



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 Q1/2015

Office of the National Economic and Social Development Board (NESDB) released the official report on Thailand's social development in the first quarter of 2015. Details of the situation are described as follows.

Social situations and indicators in Q1/2015

Lower employment, unemployment rate remained low while income still increased

In the first quarter of 2015, employment declined by 0.5 percent. Agricultural employment fell by 4.4 percent due to unfavorable weather with droughts in many areas, being the time after the end of harvest season and farmers' downward adjustment in response to the expiration of the government's Rice Pledging Scheme. Employment in non-agricultural sector went up by 1.3 percent following the recovery in manufacturing, construction, hotels and restaurants production. Unemployment rate was recorded at 0.94 percent, slightly different from 0.89 percent in the same period last year. Average working hours stood at 41.7 hours per person per week, a 2.2 percent lower than the same period last year and the lowest in 9 quarters. Wages and salaries in the private sector excluding overtime pay and other benefits in the first quarter of 2014 rose by 4.6 percent from the same period last year.

Issues to be closely monitored include: (1) effects on income as droughts may adversely affect farm income while lower work hours and increasing number of underemployed workers (working less than 35 hours per week) would affect overall non-farm income, (2) newly graduates entering labor market in mid-2015, (3) shortage of quality workers coupled with pressure toward lower work hours at operational-level. As manufacturing sector moved their production base to

Labor force survey in Q1/2015

	2013	2014					2015
	Year	Year	Q1	Q2	Q3	Q4	Q1
Total labor force (Millions)	38.7	38.6	38.5	38.4	38.8	38.6	38.3
1. Employed (Millions)	38.2	38.1	37.8	37.8	38.4	38.3	37.6
(%YoY)	-0.1	-0.4	-0.4	-1.2	0.3	-0.1	-0.5
1.1 Agriculture (%YoY)	-0.2	-2.4	1.0	-2.9	-2.2	-4.9	-4.4
1.2 Non-agriculture (%YoY)	-0.03	0.7	-1.0	-0.3	1.7	2.5	1.3
2. Unemployed (Millions)	0.3	0.3	0.3	0.4	0.3	0.2	0.4
Unemployment rate (%)	0.73	0.84	0.89	1.00	0.84	0.61	0.94
3. Seasonally inactive labor force (Millions)	0.2	0.1	0.3	0.2	0.1	0.1	0.3
Share to labor force (%)	0.4	0.5	0.8	0.6	0.2	0.3	0.8

Source: National Statistical Office

neighboring countries or to the borders to take advantage of lower wages, number of workers in Thailand was reduced, particularly the subcontracted workers. Workers were motivated to leave

under early-retirement program while some workers had to migrate to get decent jobs, and (4) preparation of labor force—both in terms of quantity and quality—to meet the demand from upcoming mega-infrastructure projects.

Household debts continued to slow down in the first quarter of 2015. Household debts in the first quarter of 2015 stood at 10,432,529 million baht, an increase continually at slower rate by 6.5 percent. The value accounted for 79.3 percent of GDP. In the first quarter of 2015, total outstanding of commercial banks' personal consumer credit went up by 7.6 percent, a slowdown from a 10.7 percent increase in the same quarter of 2014. Car loans continued to fall as it dramatically increased during the First Car Tax Rebate Scheme. **Default debts on consumer loan, personal loan under supervision and credit cards continued to increase.** Non-performing loans (NPLs) rose by 17.0 percent, personal loan under 3-month supervision rose by 27.4 percent and outstanding 3-month overdue credit card debts rose by 22.0 percent.

The number of patients diagnosed with diseases under surveillance decreased, but close surveillance should be on the dengue fever and influenza. In the first quarter of 2015, overall number of patients under disease surveillance declined by 10.9 percent compared with the same quarter last year. Number of patients with influenza fell by 23.3 percent and those with pneumonitis fell by 8.9 percent. However, number of dengue fever patients rose by 49.7 percent from 4,953 persons in the first quarter of 2014 to 7,413 persons. An increase of ground temperature coupled with heavy rainfalls in many areas caused water stagnant, which is favorable for mosquitos to propagate. Influenza spreading in India and Hong Kong at the beginning of 2015 and alimentary diseases should also be closely watched.

Happiness of Thai people at large improved, consistent with the World Happiness Index. Mental Health Survey by National Statistical Office (NSO) and the Department of Mental Health found that happiness of Thai population improved in the second half of 2014 and tend to improve further in 2015. This is consistent with the World Happiness Report 2015 by United Nations (UN). The report ranks Thailand's happiness index for 2012-2014 at 34 out of 158 countries, an improvement from rank 36 out of 156 countries in 2010-2012. Among ASEAN countries, Thailand ranks second, after Singapore.

