Youth Employment and Promotion in Thailand

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• Changes in socio-economic environment and population structure have led to a gradual decline in Thailand’s competitive advantage in terms of human resources. It is necessary to invest more in HRD by accelerating education development and training for youth as well as those who have already entered the labour market for their career development and professional lives.

• Youth is considered one of the most important factors for the survival and future development of the country. The Thai government has proceeded to promote and develop youth so that they may become good citizens, qualified employ persons and share the responsibilities for the future development of the nation.
- Youth in Thailand is defined as population aged 15-25 years old.
- It is considered that employment promotion can be one of the measures to reduce the unemployment problems.
- **Objectives** of the study are to provide information on youth employment situations and promotion programmes in Thailand; to identify approaches of HRD to enhance youth employment; and to explore the innovative practice of selected agencies working related to youth employment and promotions case studies.
Situations of Youth Employment in Thailand

- Thailand youth population in 2004 were 10.15 million. This number declined to 9.98 million in 2010 partly due to the successful of population policy to bring population growth rate down. Females youth population are less than males. The proportion of youth to total population in 2004, 2006, 2008 and 2010 were 16.32, 16.18, 15.94 and 15.67
### Table 1: Youth Population of Thailand by Sex, 2004-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population of Thailand</th>
<th>Youth Population</th>
<th>Proportion of Youth to total population</th>
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<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Total</td>
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<tr>
<td>2004</td>
<td>62,162.6</td>
<td>5,189.7</td>
<td>4,957.2</td>
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<td>2006</td>
<td>62,520.3</td>
<td>5,173.6</td>
<td>4,941.2</td>
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<td>2008</td>
<td>63,120.8</td>
<td>5,148.0</td>
<td>4,914.7</td>
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<td>2010</td>
<td>63,652.3</td>
<td>5,103.9</td>
<td>4,870.9</td>
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<td>2012</td>
<td>64,109.3</td>
<td>5,027.0</td>
<td>4,795.9</td>
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<td>2014</td>
<td>64,467.8</td>
<td>4,928.0</td>
<td>4,699.8</td>
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Remarks: Youth population are those population aged 15-25 years.
Data for 2012 and 2014 are projected.
• Participation of youth in labour force was 57.93 in 2004 and declined to 51.21 in 2010. Might be due to the fact that youth had more opportunity to continue education and less youth had entered labour market. Males were unemployed more than females.

• Unemployment rate of youth labour was high during the economic crisis (2006) and dropped after the crisis was recovered (2010)
• Open unemployment (looking for work) has never been a serious problem in Thailand. However, the rate is likely to be underestimated. Underemployment is high especially during the dry seasons.

• In 2010, 11,200 male youth were seasonally in active while 7,900 females were inactive. About 45.800 youth were open-unemployed while 126.6 million were available for work.
### Table 2: Youth Labour Force in Thailand by Employment Category and Sex, 2004-2010

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<td>1. Current labour Force</td>
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<tr>
<td>1.1 Employed</td>
<td>3,207.8</td>
<td>2,405.9</td>
<td>5,613.7</td>
<td>2,916.8</td>
<td>1,975.0</td>
<td>4,891.8</td>
<td>2,907.3</td>
<td>1,983.6</td>
<td>4,890.9</td>
<td>2,943.2</td>
<td>1,992.4</td>
<td>4,935.6</td>
</tr>
<tr>
<td>At work</td>
<td>3,184.1</td>
<td>2,390.7</td>
<td>5,574.8</td>
<td>2,891.6</td>
<td>1,957.8</td>
<td>4,849.4</td>
<td>2,895.2</td>
<td>1,973.9</td>
<td>4,869.1</td>
<td>2,916.8</td>
<td>1,978.6</td>
<td>4,895.4</td>
</tr>
<tr>
<td>With job but not or work</td>
<td>23.7</td>
<td>15.2</td>
<td>38.9</td>
<td>25.2</td>
<td>17.2</td>
<td>42.4</td>
<td>12.0</td>
<td>9.8</td>
<td>21.8</td>
<td>26.5</td>
<td>13.8</td>
<td>40.3</td>
</tr>
<tr>
<td>1.2 Unemployed</td>
<td>156.3</td>
<td>108.6</td>
<td>264.9</td>
<td>136.0</td>
<td>110.1</td>
<td>246.1</td>
<td>148.2</td>
<td>97.5</td>
<td>245.7</td>
<td>90.4</td>
<td>81.8</td>
<td>172.2</td>
</tr>
<tr>
<td>Looking for work</td>
<td>21.7</td>
<td>19.7</td>
<td>41.4</td>
<td>23.2</td>
<td>24.9</td>
<td>48.1</td>
<td>26.5</td>
<td>22.2</td>
<td>48.7</td>
<td>14.8</td>
<td>31.0</td>
<td>45.8</td>
</tr>
<tr>
<td>Not looking/available for work</td>
<td>134.5</td>
<td>88.8</td>
<td>223.3</td>
<td>112.9</td>
<td>85.3</td>
<td>198.2</td>
<td>121.7</td>
<td>75.4</td>
<td>197.1</td>
<td>75.7</td>
<td>50.9</td>
<td>126.6</td>
</tr>
<tr>
<td>2. Seasonally inactive f.f.</td>
<td>6.4</td>
<td>0.0</td>
<td>6.4</td>
<td>11.2</td>
<td>7.3</td>
<td>18.5</td>
<td>11.4</td>
<td>7.1</td>
<td>18.5</td>
<td>11.2</td>
<td>7.9</td>
<td>19.1</td>
</tr>
<tr>
<td>Total Youth Labour Force</td>
<td>3,370.4</td>
<td>2,514.5</td>
<td>5,884.9</td>
<td>3,064.0</td>
<td>2,092.4</td>
<td>5,156.4</td>
<td>3,066.8</td>
<td>2,088.3</td>
<td>5,155.1</td>
<td>3,044.8</td>
<td>2,082.0</td>
<td>5,126.8</td>
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<tr>
<td>Total labour force of Thailand</td>
<td>20,040.0</td>
<td>16,251.1</td>
<td>36,291.1</td>
<td>19,924.0</td>
<td>16,943.1</td>
<td>36,867.1</td>
<td>20,691.1</td>
<td>17,653.6</td>
<td>38,344.7</td>
<td>21,128.8</td>
<td>17,964.1</td>
<td>39,092.9</td>
</tr>
</tbody>
</table>
Major Youth Employment Problems.

