



Economic and Social News

Office of the National Economic and Social Development Board

962 Krung Kasem Road, Pomprab, Bangkok 10100

Tel 0-2628-2847 Fax 0-2628-2846 www.nesdb.go.th e-mail : pr@nesdb.go.th

Thailand's Social Development in Q1/2018

The Office of the National Economic and Social Development Board (NESDB) released the official report on Thailand's social development in the first quarter of 2018, of which key positive developments included improved labour income and labour productivity, a lower number of patients diagnosed with diseases under surveillance, declined expenditure on alcohol and cigarette consumptions. However, there were still some major pressing issues requiring close monitoring including declined employment, surveillance of gambling by adolescents from FIFA World Cup 2018, decline in security of life and property, an increased number of accidents, and the development of social enterprise as a sustainable development partner. Details of the key social situations are described as follows.

Employment in the agricultural sector expanded whereas non-agricultural sector decreased. Unemployment rate is stable while labour income and labour productivity has improved.

In the first quarter of 2018, employment declined by 0.2 percent, while employment in non-agricultural sector continuously declined by 2.8 percent. Construction sector, wholesale/retail sector, Hotels and restaurants sector, and transport/warehouse sector account for 11.8 percent, 2.8 percent, 1.3 percent, and 3.2 percent, respectively. Employment in manufacturing sector remained stable comparing with the first quarter of 2017. Even though the overall economic outlook for both Thailand and overseas tends to grow, it does not reflect the overall employment that continues to shrink especially in the construction sector and services sector. It is partly due to the promotion of technology assisting in the business. Meanwhile, employment in agricultural sector expanded by 6.0 percent from Q1/2017 due to favorable weather conditions and sufficient water for agriculture.

The unemployment rate was 1.2 percent with, equal to Q1/2017, with 470,000 unemployed people. Total labor hours in the Q1/2018 were 42 hours/week while labor hours in private sector were 44.7 hours/week, which increased by 1.4 percent and 0.6 percent, respectively. People who work less than 35 hours/week decreased by 7.5 percent. Wages excluding other benefits rose by 2.3 percent from Q1/2017 with a 2.5 percent increase in private sector. Labour productivity expanded by 5.1 percent with a 0.7 percent increase in agriculture and a 7.7 percent increase in non-agricultural sector.

Labor issues that should be monitored and promoted in the future include:

1. **Income from agricultural labor is likely to fluctuate** from the price of agricultural products, which is on its downward trend on average of 2.2 percent, 12.9 percent, and 6.0

percent since Q2/2017 to Q4/2017 respectively, accounted for 12.3 percent in Q1/2018. This fluctuation resulted from the decline in world's price of agricultural products, especially in rubber and palm oil. In addition, agricultural production is increasing due to the weather and water availability. The Ministry of Agriculture and Cooperatives has taken measures to help farmers and solve the problem of agricultural prices including rice-farmer helps, loan for slowing in-season paddy sales and aid harvest, and compensation for rice traders to collect stock. The measures to tackle the problem of rubber price downgrade includes providing loans to entrepreneurs to buy dry rubber for processing which the government will compensate its interest to 3.0 percent, promoting the use of rubber by government agencies, and suspend rubber production in all government sectors during January-March 2018. Moreover, it has promoted agro-mapping for proactive management of farmers to assist in decision-making and the use of marketing lead production in the form of large farming. It is also linked to entrepreneurs, processing plants, and supporters of mixed farming.

2. Labor demand due to Labor Day 2018 Thai Labour Solidarity Committee and the State Enterprises Workers' Relations Confederation submitted 10 claims to the Prime Minister relating to the revision of the Labor Protection Act 1998 on retirement benefits at the age of 55 years to be equal to retirement benefits at age of 60 years. They also requested for amendment of Section 11/1 to be mandatory and to include criminal penalties, claimed for the Law on Protection, Promotion and Development of Informal Labor Quality, urged the government to set up a compulsory provident fund that employers must provide, claimed on the rights of the insurer who is out of condition in Section 33 to be able to apply as an insurer in Section 39, and called on the government to accreditation of ILO Conventions 87 and 98. The government attaches importance to every claims. Most of them are undergoing improvement of the law for the protection and promotion of the quality of life of informal workers, the provision of provident funds to become compulsory program in every business in order to increase the benefits of labor and to meet the needs of labor.