Teenage pregnancy fell but still remained at a high level and increasing number of repeated pregnancies. In 2013, child deliveries by teenagers declined. Childbirths in population aged 15-19 years fell from 53.8 per 1,000 heads in 2012 to 51.2 in 2013. However, the ratio of childbirths by population aged 10-19 years to total childbirths remained stable at 17 percent. Repeated pregnancies in teenagers increased from 11.6 percent in 2012 to 12.1 percent in 2013. Moreover, the survey on abortion in Thailand 2013 by the Department of Health found abortion rate in teenagers lower than 20 years old at 29

percent—reflecting the severity of the problem. This therefore calls for serious, systematic and continuous measures to stop the pregnancies among teenagers—the age not ready for the role of mother physically, mentally and economically

Expenditure on alcohol and cigarette increased, accessible to cigarette by youth should be under close monitor. In the first quarter of 2015, spending on alcohol consumption was 38,190 million baht, a rise by 10.4 percent from the same quarter of 2014. Similarly, expenditure on cigarette consumption was 15,693 million baht, a 2.5 percent growth from the same quarter of previous year. In addition, close surveillance should be posted on youth's accessibility to cigarette. Average age to start smoking continued to fall from 16.8 years in 2010 to 15.6 years in 2014, albeit the legal age of 18 years. Thailand has imposed a law for more than 20 years prohibiting sellers to sell cigarette to buyers aged lower than 18 years. Sellers normally offer to sell cigarette by small quantities (unpacked cigarettes) rather than by package as a selling strategy to youth. In response, 97 countries currently imposed a law prohibiting the sales of cigarette in small quantities, including Laos, Myanmar, Malaysia, Singapore and Brunei. As for Thailand, it has been stated in the new Tobacco Control Act.

Reading interest has improved. In 2013, number of readers aged 6 years and above stood at 50.8 million persons, an 81.8 percent reading rate. The number and the rate increased from 42.9 million persons or 68.6 percent in 2011. Also, the average time spent reading outside study/working hours increased from 35 minutes per day in 2011 to 37 minutes per day in 2013. Children aged 6-14 years has the highest rate of reading, followed by youth aged 15-24 years, working age of 25-59 years and elderly population aged 60 years and over, respectively. When considering the types and contents of reading materials, most people still preferred hardcopies with increasing trend in reading via electronic files on internet, tablet, e-book readers and smartphones.

Overall security of life and property improved; however, undertaking drug dealing is still an ongoing important issue. In the first quarter of 2015, the total number of crime cases decreased 14.6 percent compared to the same quarter in 2014. Drug cases remained the highest share, 82.9 percent, of all crime cases, decreasing by 16 percent. Cases of violence against property dropped 10.3 percent while life, physical and sexual offence cases declined 0.3 percent.

Creating the culture of generosity on the road, and strict traffic law enforcement would help reduce casualties from road accidents. Road accidents in the first quarter of 2015 increased 3.6 percent, while death casualties decreased 13.1 percent compared to the same quarter of the previous year. Even though there was integrated planning to prevent road accidents during the Thai New Year 2015, numbers of road

accidents and death tolls still increased from 2014 by 12.7 and 11.7 percent. The main causes of accidents remained drunk driving and speeding.

Drowning was still the number one cause of death in Thai children below 15 years old. The number of death from drowning is on a downward trend, from 1,482 deaths in 2006 to 807 in 2014, with the highest death tolls during summers and Songkran festival due to hot weather. Nonetheless, we need to remain watchful on the topic. Out of 23.7 percent of children aged 5-14 who can swim, only 4.4 percent of them can swim to survive. According to data on death from drowning in 2013, children younger than 5 years old mostly drowned in water in or around their residential areas; while children older than 5 years old mostly drowned in agricultural or natural water sources. Moreover, in many cases there are many deaths from drowning at once, as children could not swim to survive. And due to the lack of knowledge of proper ways to rescue a drowning person, sometimes drowned person's peers jumped in to help and drown themselves as well.

Thailand's determination in resolving human trafficking continued earnestly with the 5P (Policy, Prosecution, Protection, Prevention and Partnership) under the international standard. To pursue justice, every sectors need to integrate their works together to achieve the goal in prosecution, protection, rescue, prevention, policy development and maneuver, and data management and development. Nonetheless, gaps in the prosecution process still exist and are important matters with regard to attacking human trafficking in the US's view.