Five major employment problems of youth are:

- Labour with low education and lack of skills.
- Labour utilization and the supply-demand gap.
- Inadequate of a comprehensive social safety net system.
- Shortages of middle manpower.
- Rapid increase of guest workers from neighbors countries.
Youth Development and Employment Promotion

• The Youth Development Plan had been for mutated and integrated as part of the manpower policies since the Second National Economic and Social Development Plan (1972-1976)

• National Youth Policies implying the economic support for youth as:
  – To urge young people to continue acquiring further knowledge.
  – To promote vocational training especially in agriculture and home industry.
  – To recognize and arrange self-economy and take up on occupation suitable to the local conditions.

• Youth desirable characteristics as issued by the National Youth Bureau were “that Youth must be able to plan for and enter into occupation”.
• The Sixth National Development Plan (1987-1991) emphasized that for the youth should give special consideration on improving quality of both formal and non-formal education and solving the problems of unemployment and underemployment of both rural and urban youth.

• The Seventh and Eighth Plans emphasized the development of middle and high skill manpower in quantity and quality terms in fields experiencing shortages, and in line with market demand. The government encouraged public and private cooperation in setting up area specific training centers to offer joint training programme in fields requiring high skill with budget from private sector.
• The Ninth and the Tenth Plans also encouraged youth workers who have acquired sufficient skills and experiences to set their own business by providing advice on project preparation to seek financial assistance from public/private financial institutions.

Programmes to Increase Productive Employment for Youth

1) **Support the informal sector employment.** Improving productivity and efficiency of informal sector youth workers could not only generate employment opportunities but also benefit overall performance of economy.

2) **Increase labour absorption in the agricultural sector.** This sector absorb about 50% total work force. Improve productivity, help those youth wanting to start new occupations.
Programmes to Increase Productive Employment for Youth

3) Improve labour-market flexibility—depends on market segmentation, wage adjustment process, migration and information in the labour market. For example, economic crisis and flood disaster, work system had to be adjusted to focus more on those persons laid-off from the industrial sector.

4) Training and retraining programmes for new entrants or returning youth workers. Skill development being undertaken by various public and private agencies, several improvement are on the way. Due to mounting budget constraints, greater cooperation at the provincial level is necessary

5) Integrating employment policies with economic policies. There are no clear guidelines to ensure direct integration between employment and economic target in the overall plums. Greater integration improvement, priority scatting should be specified.
Relevant Agencies Working for Youth Employment

• There are several public and private agencies which relate directly and indirectly to youth employment and promotion. Programmes and agencies which are explored as the case studies are:
  – Occupational Training for youth formers by CP Groups Companies.
  – Occupational promotion in Bangkok areas by Bangkok Metropolitan Office.
  – Young farmers (Yuwa Kasetkorn) promotion by Department of Agricultural Extension, Ministry of Agriculture.
  – Vocational education promotion by Vocational Education Commission Office, Ministry of Education.
  – Skill development by Skill Development Department, Ministry of Labour.

