



Thailand's Social Situation and Outlook in Q1/2019

The Office of the National Economic and Social Development Council (NESDC) released the official report on Thailand's social situation and outlook in the First quarter of 2019, of which key issues included the employment, an increase in income and labor productivity, an increase in alcoholic beverage and cigarette expenditures, and a decrease in road traffic accident. However, there were still some major issues requiring close monitoring including an increase in household debt, an increase in diseases under surveillance, and a decline in security of life and property by considering increased criminal cases. Moreover, there were also interesting social situations including a more vulnerable to depression and suicide in young people, the Equitable Education Fund (EEF), and also the article "E-Sport : Situation, Impact and Regulation Guidelines". The summary is as follows.

Employment of non-agricultural sectors increased. Unemployment rate decreased. Income and labor productivity increased.

In Q1/2019, employment rose by 0.9 percent from non-agricultural sectors which expanded by 3.2 percent. In detail, employments in construction sector increased by 10.5 percent according to the expansions of the construction area and the government's large investment. Manufacturing sector's employment increased by 1.0 percent, slowed down according to export productions. Meanwhile, hotel and restaurant sectors decreased slightly by 0.2 percent from the same quarter of the previous year, partly due to the slowdown in the number of foreign tourists. Employment in agricultural sector decreased by 4.2 percent. The unemployment rate was 0.9 percent, lowered in both unemployed who has worked and who has not worked before by 32.2 and 18.7 respectively. Real wage in private sector increased by 2.5 percent while overall labor productivity still increased by 1.8 percent. The labor market was increasingly tight considering by the ratio of job applicant to job vacancy was 0.98, which declined from 1.35 from the same period of the previous year. When considering the level of education, it showed that the demand for elementary school level of the and the vocational school level labor were 2 times higher than the number of applicants. Thus, these reflected labor shortages in both the amount of labor and skills that do not meet the needs.

Issues that should be monitored in the future include:

(1) The drought situation that will affect agricultural activities and farmers' income. From the report of the water status in the dam of the Royal Irrigation Department found that the amount of water in the dams throughout the country is at 53 percent of the capacity at the average sea-level, with the actual amount of water available at 20 percent. (as of May 31, 2019) This is concerned as the critical low water level, especially from dams in the central and northeastern regions. Therefore, farmers should be prepared to deal with the drought crisis, which may change from growing crops that needs more water to be a renewable crop that uses less water instead.

(2) The impact of the trade war between the United States and China which may affect Thailand through exports and tourism. In terms of exports, products that are expected to have a major impact are electronic products such as internet modems, electronic circuit boards, printed circuit boards, various data transmission devices, automotive parts, and construction materials. However, the impact may not greatly affect the employment of the manufacturing sector because those mentioned industries are mostly capital-intensive industries. Instead, the employment in the tourism service sector has to be monitored because they are mostly temporary employments that are due to the amount of tourists and since the total number of Chinese and American tourists was accounted for about 30 percent of total tourists.

(3) Adjustment of the labor market under the changing trend of technology. Nowadays, innovations are increasingly being used in the manufacturing industry, together with management that requires flexibility and a variety of skills. Therefore, developing the labor force to have the skills that are needed by the market is necessary includes 1) Increasing new labor skills (up-skill) such as a flexible workforce for critical and urgent tasks, skills in using new technology, etc. 2) Re-skilling such as enhancing other skills apart from their original works under the concept of lifelong learning, especially those in working age, to be able to develop themselves to prepare for a job change or a career change in the future.

Household debt slightly increased.

In Q4/2018, household debt was equal to 12.8 trillion baht, increased by 6.0 percent and accounted for 78.6 percent of the total GDP. This was consecutively a second quarter that increased. Compared with other countries, it is found that Thailand's household debt to GDP ratio ranked 10th from 89 countries around the world, and ranked 3rd from 29 countries in Asia. For Q1/2019, household debt is likely to increase continuously by considering the outstanding balance of personal consumption loans of commercial banks which expanded by 10.1 percent, the highest in 5 years since Q2/2014 onwards. This was a result of (1) accelerating debt before enforcing the new Mortgage Regulatory Measures (LTV)

on April 1, 2019. (2) Increasing car demand from the features of the new model of cars, and sale promotion measures from the Motor Show 2019. (3) Sales promotion advertising and attractive payment terms.

While overall loan quality remained stable but must be monitored closely. In Q1/2019 non-performing consumer debt grew by 9.0 percent, compared to 9.1 percent in the previous quarter. It was accounted for 2.75 percent of total loans, and 27.8 percent of total NPLs, which is the highest in the 13 quarters since Q1/2016. This resulted in the highest proportion compared to non-performing loans in other businesses. Personal loans under supervision were still at a high level while the credit defaulted for more than 3 months of credit card loans declined by 3.6 percent compared to 0.3 percent growth in the previous quarter.

