



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 Q3/2016

The Office of the National Economic and Social Development Board (NESDB) released the official report on Thailand's social development in the third quarter of 2016. The key social highlights included in this quarter are increased income and labour productivity, improved poverty and inequality, a decrease in the number of patients diagnosed with dengue fever and also an increase in overall safety in life and property of citizens. However, there are a few social issues needed to be closely monitored, including, employment, unemployment, the number of patients diagnosed with diseases under surveillance, mental health, cigarette consumption among youth, traffic accidents and drug problem. Details of the aforementioned key social highlights and issues are elaborated as follows

Unemployment rate stable, with increases in working hours, wages and labour productivity

Statistically, there were 38,263,172 employed persons in Q3/2016, a slight 0.2 percent reduction from the same quarter last year. The employment rate in the agricultural sector dropped further from the previous quarter by 2.3 percent due to a decline in agricultural activities and damages of agricultural lands due to floods, causing the need for cultivation in some areas to be postponed. On the contrary, employment in the non-agricultural sector increased by 0.9 percent, most of which is from construction, retail/wholesale, hotel and restaurant sectors, while there is a decline in employment in manufacturing and transport sectors. During the Q3/2016, there were recorded 362,513 unemployed persons, equivalence of the stable 0.94 percent of unemployment rate. There has been a positive sign of economic growth shown in this quarter as overall working hours increased by 1.1 percent, comprising of 1.9 percent increase among those who at least 40 hours/week and 0.2 percent increase among those who work at least 50 hours/week. Such increases are the result of reviving exports and domestic demands. Wages and salaries in the private sector, excluding overtime pay and other benefits, increased by 0.2 percent, labour productivity increased on average by 3.4 percent, comprising of 3.3 percent increase in the agricultural sector and the 2.3 percent increase in the non-agricultural sector.

The key social issues needed to be closely monitored are as follows:

1. **Irrigation management for agriculture** as of 9th November 2016, the recent survey of the amount of water in all dams nationwide showed that some are at around 80-100 percent capacity, including Sirikit Dam, Sirindhorn Dam and Ubol Ratana Dam, while some are over capacity, including, Pa Sak Jolasid Dam, Thap Salao Dam, Kio Kho Ma Dam and

Kwae Noi Dam. Thus, cautious dam management is crucially important in order to prevent damages to agricultural lands during harvesting season in the last quarter this year.

2. **Reviving exports will have some impacts on employment in the industrial sector.** Exports have shown signs of improvement since the beginning of the 3rd quarter, while the Business Sentiment Index (BSI) indicates positive outlooks during the next 3 months. Foreign purchase orders and exports have improved after having negative growth for the past 4 consecutive quarters, indicating an increase in domestic production for exports. The primary signal reflecting such increase is increases in working hours and if the situation continue to be on the improved side, employment should, therefore, later increase. In Q3/2016, working hours in the private sector increased by 0.7 percent, while that of manufacturing sector increases by 0.9 percent. Therefore, such revival of both domestic and international demands, together with the private sector's capacity utilization and overall employment, will need to be closely monitored.

Employment promotion for the elderly

- Becoming an aged society in 2021, Thailand's working-age dependency ratio will be 1 elderly for 3.2 working age population, compared to that of 1:4.2 in 2015, and the country is expected to become a super aged society in 2031, with the dependency ratio equal to 1:2.1. Such demographic changes may lead to shortages of working-age population as well as increases in government's expenditures allocated towards elderly cares. Thus, it is crucially important to promote elderly people to still engage in the labour market, so that they can still have some generated income, as well as utilize their time and skills for productive use, thereby, creating the sense of pride among this population group.

Labour Force Survey in Q3/ 2016

	2015				2016		
	Year	Q2	Q3	Q4	Q1	Q2	Q3
Total labor force (Millions)	38.5	38.4	38.7	38.7	38.3	38.2	38.7
1. Employed (Millions)	38.0	37.8	38.3	38.4	37.7	37.4	38.3
(%YoY)	-0.2	-0.2	-0.2	0.3	0.2	-0.9	-0.2
1.1 Agriculture (%YoY)	-3.6	-5.8	-3.8	-0.7	-2.7	-6.2	-2.3
1.2 Non-agriculture (%YoY)	1.6	2.6	1.7	0.8	1.5	1.4	0.9
2. Unemployed (Millions)	0.3	0.3	0.4	0.3	0.4	0.4	0.4
Unemployment rate (%)	0.88	0.88	0.92	0.8	0.97	1.08	0.94
3. Seasonally inactive labor force (Millions)	0.2	0.3	0.1	0.1	0.3	0.4	0.1
Share to labor force (%)	0.5	0.8	0.2	0.2	0.7	0.9	0.2

