure was 19,061 baht per month, increasing by 4.7

percent per annum. Meanwhile, average household debt stood at 163,087 baht per household, growing by 9.95 percent.

Average household asset was 1,490,695 baht per household, or equivalent to 9.14 asset to debt ratio. Numbers of household with saving were 14.99 millions, sharing of 75 percent to total households with average household saving of 115,446 baht.

Labor force survey in Q1/ 2014

	2012	2013					2014
	Year	Year	Q1	Q2	Q3	Q4	Q1
Total labor force (Millions)	39.4	39.4	39.1	39.5	39.5	39.4	38.5
1. Employed (Millions)	38.9	38.9	38.5	38.9	39.1	39.1	37.8
(%YoY)	1.3	-0.1	1.0	0.7	-0.9	-1.0	-1.8
1.1 Agriculture (%YoY)	3.7	-0.2	1.2	0.5	-1.7	-0.4	-13.7
1.2 Non-agriculture (%YoY)	-0.3	-0.03	1.4	1.1	-0.8	-1.9	4.8
2. Unemployed (Millions)	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Unemployment rate (%)	0.66	0.72	0.72	0.74	0.77	0.65	0.89
3. Seasonally inactive labor force (Millions)	0.2	0.2	0.3	0.3	0.05	0.1	0.3
Share to labor force (%)	0.5	0.5	0.9	0.7	0.1	0.3	0.8

Source: National Statistical Office

Spending patterns and debt of some household groups are considered vulnerable for households' livelihood and security in the future including (1) 8.52 million households or 42.25 percent share to total households who experienced insufficient income for their spending and debt payment. (2) 4.7 million households or one third of total households whose consumer debts accounted for more than 70 percent of total household debt. (3) Households of agricultural and general workers whose spending shared about 89.0 and 85.3 percent of total income respectively, higher than other household groups which tend to become debt burden. In addition, it was found that consumer debts of agricultural and general worker households shared about 68.1 and 61.8 percent of total debts respectively which considered as non-performing loans. (4) Only 75 percent of total households earned their saving and 11.4 million households or half of total households owned less than 100,000 baht saving. There were only 700,000 households holding saving of more than 500,000 baht. This reflects that Thai households are still vulnerable and possibly face with some risks in their living after retirement.

**Outlook for 2014: Household debts slow down** in the first quarter of 2014. Total outstanding of commercial banks' personal consumer credit stood at 3,273,570 million baht with 10.7 percent growth continually slowing down for five consecutive quarters. This slowdown owed mainly to the end of the first-car buyer scheme and some concerns over future income and employment condition which made household to soften their consumption. Nevertheless, debt solvency increased. In the first quarter of 2014, non-performing loans (NPLs) from personal consumer credit grew by 31.3 percent while credit default of over three month increased by 42.0 percent and the unpaid credit card balance of over three months also increased by 36.4 percent.

**Enhancement of Thai people's competency as part of the preparation for ASEAN Community and world's competitiveness is strongly necessary.** Thai population ages above 15 had 8 years of schooling in 2013, lower than the development target and also less than other 4 neighboring countries in ASEAN namely Singapore, Malaysia, Philippines, and Brunei. Average ONET score between 2009 to 2013 revealed that the student achievement score in core subjects were less than 50 suggesting that it is required to immediately improve educational system in terms of both quantity and quality in order to further support country's economic and social development.

**The number of patients diagnosed with diseases under surveillance decreased, however, the foodborne and waterborne infectious diseases are still required to be monitored closely.** In the first quarter of 2014, the number of patients under disease surveillance dropped by 3.9 percent compared with the same quarter last year, due significantly to a sharp decline in number of patients with dengue fever in line with its normalizing trend after a severe epidemic in the previous year and following its seasonal factor. The number of patients with pneumonia and influenza diseases rose as a result of unstable weather conditions and less severe condition during the first stage which made

patients unaware of receiving medical treatment and disease prevention. It is also considered necessary to be closely monitored the rising epidemic of the foodborne and waterborne and the outbreak of Middle East respiratory syndrome coronavirus (MERS-CoV), also termed EMC/2012.

**While expenditure on cigarette consumption slightly increased, spending on alcoholic consumption decreased.** In the first quarter of 2014, spending on alcoholic consumption was 36,030 million baht, declining by 11.1 percent from last quarter. However, expenditure on cigarette consumption was 5,490 million baht, growing by 16 percent from last quarter. Compared with the first quarter of 2013, spending on alcoholic consumption dropped by 7.8 percent, owing partly to continued implementation of control and prevention measures on alcoholic consumption. Moreover, household consumption declined in line with the economic condition. Expenditure on cigarette consumption increased by 1.5 percent due partly to a low base of the same quarter last year as an increase in the cigarette excise tax since the third quarter of 2012.