Increased household debt since mid-2018 and a slowdown in the economy may affect the ability to spend and the ability to pay debts of households which causes important issues to be closely monitored includes (1) Debt for housing after enforcing new credit supervision measures which is expected to slow down and will increase household debt at a slower rate because housing loans accounted for approximately 49.9 percent of total personal consumption loans. (2) The expansion of other personal consumption loans including credit cards may tend to increase. In addition, the government sector should pay more attention to various measures to supervise and control the lending to be more concise and appropriate, such as (1) Designing measures for supervising lending to reduce the risk of lending to high-debt groups especially measures on the ratio of debt to income (DSR). (2) Measures to supervise car loans due to the declining quality of car loans. (3) Measures to supervise credit businesses that use cars as collateral to be able to access fairly and have an appropriate interest rate. (4) Accelerating public relations for the Phase 2 Debt Recovery Clinic project. (5) Supervision of lending to existing and new debtors in accordance with the change in the form of household debt.

In term of illness, influenza and dengue fever must be monitored continuously.

In Q1/2562, the total number of patients with surveillance increased from the same quarter of 2018 by 72.7 percent. Dengue fever patients increased by 126.7 percent. The southern region had the highest number of dengue fever patient since it still has rain in the area. Influenza patients increased by 223.9 percent due to weather changing, traveling and gathering of crowded people, such as in prisons, schools, military camps, which made the disease easily spread. Also, the virus strains have changed. In addition, the food and waterborne diseases outbreaks, and the illness and death from Heatstroke during the hot weather, must be monitored during March - April on every year. Furthermore, the situation of children drowning during school holiday must be monitored too since it is the period that

children are drowned the most. The highest average death is 312 children per year. In 2019, according to data from the Department of Disease Control, there have been 64 drowned children which died during school holiday. All of them aged 5 - 14 years.

Expenditure on alcoholic beverage and cigarette consumptions increased.

In Q1/2019, the overall expenditure on alcoholic beverages and cigarette consumptions grew by 2.3 percent, slowing down compared to 4.5 percent growth in the previous quarter. The amount of alcohol consumption increased by 2.9 percent while cigarette consumption increased by 1.5 percent. Thus, consumption of alcohol and cigarettes returned to grow as the second quarter in a row after the contraction in Q4/2017 until Q3/2018. This was partly due to the low base expansion in Q4/2017 and Q1/2018 respectively. In addition, there is still a need to monitor factors that influence alcohol drinking and smoking behavior, such as advertising media, stress problems, and imitation behavior. Although the rate of smoking and drinking alcohol tends to decrease, premature illness and death from tobacco and alcohol-induced diseases continues to increase. In each year, about 55,000 people die from smoking while about 22,000 people die from drinking alcohol or approximately 11 percent and 4.5 percent of all deaths, respectively. All related sectors must continue intensive preventions and control measures to help minimize losses.

Overall criminal cases increased from narcotic cases.

In Q1/2019, overall criminal cases increased from the same quarter of 2018 by 5.1 percent. Narcotic cases increased by 7.4 percent while crimes against life, body and sexual assaults and crimes against property decreased by 1.6 percent and 7.1 percent respectively. The government has given priority to strict drug suppression measures and has adopted alternative measures to reduce crime to be used by drug users and drug addicts in order to return to the treatment process. Major drug dealers and their networks are brought to the criminal justice system. In addition, the government has provided surveillance for drug patients with mental symptoms and tendency to cause violence as well as assessments for safe return to society to reduce social violence.

The accidents and the number of deaths decreased both during normal period and festive periods.

In Q1/2019, the situation of road traffic accident declined from the same quarter of 2018 by 5 percent. Number of deaths and property damages decreased by 4.8 and 4.3 percent respectively. The major cause of accidents is driving faster than the law. The type of vehicle that has the highest accident is still a motorcycle, accounted for 19.8 percent of all accident vehicles. While during the Songkran Festival 2019, there were analysis and lesson learn to determine appropriate measures and guidelines which caused the accident during

the Songkran festival to decrease from last year by 10.4 percent, with injuries and deaths decreasing by 11.7 percent and 7.7 percent respectively. Driving while drunk was the major cause of accidents. Therefore, penalties should be added to cover offenses in all cases and should mark traffic signs more clearly with the same standards throughout the country to facilitate law enforcement and road users.