Internet-related complaints rose. Complaints on goods and services to the Office of the Consumer Protection Board totaled at 1,522 cases, declining from the previous quarter by 9.4 percent. In contrary, complaints in telecommunication services totaled at 741 cases, increasing by 53.1 percent. Internet usages continued to increase with the expansion in service offering. On top of that, another issue is the consumption of foods and drugs with steroids contamination without the knowledge of consumers. Random inspection, arrestment and publication of contaminated goods need to be done urgently in order to protect consumers from the harmful products.

Expansion of green areas will improve city life. The green area per person ratio in Bangkok is only 3.3 square meters per person, very low compared to other metropolis in Asia, and two times lower than the standard by WHO. The lack of green spaces affects people both physically and mentally, resulting in health and pollution problems. Spaces for recreation and relaxation are also lacking. Moreover, Bangkok has become a heat island. Currently, Thailand has put importance in creating green spaces in city areas, as can be seen from the addition of green areas development plans in both regional and country level development plans. Moreover, Bangkok initiated projects to increase green spaces according to the green metropolis policy, with the goal to have 7 percent of Bangkok as green areas in 2016.

Key social issues “Dual Vocational Training: Uniting to create quality labor”

Dual Vocation Training (DVT) is cooperation between educational institutions and business establishments to raise the quality of mid-level labor, which will promote Thailand's competency and competitiveness at international stage. Presently, there are more than 800 public and private educational institutions all over the country with approximately 1 million students. Each year there are about 300-400 thousands graduates. Eighty percent of vocational graduates and fifty percent of high vocational graduates, continue higher education. Moreover, social values that look down on vocational students result in mid-level labor shortage as a consequence. Furthermore, vocational graduates are often viewed as lacking intelligence and skills, which further contributes to lower their wages. Consequently, parents tend to encourage students to pursue general education and bachelor's degrees.

Dual Vocational Training (DVT) took place both in public and private institutions but data collection is only done on public institutions. The total of 382 educational institutions under the Office of the Vocational Education Commission (VEC) participated in the DVT program, with 61,244 vocational and high vocational students, doubled from 2009, or 9.4 percent of all vocational students under VEC or 160 students per institution. The highest shares of students are in tourism, 29.5 percent, and manufacturing, 11 percent. The low number was due to complication in administration and readiness of participating parties. However, the success of the program is hard to determine now due to the lack of overall data on employment and incomes of graduates.

Influencing factors to the success of dual vocational training are institution administrators, business operators and participation of associated networks, clear policy direction, supporting mechanism in management, standard setting, and management evaluation. Limitations include the lack of aptness of educational institutions and establishments both in human capital and understanding. Teachers are in shortages and lack necessary skills while students lack understanding, adaptability and maturity which lead to job resignation halfway.

In 2015, VEC targets to increase the number of participating students and establishments, and to push all institutions under VEC, 50 percent of all institutions, to become comprehensive bilateral vocational institutions. Strategies to enhance management and quality development are vocational curriculum development, alleviation of internal management problems, and publicizing the program. In addition, setting standards for dual vocational training system, setting profession standards and qualifications, developing teaching quality, training coach and supervisor teachers and engaging in aggressive guidance activities are other important strategies.

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

1. Living quality of labor is affected by several factors including drought, labor shortage and newly graduates entering the labor market in mid-2015. In addition, there is also an issue on foreign worker management. Government should promote and encourage entrepreneurs to register their foreign workers as well as tightening the enforcement and prosecution of the illegal immigration.

2. Urgently solving the debt problems. Nano-finance businesses emerged as a channel to resolve retail debts problem and bringing informal debts into the household debts accounting system. This will be beneficial for debt management and monitoring to become more systematic. It will also increase protection to borrowers both in terms of coverage and fairness.

3. Prevention of cigarette consumption among youth by coordinating with all related parties in enforcing the new Tobacco Control Act, which will increase the efficiency in preventing youth's access to cigarette.

4. Prevention and suppression of narcotic drugs by targeting the major drug dealers and using career-building programs as a rehabilitation method to prevent addicts to return to drugs in the future.

5. Prevention of road accidents should focus on enforcement of road safety regulations with intensive punishments as well as on campaign emphasizing the loss of life from driving under alcohol influence as well as on promoting generosity and sharing on the roads.

6. Preventing children from drowning by enforcing the regulations on water safety, teaching children to swim for survival in case of emergencies as well as correct rescue methods.