3. Minimum wage enforcement and mitigation measures For the effect of the increase in minimum wage at 308-330 baht/day from 1st April 2018, the concerned agencies must monitor and follow up establishments to comply with the announcement of the minimum wage and to stay alerted with its impact on the business sector. During April-May 2018 after the adoption of the minimum wage, from the labor inspection and incorrect practice of the minimum wage of the establishment nationwide found that 188 establishments were abusive, accounting for 4.4 percent of total checked establishments. There were 1,327 employees who were treated incorrectly, accounting for 1.0 percent of total checked employees. An employer who has been wrongfully treated will be guilty of an offense under the Labor Protection Act B.E. 2541, under Section 90, and will be punished by imprisonment for a term not exceeding 6 months or a fine not exceeding 100,000 Baht or both.

The overall number patients diagnosed with diseases under surveillance declined but needs to watch out for diseases that are infectious in the summer.

In Q1/2018, the overall number patients diagnosed with diseases under surveillance dropped by 2.3 percent from Q1/2017. Foot and mouth disease was reduced by 44.7 percent due to surveillance activities, and continuous disease preventions. However, it still need to monitor the outbreak of rabies which 9 patients were diagnosed and died. The Ministry of Public Health closely monitors the situation and accelerates the search for those with a history of exposure to all diseases to get the vaccines to cover 100 percent. Moreover, children drowning problem needs to be monitored closely since school holidays has the highest number of drowning problems; the average of drowned child at 334 people per year. In 2018, according to the Department of Disease Control, 113 children were drowned which are all children aged 5-14 years old. To protect children from drowning, we should focus on both home area and the community area. Firstly, home is the beginning of safety from drowning so parents should take care of children closely. Then, the community took part in the operation. The Ministry of Public Health has joined forces with public, private, volunteer and community sectors in order to act against drowning by establishing the team called “Merit Maker” since 2015. The country has over 2,000 Merit Maker teams in 74 provinces, providing swimming lessons for nearly 400,000 children. More than 170,000 of Community members and children have been trained Cardiopulmonary Resuscitation (CPR).

Expenditure on both alcohol and cigarette consumptions declined, but such consumptions among adolescents and football gambling by adolescents still need further monitoring.

In Q1/2018, expenditure on alcohol consumption declined by 3.1 percent compared to Q1/2017. Likewise, expenditure on cigarette consumption was declined by 2.1. Expenditure on both alcohol and cigarette consumptions contribute to about 3.9 percent of total household expenditure. However, alcohol and cigarette consumptions among adolescents still need monitoring since it may lead to other serious addictions and is also a major risk factor for disease and premature death. On the other hand, more of adolescents involve in football gambling especially during the FIFA World Cup 2018 which will be held in June. All related sectors including the government, civil society, and the networks of children and youth jointly formulate measures to systematically reduce the impact of football gambling.

The overall number of criminal cases has increased, thus, participation from every sector is needed to create safe society

Total criminal cases, narcotic cases and crimes against property increased by 17.6 percent, 22.2 percent and 1.2 percent respectively compared to the same quarter of last

year. On the other hand, crimes against life and sexual assaults decreased by 4.1 percent. Therefore, government policies focus on both crime suppression and prevention measure in order to secure society especially from the spread of drug abuse-a factor that is related to crime in multiple ways, such as suppressing drug dealers and influential groups with connected networks. In addition, another major government program to reduce drug abuse is Greater Mekhong Subregion (GMS), a subregional economic cooperation. The public must join the force to protect society from threats and reduce the spread of drug abuse by searching for targeted groups in the areas and informing the officials.

Number of accidents has increased, prevention measures are still needed to prevent property damage and loss of life at every dimension

Q1/2561 saw an increased in road accident by 16.1 percent in comparison to Q1/2560. Number of deaths and property damage was declined by 15.9 percent and 2 percent respectively. Motorcycle accidents accounted for 40 percent of the total accident type. In addition, road traffic accidents were mostly caused by double-decker buses which led to more fatal accidents and property damage compared to other vehicles. Ministry of Transportation, therefore, launched stricter measures on double-decker buses: banned unregulated double-decker buses from operating since 2016. Department of Land Transport ordered inspections on center of gravity of public transport vehicles and applying technology in operation procedure. Bus operators needed to offer special training for drivers to be more considerate and take safety into account along with monitoring them, and have buses prepared before departure. Besides, passengers should wear seat belts for safety. Law enforcement must be in place and exercised strictly entire year, more specifically on improving road safety management that should cover every dimension; namely, drivers, passengers, vehicles, roads and environment, and developing collaboration in the form of Pracharat. Increase public relations, use evidences from the speed enforcement camera to detect speed along with improving road conditions should be implemented to solve the problems of each region.