Young people are more vulnerable to depression and suicide. Every sector must cooperate to solve problems seriously.

Depression is a major health problem that the number of patients is increasing and if it is not treated, it may be severe and lead to suicide. The youth is considered to be a risk group that needs to focus and solve even though the proportion of youth depression patients is only 11.5 percent, less than the working age group and the elderly, but because the youth are valuable resources for the country's development in the future, and it found that there were more suicidal tendencies in youth. Depression among youths can be caused by many factors, such as lost from being assessed, financial condition, love, guilt to important people, sudden loss, pressure from environments and social values, and also indulgence from parents that could cause children to lack skills to strengthen themselves and cannot handle the problem when they frustrated in life. Afterward, it could cause every problem to become concern, stress, until it develops into depression that could lead to self-harm or suicide. In 2018, it was found that youths aged 20-24 years had a suicide rate of 5.33 persons per hundred thousand people, increased from 4.94 persons per hundred thousand people in 2017. Meanwhile, groups 15-19 years had a suicide rate at 2.59 persons per hundred thousand people, and the youth group aged under 15 years had a suicide rate at 0.5 persons per hundred thousand people. Therefore, prevention can be achieved through the cooperation of all sectors, both family and close people that must pay attention to children. Educational institutions must monitor and observe behaviors as well as provide advice, and related agencies should focus more on promoting life skills in youth groups.

Equitable Education Fund (EEF), challenges in creating opportunities for access to education thoroughly

Equitable Education Fund (EEF) was established under the Education Equality Fund Act 2018, effective from 14 May 2018. Its purpose is to help the needy or the disadvantaged to receive education together with enhance and improve teacher quality and efficiency. The fund is an important tool in reducing inequality and increasing educational opportunities with the principles of operation focused on 4 issues: (1) Valuable (2) Priority in operation (3) Transparency with careful supervision and (4) Integrating cooperation with all sectors in an integrated manner. These make the fund have outstanding operational characteristics such

as research and development of high-performance reform or innovation models with the education management partners and academic institutions, and then pass to the main operating unit and expand its result in long-term, and also recommendations for measures or participatory education to create policy changes. In the academic year 2018, the EEF in cooperation with the Office of the Basic Education Commission (OBEC) allocated grants to students with special conditional conditions for 510,040 students in 26,557 schools under the OBEC. There were activities to develop vocational skills and life skills from subsidies of EEF so it became a prototype for further expansion.

The article "E-Sport : Situations, Impacts and Regulation Guidelines"

E-sport situation in Thailand has been increasing in popularity over the past decade. It can be seen from game market and E-sport in Thailand is growing steadily. In 2017, there are about 18.3 million gamers, accounting for one fourth of the population, while the spending in the game market is as high as 22,000 Million baht in 2018, which is ranked 19th in the world. For viewers of the E-Sport competition, it was found that in 2018, there were approximately 2.6 million E-sport viewers and expected to increase by approximately 30 percent during 2017-2021. In 2017, the Sports Authority of Thailand has approved the certification of E-Sports as a sport type that can be registered as a sports association according to the Sports Authority of Thailand Act 2015.

NESDC together with Research Centre for Social and Business Development Co., Ltd. (SAB) have surveyed information about E-Sports in Thailand among 2,155 children and youth ages 13-24 years and 1,051 parents of those who have children aged 13-24 years in 7 provinces, includes Bangkok, Nonthaburi, Samut Prakan, Chiang Mai, Chon Buri, Khon Kaen and Songkhla, and 404 samples of E-sport athletes. Some important findings were found as follows:

(1) Characteristics of E-Sport athletes Most e-sport athletes are male, accounted for 97.5 percent, aged between 19-24 years old, and 78.5 percent of them are studying. Athletes spend an average of 3 hours 20 minutes on weekdays and 4 hours 15 minutes on holiday for playing games. 58.9 percent of them are representatives from school's club. If we classify them as an amateur or semi-professional athlete (Independent group or institution representative but not affiliated) with professional athletes who are affiliated, it was found that 98.4 percent of amateur athletes are new athletes and the period of being athlete is not more than 2 years. Meanwhile, professional athletes have an average of 2 years and 5 months for being athletes. The reason of being an athlete of both groups is quite the same as like playing games and can earn money/rewards.