**The number of crime cases in general dropped while the cases against life, bodily harm and sex increased.** In the first quarter of 2014, total number of 105,748 crime cases were reported, decreasing by 18.1 percent compared with the same quarter last year. The narcotics cases served the largest share of about 83.6 percent of total crime cases, decreasing by 20.1 percent. The cases of offences against property declined by 7.4 percent and the cases against body and sex dropped by 6.1 percent but increasing by 4.6 percent compared with the first quarter of 2014. Nonetheless, the cases of serious and fearful crime increased particularly the violence occurring within the family, resulting in various kinds of crimes in the Thai society. This includes the juvenile delinquency which has been increased tremendously nowadays. Therefore, parents should encourage their children to know and value themselves. Parents need to also acknowledge and accept their children pros and cons as well as properly adjust their expectation upon their children.

**Road accidents dropped. However, it is still required to focus on reducing the traffic accidents from public buses and public vans.** In the first quarter of 2014, the number of deaths from road accidents declined by 24.1 percent compared with the same quarter of 2013. Despite the serious enforcement of the traffic law and the continued campaigning on safety helmet use, during Songkran festival in 2014, there were total 2,992 road accidents, increasing by 5.8 percent from last year. The number of injured increased by 6.1 percent but the number of deaths decreasing by 0.3 percent. Major causes were still from drunk drivers and the motorcycles were main vehicles of traffic accidents. Public vans had higher traffic accident than that of the public buses. Nonetheless, the number of deaths from public buses were recorded about 2.7 higher than that of from public vans. Major reasons of injury were from reckless driving and the main course of death was lack of safety equipment.

It is also important to further improve the hazardous waste management in the industrial sector. The problem of hazardous waste continued to increase. In 2012, there were about 4.71 million tons of hazardous waste, growing by 38.53 percent from 2011. These wastes mainly were mostly originated from the industrial sector of 3.95 million tons while only 2.82 million tons were properly treated in waste management system. It was also found that hazardous wastes were left without permission in the local community's waste area. Meanwhile, hazardous wastes from the community recorded at 0.71 million tons, or 0.7 percent growth compared to 2011. Of these, about 51 percent were found as the disposal of waste of electrical and electronic appliances of 0.36 million tons and other hazardous waste such as batteries, light bulbs and chemical containers of about 0.35 million tons. Currently, those hazardous wastes remain disposed with other ordinary waste or were sold to used-item buyers which might be separated inappropriately. Hazardous waste both from industrial sector and community left together with common waste can be polluted into environment and finally food chain.

#### Key social issues “Value of the elderly people in the Thai society”

Rising dependency is a result of the ageing society of Thailand and also changing economic and social conditions which seem to affect elderly people's value. Value of the elderly in the Thai society is generally defined as those with lots of experience, ability to provide suggestion, self reliance, and supporter for siblings. However, people also consider the ageing people as those with poor health, illness and care seeker. Some people perceive the elderly as those to be grateful and needed to return their gratitude to. Regarding the definition of “the elderly”, about 70 percent said that the elderly people are those aged over 60 years according to the normal international standard. Meanwhile, 20 percent of working aged people and of over 60 years old said that ageing population should be more than 70 years old. In addition, since each elderly seems to have different characteristics, thus it is important to consider the elderly people in terms of health, personal character, and also their working ability.

It is likely that the value given to elderly in Thai society is lower compared to the past, though still remains at a satisfactory level. Following the survey in valuing Thai elderly, it is apparent that 90 percent have positive attitude towards the elderly while only few turned out to be negative especially those look at the elderly as family burden. Self value among elderly themselves and by other groups remains relatively high.

Ageing population has significant role in family and society. About 3 out of 4 elderly remain an active role in supporting their family in several circumstances including advising, baby sitting, house-keeping, as well as mental healing. More than 60 percent of the early elderly (aged 60-69 years old) still play important role in terms of financing, products, and house-keeping. Meanwhile, 77 percent of elderly mentioned that they participated in valuable activities for community and society. Also, they said they were supported from family members through money, products and health care provision which reflect that the significance and the

gratefulness to the elderly in the Thai society remain fairly well. About one-third said they were deliberately targeted particularly for making joke.

**Key issues needed to be closely monitored in the near term are as follows:**

1. Employment condition and farm income which might be adversely affected by the drought, downsize of workers due to political situation, and high possible unemployment trend of newly graduates particularly those graduated in liberal arts, journalism and information, business and administration, commerce, biological science, physical science and computer.

2. Lessen household's insolvency risk by providing better opportunities for low-income households in order to obtain higher income, providing knowledge for household to well manage their balance sheet, as well as controlling and monitoring debt collection fairly.

3. Development of Thai people's competency by supporting lifelong learning system in all age groups. In order to improve human quality with the educational system, it is required to reform teaching lessons, develop teacher skills to be diversified, evaluate teacher's academic standing with student achievement, and prepare basic of language knowledge for youth.