Thailand continues to tackle human trafficking issues

The government reaffirms its commitment to combat human trafficking via various channels; for instance, increasing the 2018 budget allocation for 3,641.93 million baht which is 13.5 percent higher than the amount in 2017. The government has also conducted the National Action Plan following the suggestions on the TIP report. This included integrating with all relevant agencies to cover every dimension of human trafficking prevention that is described under the 5P's strategy; namely, prosecution, protection, prevention, policies and partnership. To strengthen 5P's strategy, the government has arrested suspects and enforced law strictly. Criminal proceedings and disciplinary punishment will be taken against state

officials allegedly complicit in human trafficking. Moreover, trial proceedings were expedited continuously. As a result, in 2018, 732 cases went to trial and 536 cases were closed. The government has sought to provide the victims in 8 shelters where they are provided opportunities to work. Finally, technology was also used to collect data of migrant workers and stored in one single database.

Article: “Social Enterprise and sustainable development network”

Social enterprise is an organization with strong underlying missions to solve social and environmental issues by employing business strategies. Characteristics of social enterprises are (1) it aims at social targets (2) earnings are from selling products and service (3) profits must be maximized to make social investment and (4) good governance is required in the process of cooperating related people from every sector.

Background of Social Enterprise in Thailand Government set up Thai Social Enterprise Promotion Board (TSEB) to design policies and strategies and promote social enterprise in Thailand. Thai Social Enterprise Office (TSEO) was later established under the Thai Health Promotion Foundation Act to implement the Social Enterprise Master Plan (2010-2014). Moreover, Royal Decree on Tax Exemption 2016 and the draft of Thailand Social Enterprise Promotion Act (SEPA) are currently being held under the Cabinet’s approval process after the 2nd public forum. At the same time, TSEO has been terminated temporarily, and is waiting for the act to be announced in order to be able to establish the office and to have a mechanism for social enterprise policy driving. In 2017, there was an amendment of the regulation of the office of the prime minister which appoints the general director of Department of Social Development and Welfare to be the secretary of TSEC replacing the director of TSEO. The Department of Social Development and Welfare also serves the secretary of TSEC and announces criteria and rules of applying for social enterprise certificate 2018.

Social enterprise in Thailand is mainly in the form of cooperatives and community organization network. According to a survey conducted by the TSEO in 2015, there are approximately around 1,000 potential social enterprises, 361 social enterprises that fall within the Royal Decree’s definition of social enterprise, and with only around 101 certified social enterprises. Despite increased public awareness and established of TSEO to promote social enterprises to get involved in making social impact, the lack of specific legal framework and assistance often led to barriers to social enterprise growth. Key challenges to social enterprise growth in Thailand are (1) social enterprises, especially; community, public organizations and new social enterprises have limited funding options and access to finance (2) lack of business expertise and (3) ambiguous definition of social enterprise.

Measures to promote social enterprises include

1. **Push forward the Thailand Social Enterprise Promotion Act B.E. ... (SEPA)** so that there will be an organization to direct social enterprise development paths inclusively and continuously. The act will also develop a mechanism connecting the public, private and civil society that aligns with the national reform on social in reducing inequality.

2. **Create environment that encourage social enterprise growth** by supporting entrepreneurship with business knowledge and social responsibility, providing information on social outcome assessment and certification process. It can also be done by promoting social knowledge and innovation both in terms of goods and services, management, and new financial products, for instance, waste recycling will definitely help social enterprise secure the funding and solve environment issues at the same time. Finally, social impact bond can be used to encourage social enterprises as well.

3. **Establish networks among social enterprise, private sector, and civil society** through social media and other activities in order to exchange knowledge, experiences and business support.