(2) The perspective of children and youth, athletes, and parents towards E-Sports In regard of being a career channel, more than half of children/youth and the

parents saw in the same direction that it is just an activity for enjoyment while 56.4 percent of the athletes saw it as a way to earn extra income. In term of management of E-sport competitions, children and youth who acknowledge the news of the competition feel that it can slightly stimulate demand to play games, to earn money from the competition, and to interest in a career. Whereas, it can moderately stimulate those demand in athlete group. The starting point of entering the e-sports athlete's path is the passion for the game. They used games as a way to generate income and reputation. Then, they turned himself into an athlete. Some people do as a career parallel to the normal career. The entrance to become athletes has many ways, such as auditions, scouting, and choosing from the number of the followers.

The impact of having E-sports can be divided into 2 parts: **Positive impact**, including (1) birth of new careers and other related occupations such as game caster, game reviewer, commentator, referee, and competition organizer. (2) Creating opportunities and motivation for children and young people who enjoy playing games and encourage them to play creative games. They will have the opportunity to be successful, self-esteem, and being accepted. (3) Growth of business related to E-Sport leads to positive impact for the overall economy. **Negative impact**, including E-sports may result in more incentive for children to play games and the effects on health, mood and behavior, such as back pain, body aches, eye problems. They might play games until lack of school or being late, or do not want to do anything. Other negative impact might include E-sport competition gambling, being a short-time career, unstable career, and the growth of the game market that may affect the trade balance since the money will flow to the country that is the game developer or the copyright owner.

E-Sport Measures In foreign countries, there are interesting measures such as determining the type of game (Rating Game), controlling advertising and public relations, supervision of E-sport athletes and competitions. For Thailand, there is no specific law regarding E-Sport. There is only a ministerial regulation on the permission and operation of video stores under the Film and Video Act 2008 that controls game café by defining the duration of the play time and the use of children in game café. In addition, in term of content of the game, there is no rating for the game as it does with the movie.

E-sport's regulation guidelines should be as follows: (1) **Prevention and mitigation of game playing** by assigning game ratings, player age control, and promoting the development and competition of creative games that encourage analytical thinking and teamwork without violence, as well as communicating with society to make them understand about the difference between playing games only for fun and for being athletes. Moreover, there should be measures to solve the problems of children's game addiction. The school teachers and parents should coordinate together to help monitor the behavior

of children and to immediately solve problems if the child is found to deviate their behaviors that could affect learning, health, and daily life. (2) **Regulation for E-sport competition** by setting clear rules for competition management agencies. There must be a system to allow and clarify details about the games used in the competition, eligible applicants, as well as a system for registration of related persons. In addition, there must be protection for athletes by issuing regulations to determine the guidelines for the responsibility of the athlete's agency to take care of athletes in the appropriate standards. (3) **The preparation for the E-sports ecosystem** by supporting the promotion of relevant persons, and encouraging game developers and related industries, as well as Including measures to support the expansion of related businesses, tax collection, and monitoring crime and various impacts.