Source: National Statistical Office

- There are a couple of ways to have elderly people to actively engage in the labour market, including, retirement age expansion or new employment opportunity provision. However, such measures will need to be properly planned and designed to adequately be in accord with the elderly people's physical and suitable capacity. Recently, on 10th August 2016, the Ministry of Labor has set up a one stop employment service for disable and elderly people, in which information can be accessed through the www.doe.go.th/elderly website. As of 10th August–8th November 2016, there are a total of 825 registered elderly people through the website. Furthermore, on 8th November 2016, the Cabinet also endorsed 4 measures designed to provide a better care system for elderly, which are, (1) employment for the elderly, of which companies that provide employment to elderly will receive a twofold tax deduction for expenses on wages/salary paid to elderly employees, (2) Senior Complex, in which housing for the elderly will be built on 4 state owned properties, including Chonburi, Nakhon Nayok, Chiang Mai and Chiang Rai provinces, (3) Reverse Mortgage, allowing elderly homeowners, aged 60 years and over, to borrow against the equity in their homes with Government Savings Bank and Government Housing Bank, with no repayments needed until the borrowers die or the homes are sold and (4) a mandatory pension fund for all employees of the government and the private sectors, government officials and state enterprise employees who had not been a member of a provident fund.

Poverty and inequality in society improved. According to the Poverty and Inequality in Thailand Report 2015, conducted by NESDB, it shows that:

- The proportion of the poor went down to 7.2 percent in 2015, compared to that of 10.5 in 2014. The Gini coefficient also went down to 0.445 in 2015 compared to 0.465 in 2013.
- The government has rolled out a number of policies and measures aimed to tackle poverty and inequality problems, including, (1) employment opportunity provision and job creation for financial security measure, such as an establishment of employment center for the Thais as well as an establishment of coordinating and promoting center for informal sector, (2) financial assistance, such as housing for lower income people, assistance packages for poor indebted agriculturists and interest and emergency loans for agriculturists affected by the droughts, (3) law enactment aimed to reduce inequality in various aspects, including taxation, land utilization and protection for vulnerable and disadvantaged population groups, and (4) promoting the application of the Sufficiency Economy philosophy, an innovative approach to development designed for practical application over a wide range of problems and situations, in both working and living. Despite the overall improvement of income inequality, the inequality gap is still considerably high. Furthermore, there is still some problems of financial asset and land concentration among the rich and unequal access to

quality services across income spectrums. These problems can be made worse by the anticipated technological advancement, global warming and rapid population aging.

- In the next 5 years under the 12th Plan will therefore place high importance on inequality reduction by focusing on uplifting the income of the 40 percent of population with the lowest income (the bottom 40%). This will tackle the overall poverty and inequality issue along with improvement of national income per capita toward the 20-year National Strategy goal of becoming a high-income country. Policies include expanding the coverage of quality social services e.g. education, health services and closing the social protection gaps. In addition, skill-enhancing measures as well as labor policies which support productivity-enhancement and income-generation, particularly for the bottom 40%, will be implemented. Public services and resources should also be distributed more equally. Meanwhile, community should be strengthened along with community economic development following the Sufficiency Economy Philosophy such that the communities are strong, self-reliant and able to manage resources well.

The overall number of patients diagnosed with diseases under surveillance increased, while dengue fever has improved. But mental health should be closely monitored. The total number of patients under disease surveillance increased in Q3/2016 from the same quarter of 2015 by 21.1 percent. Influenza patients increased more than 3 folds, most of which were children and elderly with chronic diseases due to compromised immune system, making them easily prone to infections. Patients with the hand, foot and mouth disease has more than doubled while those with dengue fever decreased by 58.4 percent. The reduction was due to protection and prevention measures implemented in the surveillance areas. However, mental health of Thai people should be closely monitored, particularly during period to pay homage to the late King. The government has rehabilitated the people's feeling and encouraged to transform the sadness into power for change by follow the late King's royal determination in development of the country.