4. **Classifying social enterprises into subgroups will help the government design policies which are specific for each group** because each social enterprise differs in size, business model, and operating procedure. For example, social enterprises at the early stage often lack in-depth understanding of the problems and right solutions couple with appropriate business models, and financial system and bank accounts. These are main obstacles of failure resulting in the company shutdown. Therefore, this group should receive academic assistance, financial resources for experimenting business. On the other hand, the group that has been operating for a while, their survival depends on the low interest loans or joint venture, business advice and networks that come in the form of business partners.

5. **Campaign, plan public relations and issue products and services certification** as means to help social enterprises expand their products in markets. At the same time, it also provides consumers options to purchase high-quality and eco-friendly products.

Office of National Economic and Social Development Board

May 31, 2018

Key Social Indicators

Components	2559	2560	2559				2560				2561
	Year	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1. Employment^{1/}											
Workforce (Thousands)	38,266	38,100	38,312	38,160	38,683	37,911	38,216	38,267	38,168	37,748	38,145
%YOY	-0.7	-0.4	-0.1	-0.6	-0.2	-2.1	-0.3	0.3	-1.3	-0.4	-0.2
Employed Person (Thousands)	37,693	37,458	37,684	37,394	38,263	37,430	37,443	37,538	37,647	37,205	37,361
%YOY	-0.9	-0.6	0.2	-0.9	-0.2	-2.5	0.6	0.4	-1.6	-0.6	-0.2
Unemployed Person (Thousands)	378	451	369.9	411.1	362.5	366.3	463	465	453	422	474
Unemployment Rate (%)	0.99	1.18	0.97	1.08	0.94	0.97	1.21	1.22	1.19	1.12	1.24
Underemployed Person (Thousands)	275	303	293	352	217	237	336	350	271	256	336
2. Health and Illness											
Number of patients under disease surveillance^{2/}											
- Measles	1,688	3,185	221	271	466	730	367	295	479	485	547
- Meningococcal Meningitis	17	28	6	5	4	2	5	5	7	6	1
- Japanese encephalitis	772	815	179	187	231	175	259	143	193	143	182
- Cholera	51	8	41	2	7	1	2	2	2	2	0
- Hand, Foot, Mouth	79,910	70,189	10,066	19,012	39,589	11,243	11,450	19,958	35,168	7,982	8,694
- Dysentery	6,726	4,847	1,820	1,841	1,887	1,178	1,329	1,410	1,130	784	1,132
- Pneumonia	245,211	27,741	65,661	45,244	72,851	61,455	63,869	53,578	79,622	68,401	57,835
- Leptospirosis	2,295	3,474	446	401	671	777	573	592	1,166	1,132	402
- Dengue Fever	63,931	53,189	14,840	7,874	25,744	15,473	8,203	7,732	20,866	11,238	4,998
- Influenza	169,362	197,811	43,634	14,135	58,535	53,058	19,742	18,518	109,057	50,567	36,849
- Rabies	13	8	4	2	5	2	0	3	2	1	7
Rate per 100,000 population of death with major chronic non-communicable diseases											
- High blood pressure	121	n.a.	No quarterly data available								
- Ischaemic heart disease	29.9	n.a.									
- Cerebrovascular disease	43.3	n.a.									
- Diabetes	19.4	n.a.									
- Cancer and tumors	113.7	n.a.									
3. Social Security											
- Patients from road accidents (cases)	8,259	8,616	1,871	1,494	2,502	2,392	2,304	2,111	1,756	2,132	2,031
- Crimes against person (cases)	20,218	18,249	5,659	5,294	4,879	4,386	5,120	5,032	4,573	4,357	4,403
- Property crimes (cases)	58,964	56,778	10,236	8,957	10,188	9,583	15,167	14,102	14,486	14,305	12,932
- Narcotics (cases)	270,595	278,807	64,753	59,104	69,551	74,532	77,627	61,399	71,250	75,681	79,355
4. Consumer Protection^{3/}											
4.1 Number of complaints (cases)											
- Contract/Property	2,637	3,707	727	795	509	606	548	1,380	928	851	660
- Goods and service	2,010	2,026	704	559	387	360	618	472	486	450	522
- Advertisement	1,628	2,425	457	373	298	500	432	827	734	432	330
- Law	37	0	25	12	0	0	0	0	0	0	0
- Direct sales and marketing	1,097	712	120	244	550	183	103	128	156	325	254
4.2 Hot line 1166 (cases)	47,329	45,311	11,666	10,555	12,438	12,670	12,071	12,681	9,432	11,127	11,082

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