• Type of activities of each agency might be different due to objectives and coverages of the agency. The matrix of promotions are show in Table below:
<table>
<thead>
<tr>
<th>Organization</th>
<th>Skill Development</th>
<th>Entrepreneurs Development</th>
<th>Capital Assistance</th>
<th>Material, Equipment</th>
<th>Market Assistance</th>
<th>Consultant</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Chareon Pokphand Group-C.P. Rural Life Development Foundation (Occupational Training for Youth Farmers)</td>
<td>Ø</td>
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<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
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<tr>
<td>2. Department of Agricultural Extention (Yuwa Kasetkorn), Ministry of Agriculture</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
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<td>Ø</td>
<td>Ø</td>
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<tr>
<td>3. Department of Skills Development, Ministry of Labour</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
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<td>Ø</td>
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<td>4. Vocational Education Commission Office, Ministry of Education</td>
<td>Ø</td>
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<td>Ø</td>
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<tr>
<td>5. Department of Social Development, Bangkok Metropolitan Administration (BMA)</td>
<td>Ø</td>
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Source: Designed from the case studies information of the paper by research team.
Occupational Training for Youth Farmers

(C.P.Groups and Companies)

- The young farmers generally have low education and lack occupational training to improve the quality of their lives.

- C.P. Groups started the programme in 1988, provided funding for training and responsible for the project. At present the Rural Life Development Foundation has been established to coordinate activities.

- Objectives are to develop potential and skills for out-of-school to generate employment, increase income and support self-reliance. To develop disciplines and moral of youth farmers to become good member of society. To develop and promote children and youth in school system. The courses are provided by the Group’s staffs. Total amount of budget is not fixed, according to the submitted projects.
Occupational Training for Youth Farmers
(C.P.Groups and Companies)

• Training time ranges from 5-8 months depending on the type of the course. More than 50% of those who finished the courses have gained employment in their villages. The project has achieved the objectives. The contributed factors are: responsiveness of the youth, government coordination, the Group’s policy and quality of staffs.

• The project has linkages with the Royal Development Project, Border Patrol Bureau, Ministry of Education, etc.
Skills Development for Labour
(Department of Skills Development)

• The objectives are to coordinate, support and promote public and private to participate in skills development for labour. The target training groups are 1) new labour entrants, 2) those already in labour market, 3) those who want to change their jobs. Majority of trainees are youth who are unemployed and those who want to start their own business.

• Coordination policies and planning are formulated for direction training to match with labour market demand, public policies and national development plan. Reducing the duplication of skill. Development activities among various agencies are considered.
• In 2010 fiscal year, budget allocation was US.$ 51.24 million. About US.$ 23.72 for training to those unemployed, those who want to change jobs, employment promotion and self-employment training. About US.$ 27.52 million was for training those who employed in the formal sector.

• The training and promotion programmes were successful. More youth required to take courses (about 53% of the original plan)

• There are 12 regional skills training institutes and 65 provincial centers provide training courses. It is necessary to coordinate with public/private agencies-Ministry of Industry, Chamber of Commerce, Ministry of Education, Federation of Thai Industry, private agencies and foundations, etc. The linkages are satisfactory.
Middle Level Manpower Education Development
(Vocational Education Commission)

- The main objectives are to develop, improve curriculum and instruction, produce qualified vocational education graduates, research, innovation and career development. Consultants to youth who want to start their own business are also provide.

- The target group is for the youth completed grade 9 to study 3 years for lower vocational education certificate and 2 years more for the higher vocational education certificate. The study programme has expanded to degree level for those continue 4 years and 2 years after graduated lower vocational and higher vocational education respectively. Career and technology related education is offered as elective and compulsory, and free elective courses to provide then with work experience and basic knowledge for career preparation.
The main issues are focused on 1) Middle level manpower development and poverty alleviation 2) Development of Thai potential-in terms of skills and knowledge 3) Partnership with industry such as Dual Vocational Education Programme.

The Commission has linkages with public and private agencies-Ministry of Labour, Ministry of Industry, Ministry of Commerce, Chamber of Commerce, The Federation of Thai Industries, etc.
Concluding Remarks

• Several agencies have undertaken actions to promote youth employment. But due to economic crisis, some programmers have to adjust to respond the most urgent issues. Unemployment is one of the most urgent issues. Many programmes have been set to create jobs for the unemployed youth. Higher education unemployment in 2011 was 2.1 which was higher than other education groups. We should take the issue with serious consideration.

• Thailand has to face with problems of flood disaster starting in September 2011. The full economic impact of the flooding that has swamped hundreds of factories is hard to predict. The impact of flood crisis in the Central Region may lead to the Thai economy, dropping from 3.5-4.5 percent to about 2 percent and the unemployment rate from 1.4 percent to 2.0 percent. The government has to work an the recovery master plan immediately.
• Flood have affected many companies in 6 industrial estates. About 500,000 workers including youth workers became unemployed. It is necessary for the government to set immediate plan followed by medium and long term plans to support the flood victim companies and generate employment for those unemployed workers with high proportion of youth.
THANK YOU