Promote of physical activities to reduce obese and chronic non-communicable diseases (NCDs). Report from the Thai National Health Examination Survey 2014 (NHES) showed that obese, hypertension and diabetes had increased among Thai people. The survey also found that Thai people did not have sufficient physical activities, which was one of the cause for the increase of obese and NCDs from 18.5 percent in 2009 to 19.2 percent in 2014. Such result is also consistent with the Physical Activity Survey 2015 by the National Statistical Office (NSO), which found 95.5 percent of Thai people to be sedentary. In response, all related agencies have been encouraged to actively implement health-promotion measures including reduction of risky behaviors, encouragement for sufficient physical activity and provision of relevant setting that facilitate sustainable physical activities. Accordingly, the Prime Minister

has instructed every government agency to exercise every Wednesday afternoon to promote good health, reduce stress and regenerate working energy.

Expenditure on alcohol consumption increased, that of cigarette consumption decreased but still need to watch out for youth regular smokers. In Q3/2016, the value of alcoholic consumption spending was estimated at about 30,830 million baht, a 0.8 percent increase compared to the same quarter of 2015. Meanwhile, the spending on cigarette was approximately 12,894 million baht, an 11.1 percent decline compared to the same quarter last year. Despite such improvement in the cigarette consumption, regular smokers among youth aged 15-24 years increased from 11.5 percent in 2014 to 12.2 percent in 2015. This was partly due to new marketing strategy by tobacco industry which targeted at creating new smokers as well as increasing consumption of existing smokers. In response, Tobacco Product Control Act has been considered for revision to be up-to-date and to raise the level of health protection, particularly of children and youth from accessing tobacco product. Such revision will also be consistent with WHO Framework Convention on Tobacco Control.

The overall security in life and property improved but to resolve narcotics cases require health-led protection and suppression measures. The overall crime cases in Q3/2016 decreased by 0.9 percent compared to the same quarter in 2015, with reductions in life, physical and sexual offence cases and violence against property cases by 18.7 percent and 23.2 percent, respectively. Such improvement in overall security in life and property was due to government's attempt to create better setting by maintaining social orders and restraining illegal activities. Meanwhile, narcotics and drug related cases increased by 5.1 percent from the same period of 2015. In result, the government has placed high importance on resolving narcotic drug issue by using public health services to lead the prevention and suppression measures which coincide with the direction set by the United Nations. That is, to treat the drug-addicts holistically by providing high standardized quality rehabilitation, occupation training and financial access such that they can return to society smoothly.

Prevention to reduce the risk of accidents has to be carried out continuously. In the third quarter of 2016, the number of road accidents and casualties increased by 11.8 and 13.4 percent respectively. The value of loss went down by 50.9 percent. As for the marine accidents, statistics from Marine Department for the past 5 years reveal that there were more than 20 accidents per year. In September 2016, the most recent data, there were 28 deaths from one boat sink incident. The government has placed importance on prevention measures to reduce risk of accidents in a sustainable way. Measures include campaigns to control the risk factors of causing both road- and marine accidents, enhancing law enforcement, and creating safety conscious and culture. The government has also intensively upgraded marine traffic safety e.g. prohibiting boats with natural-gas engines and

only allowing those with diesel engines to operate in Saen Saep Canal, implementing long-term measures, setting up rescue unit or rescue equipment and improvement of boat to a more modern system with more safety and less noise.

Community participation toward efficient water management Water quality in 2015 reveals a 22 percent increase in deteriorated quality while water in fair quality decreased by 41 percent. Overall water quality over the past 5 years (2011-2015) tended to deteriorate. Resolution to water quality deterioration has to begin with acknowledgement, creating awareness and promoting community participation in preventing and mitigation of water pollution. Example of community participation in preserving water resources include “Prachakom Konlux Maeklong” Club set up by 16 networks to sign partition requesting an establishment of an agency to manage water resources in 5 provinces in order to preserve endangered species and other freshwater animals. There are also communities which succeeded in adopting the late King Bhumibol Adulyadej’s initiation in wastewater management, namely (1) Klong Lat Mayom Floating Market Community, Bangkok—set up by community to treat wastewater by using solar-cell water turbine to add oxygen into water, and (2) Baan Sala Din Community, Nakhon Pathom—the community has preserved and treated Mahasawat Canal by checking water quality, installing grease-trap tanks and developing solar-cell water turbine to treat water. Government has also echoed the late King’s initiation in water management by scaling-up the water-management networks. This is done by collecting data from all related agencies and setting up the National Hydroinformatics and Climate Data Center (NHC). With the data center, communities can use data e.g. GPS, satellite photographs, rainfall telemetry to plan and manage water in their own community. Currently, there are more than 900 communities participating in this network.