Office of National Economic and Social Development Council

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Key Social Indicators

| องค์ประกอบหลัก | 2560 | | 2561 | | 2560 | | | | 2561 | | | | 2562 |
|---|----------------|--|---------------|--|-----------------------------|--------|---------|--------|--------|--------|--------|--------|---------|
| | ทั้งปี | | ทั้งปี | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| 1. Employment ^{1/} | | | | | | | | | | | | | |
| Workforce (Thousands) | 38,100 | | 38,434 | | 38,216 | 38,267 | 38,168 | 37,748 | 38,145 | 38,482 | 38,725 | 38,382 | 38,365 |
| %YOY | 0.4 | | 0.9 | | -0.3 | 0.3 | 1.3 | -0.4 | -0.2 | 0.6 | 1.5 | 1.7 | 0.6 |
| Employed Person (Thousands) | 37,458 | | 37,865 | | 37,443 | 37,538 | 37,647 | 37,205 | 37,361 | 37,885 | 38,301 | 37,911 | 37,703 |
| %YOY | -0.6 | | 1.1 | | 0.6 | 0.4 | -1.6 | -0.6 | 0.2 | 0.9 | 1.7 | 1.9 | 0.9 |
| Unemployed Person (Thousands) | 451 | | 404 | | 463 | 465 | 453 | 422 | 474 | 411 | 373 | 359 | 35 |
| Unemployment Rate (%) | 1.2 | | 1.1 | | 1.21 | 1.22 | 1.19 | 1.12 | 1.24 | 1.07 | 0.96 | 0.93 | 0.92 |
| Underemployed Person (Thousands) | 303 | | 293 | | 293 | 352 | 217 | 237 | 336 | 283 | 319 | 232 | 336 |
| 2. Health and Illness | | | | | | | | | | | | | |
| Number of patients under disease surveillance ^{2/} | | | | | | | | | | | | | |
| - Measles | 3,185 (88.6) | | 5,556 (74.4) | | 367 | 295 | 479 | 785 | 630 | 632 | 1,186 | 3,108 | 1,756 |
| - Meningococcal Meningitis | 28 (64.7) | | 20 (-28.5) | | 5 | 5 | 7 | 6 | 1 | 9 | 3 | 7 | 4 |
| - Japanese encephalitis | 815 (5.5) | | 745 (-8.5) | | 259 | 143 | 193 | 143 | 182 | 231 | 200 | 132 | 240 |
| - Cholera | 8 (-84.3) | | 5 (-37.5) | | 2 | 2 | 2 | 2 | 0 | 2 | 2 | 1 | 5 |
| - Hand, Foot, Mouth | 70,189 (12.2) | | 70,008 (-0.3) | | 11,450 | 19,958 | 35,168 | 7,982 | 10,079 | 14,626 | 32,718 | 12,585 | 9,158 |
| - Dysentery | 4,847 (27.9) | | 3,399 (-29.8) | | 1,329 | 1,410 | 1,130 | 784 | 1,132 | 965 | 741 | 561 | 627 |
| - Pneumonia | 267,741 (10.4) | | 283,601 (5.9) | | 63,869 | 53,578 | 79,622 | 68,401 | 74,881 | 58,699 | 90,160 | 59,861 | 72,817 |
| - Leptospirosis | 3,474 (51.3) | | 2,540 (-26.8) | | 573 | 592 | 1,166 | 1,132 | 402 | 637 | 932 | 569 | 457 |
| - Dengue Fever | 53,189 (16.8) | | 86,922 (63.4) | | 7,060 | 9,170 | 32,410 | 5,521 | 6,830 | 24,029 | 35,564 | 20,499 | 15,482 |
| - Influenza | 171,811 (16.7) | | 183,363 (6.7) | | 19,742 | 18,508 | 109,057 | 50,567 | 40,995 | 25,698 | 73,042 | 43,628 | 132,787 |
| - Rabies | 8 (-62.5) | | 15 (87.5) | | 2 | 3 | 2 | 1 | 7 | 3 | 3 | 2 | 0 |
| Rate per 100,000 population of death with major chronic non-communicable diseases | | | | | | | | | | | | | |
| - High blood pressure | 11.0 (37.5) | | n.a. | | No quarterly data available | | | | | | | | |
| - Ischaemic heart disease | 27.8 (3.3) | | n.a. | | | | | | | | | | |
| - Cerebrovascular disease | 38.7 (7.2) | | n.a. | | | | | | | | | | |
| - Diabetes | 17.5 (17.4) | | n.a. | | | | | | | | | | |
| - Cancer and tumors | 107.9 (3.0) | | n.a. | | | | | | | | | | |
| 3. Social Security | | | | | | | | | | | | | |
| - Patients from road accidents (cases) | 8,491 | | 7,506 | | 2,304 | 2,111 | 1,756 | 2,320 | 2,031 | 1,746 | 1,590 | 2,139 | 2,198 |
| - Crimes against person (cases) | 18,249 | | 17,524 | | 5,120 | 5,032 | 4,573 | 4,357 | 4,403 | 4,560 | 4,083 | 4,478 | 4,327 |
| - Property crimes (cases) | 56,778 | | 53,456 | | 15,167 | 14,102 | 14,486 | 14,305 | 12,932 | 13,185 | 13,557 | 13,782 | 11,877 |
| - Narcotics (cases) | 278,807 | | 355,584 | | 77,627 | 61,399 | 71,250 | 75,681 | 79,355 | 93,110 | 89,414 | 93,705 | 85,846 |
| 4. Consumer Protection ^{3/} | | | | | | | | | | | | | |
| 4.1 Number of complaints (cases) | | | | | | | | | | | | | |
| - Contract/Property | 3,707 | | 4,350 | | 548 | 1,380 | 928 | 851 | 660 | 795 | 1,072 | 1,823 | 2,732 |
| - Goods and service | 2,026 | | 2,092 | | 618 | 472 | 486 | 450 | 522 | 433 | 482 | 664 | 1,170 |
| - Advertisement | 2,425 | | 1,434 | | 432 | 872 | 734 | 432 | 330 | 253 | 417 | 434 | 459 |
| - Law | 0 | | 0 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| - Direct sales and marketing | 712 | | 941 | | 103 | 128 | 156 | 325 | 254 | 180 | 220 | 286 | 377 |
| 4.2 Hot line 1166 (cases) | 45,311 | | 52,504 | | 12,071 | 12,681 | 9,432 | 11,127 | 11,082 | 14,879 | 13,684 | 12,859 | 11,759 |

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