4. Enforcement of traffic law to be more strictly especially by controlling speed limit and drunk drivers, encouraging safety concern, and enforcing stricter measures for public bus.

5. Speed up more effective hazardous waste management particularly from industrial sector.

6. Development of active ageing in the elderly by strengthening family relationship and educating students in school to value the elderly. It is also important to build up the saving system and the long-term care for elderly.

Office of the National Economic and Social Development Board (NESDB)

2<sup>nd</sup> June 2014

## Key Social Indicators

Components	2011	2012	2013	2013				2014
	Year	Year	Year	Q1	Q2	Q3	Q4	Q1
<b>1. Employment<sup>1/</sup></b>								
Workforce (Thousands)	38,922	39,409	39,395	39,134	39,489	39,467	39,445	38,454
%YOY	0.72	1.25	-0.02	1.04	0.69	-0.94	-1.00	-1.74
Employed person (Thousands)	38,465	38,941	38,919	38,516	38,912	39,112	39,087	37,812
%YOY	1.12	1.24	-0.05	1.32	0.85	-1.18	-1.26	-1.83
Unemployed person (Thousands)	264.3	258.8	284.0	280.5	292.1	305.6	255.9	341.1
Unemployment rate (%)	0.68	0.66	0.72	0.72	0.74	0.77	0.65	0.89
Underemployed person (Thousands)	383.3	347.4	336.6	393.8	277.6	327.5	346.0	277.9
<b>2. Health and illness</b>								
Number of patients under disease surveillance (cases) <sup>2/</sup>								
- Measles	3,156 (22.2)	5,207 (65.0)	2,642 (-49.3)	937	793	619	293	330
- Meningococcal Meningitis	22 (-21.4)	8 (-63.6)	15 (87.5)	3	3	2	7	3
- Japanese encephalitis	572 (32.7)	680 (18.9)	724 (6.5)	182	187	177	178	167
- Cholera	281 (-82.4)	45 (-84.0)	8 (-82.2)	4	1	1	2	1
- Hand, food and mouth	18,196 (46.1)	45,297 (148.9)	45,853 (1.2)	9,624	8,872	17,942	9,415	9,294
- Dysentery	14,274 (-8.9)	13,094 (-8.3)	9,425 (-28.0)	2,679	2,708	2,441	1,597	2,081
- Pneumonia	179,976 (5.6)	195,940 (8.9)	184,147 (-6.0)	55,277	35,374	49,577	43,919	58,963
- Leptospirosis	4,261 (-13.8)	4,275 (0.3)	3,047 (-28.7)	634	626	963	824	360
- Dengue fever	69,800 (-40.3)	79,593 (14.0)	152,768 (91.9)	21,879	52,131	64,734	14,024	4,757
- Influenza	62,112 (-46.1)	62,100 (0.0)	43,791 (-29.5)	17,372	6,084	11,591	8,744	28,359
- Rabies	7 (-53.3)	5 (-28.6)	6 (20.0)	1	3	2	-	2
Numbers of patients with chronic non-communicable diseases (cases)								
- High blood pressure	920,106 (7.0)	1,009,382 (9.7)	n.a.	No quarterly data available				
- Ischaemic heart disease	264,877 (4.7)	274,753 (3.7)	n.a.					
- Cerebrovascular disease	212,186 (8.2)	227,848 (7.4)	n.a.					
- Diabetes	621,411 (2.2)	674,826 (8.6)	n.a.					
- Cancer and tumors	408,830 (6.0)	434,166 (6.2)	n.a.					
<b>3. Social security</b>								
- Patients from road accidents (cases)	9,065	7,634	6,938	2,171	1,720	1,470	1,577	1,647
- Crime against person (cases)	25,478	24,972	23,573	6,135	6,246	5,685	5,507	5,736
- Property crimes (cases)	50,545	49,752	49,853	12,511	12,223	12,892	12,227	11,587
- Narcotics (cases)	345,950	363,174	434,557	110,569	110,711	112,107	101,170	88,398
<b>4. Consumer protection<sup>3/</sup></b>								
<b>4.1 Number of complaints (cases)</b>								
- House, building, land	2,927	3,547	2,543	758	663	632	490	180
- Products and services	3,121	4,024	3,112	759	555	709	1,089	502
- Advertisement	1,257	2,012	787	310	233	244	-	-
- Direct sales and direct marketing	117	15	67	12	31	24	-	-
<b>4.2 Hot line 1166 (cases)</b>	<b>61,242</b>	<b>60,982</b>	<b>41,773</b>	<b>10,321</b>	<b>10,314</b>	<b>12,348</b>	<b>8,790</b>	<b>3,410</b>

Note: Labor data in Q1 is an average of January-March 2014

Source: 1/ Labor force survey report, National Statistical Office, Ministry of Information and Communication Technology

2/ Bureau of Epidemiology, Department of Disease Control, Ministry of Health

3/ Office of the Consumer Protection Board, Office of the Prime Minister