Office of the National Economic and Social Development Board

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Key Social Indicators

Components	2014	2015	2014				2015				2016		
	Year	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1. Employment ^{1/}													
Workforce (Thousands)	38,576	38,548	38,454	38,442	38,811	38,598	38,279	38,404	38,767	38,744	38,312	38,160	38,683
%YOY	-0.2	- 0.07	-0.12	-0.89	0.35	-0.20	-0.45	-0.10	-0.1	0.4	0.1	-0.6	-0.2
Employed person (Thousands)	38,077	38,016	37,812	37,815	38,421	38,262	37,612	37,752	38,330	38,371	37,684	37,394	38,263
%YOY	-0.4	-0.16	-0.40	-1.18	0.27	-0.14	-0.53	-0.17	-0.2	0.3	0.2	-0.9	-0.2
Unemployed person (Thousands)	322.7	340.6	341.1	385.7	326.6	237.3	361.3	336.1	356.0	308.8	369.9	411.1	362.5
Unemployment rate (%)	0.80	0.88	0.89	1.00	0.84	0.61	0.94	0.88	0.92	0.8	0.97	1.08	0.94
Underemployed person (Thousands)	256.3	272.5	277.9	258.1	245.1	244.1	281.2	277.2	250.9	280.8	292.9	351.8	217.3
2. Health and illness													
Number of patients under disease surveillance (cases) ^{2/}													
- Measles	1,184 (-55.3)	1,015 (-14.3)	340	321	313	210	224	236	276	279	316	215	515
- Meningococcal Meningitis	14 -	25 (78.6)	4	3	2	5	4	6	9	6	5	4	3
- Japanese encephalitis	594 (-17.8)	632 (6.4)	140	143	153	158	164	144	178	146	182	119	230
- Cholera	12 (50.0)	108 (800.0)	2	2	6	2	2	2	4	100	41	2	6
- Hand, food and mouth	65,835 (42.7)	41,392 (-37.1)	9,662	19,732	27,792	8,649	9,217	7,771	14,594	9,810	8,906	17,872	33,011
- Dysentery	8,106 (-15.4)	7,042 -13.1	2,326	2,261	2,050	1,469	1,804	1,956	1,774	1,508	1,694	1,590	1,884
- Pneumonia	200,710 (8.2)	216,959 (8.0)	60,599	38,215	56,775	45,121	56,556	42,176	57,754	60,473	56,376	45,658	70,102
- Leptospirosis	2,263 (-27.1)	2,151 (-49.4)	393	462	774	634	283	393	723	752	391	364	591
- Dengue fever	40,999 (-73.5)	144,952 (53.6)	4,953	8,222	16,554	11,270	7,538	24,409	60,768	52,237	14,885	5,537	25,241
- Influenza	74,065 (68.6)	77,926 (52.1)	30,899	11,178	16,146	15,842	24,206	10,840	18,397	24,483	34,817	14,545	55,439
- Rabies	6 (20.0)	5 (-16.6)	2	1	2	1	1	1	2	1	3	1	2
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)	5,998	6,271	1,884	1,577	1,285	1,625	1,623	1,533	1,322	1,793	1,871	1,494	1,538
- Crime against person (cases)	23,916	25,602	5,884	6,024	5,904	6,313	6,210	6,724	5,947	6,721	5,659	5,294	4,800
- Property crimes (cases)	46,722	48,770	11,706	11,853	11,845	11,690	11,214	12,850	12,926	11,780	10,236	8,957	9,913
- Narcotics (cases)	384,644	279,266	95,095	102,728	98,838	91,711	83,963	67,015	64,375	63,913	64,753	59,104	67,944
4. Consumer protection ^{3/}													
4.1 Number of complaints (cases)													
- Advertisement	2,571	2,875	287	843	805	636	632	753	742	748	727	795	509
- Label	2,352	2,552	254	682	752	664	572	726	614	640	704	559	387
- Contract	1,515	2,552	131	621	519	244	260	272	253	334	457	373	298
- Law	69	6	10	15	39	5	4	1	1	0	25	12	-
- Direct sales and direct marketing	131	566	0	0	0	131	54	159	177	176	120	244	550
4.2 Hot line 1166 (cases)	38,701	49,708	3,410	10,804	12,703	11,784	12,293	12,300	12,865	12,250	11,666	10,555	12,438

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