7. Promoting Dual Vocational Training (DVT) by (1) urgently preparing detailed information on the DVT and expanding DVT centers in terms of coverage and efficiency, (2) improving institution administrator selection method such that institution administrators are well-qualified in both knowledge and experience, (3) managing the DVT program in form of board of committees in order to reduce risk of rotated institution administrators, (4) urgently developing skills of technical teachers both in numbers and quality, and (5) strictly monitoring the quality of institutions, particularly those that do not meet the standards.

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

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Key Social Indicators

Components	2013		2014		2013				2014				2015
	Year		Year		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1. Employment ^{1/}													
Workforce (Thousands)	38,661		38,576		38,502	38,789	38,678	38,676	38,454	38,442	38,811	38,598	38,279
%YOY	-0.1		-0.2		1.04	0.69	-0.94	-1.00	-0.12	-0.89	0.35	-0.20	-0.45
Employed person (Thousands)	38,216		38,077		37,965	38,267	38,318	38,316	37,812	37,815	38,421	38,262	37,612
%YOY	-0.1		-0.4		1.32	0.85	-1.18	-1.26	-0.40	-1.18	0.27	-0.14	-0.53
Unemployed person (Thousands)	281.7		322.7		269.6	288.0	312.6	256.6	341.1	385.7	326.6	237.3	361.3
Unemployment rate (%)	0.73		0.84		0.70	0.74	0.81	0.66	0.89	1.00	0.84	0.61	0.94
Underemployed person (Thousands)	273.7		256.3		308.7	220.1	274.3	291.8	277.9	258.1	245.1	244.1	281.2
2. Health and illness													
Number of patients under disease surveillance (cases) ^{2/}													
- Measles	2,647	(-49.2)	1,184	(-55.3)	937	788	618	304	340	321	313	210	223
- Meningococcal Meningitis	14	(75.0)	14	-	3	2	2	7	4	3	2	5	4
- Japanese encephalitis	723	(6.3)	594	(-17.8)	183	192	175	173	140	143	153	158	165
- Cholera	8	(-82.2)	12	(50.0)	4	1	1	2	2	2	6	2	2
- Hand, food and mouth	46,131	(1.8)	65,835	(42.7)	9,585	8,853	18,087	9,606	9,662	19,732	27,792	8,649	8,741
- Dysentery	9,586	(-26.8)	8,106	(-15.4)	2,733	2,710	2,465	1,678	2,326	2,261	2,050	1,469	1,640
- Pneumonia	185,481	(-5.3)	200,710	(8.2)	55,424	35,238	49,812	45,007	60,599	38,215	56,775	45,121	55,222
- Leptospirosis	3,103	(-27.4)	2,263	(-27.1)	639	634	974	856	393	462	774	634	257
- Dengue fever	154,773	(94.5)	40,999	(-73.5)	21,979	53,050	65,382	14,362	4,953	8,222	16,554	11,270	7,413
- Influenza	43,941	(-29.2)	74,065	(68.6)	17,394	6,062	11,631	8,854	30,899	11,178	16,146	15,842	23,696
- Rabies	5	-	6	(20.0)	1	2	2	-	2	1	2	1	2
Numbers of patients with chronic non-communicable diseases (cases)													
- High blood pressure	8.0	(40.4)	n.a.		No quarterly data available								
- Ischaemic heart disease	26.9	(14.5)	n.a.										
- Cerebrovascular disease	36.1	(13.9)	n.a.										
- Diabetes	14.9	(23.1)	n.a.										
- Cancer and tumors	104.8	(6.4)	n.a.										
3. Social security													
- Patients from road accidents (cases)	6,938		5,998		2,171	1,720	1,470	1,577	1,884	1,577	1,285	1,625	1,370
- Crime against person (cases)	23,915		23,916		6,189	6,311	5,856	5,559	5,882	6,021	5,839	6,174	5,900
- Property crimes (cases)	50,213		46,722		12,650	12,355	12,934	12,274	11,705	11,846	11,733	11,438	10,498
- Narcotics (cases)	445,919		384,644		112,456	112,926	117,629	102,908	94,997	102,582	97,907	89,158	79,779
4. Consumer protection ^{3/}													
4.1 Number of complaints (cases)													
- Advertisement	1,033		1,515		310	233	244	246	131	621	519	244	260
- Label	2,631		2,352		759	555	709	608	254	682	752	664	572
- Contract	2,729		2,571		758	663	632	676	287	843	805	636	632
- Law	593		69		541	6	37	9	10	15	39	5	4
- Direct sales and direct marketing	107		131		12	31	24	40	-	-	-	131	54
4.2 Hot line 1166 (cases)	41,773		38,701		10,321	10,314	12,348	8,790	3,410	10,804	12,703	11,784	12,293

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