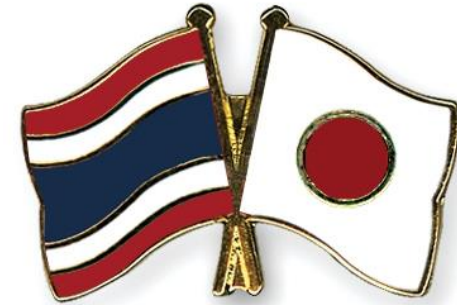


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- Advisor to ECOT
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# THAILAND OUTLOOK

Thailand's labour force has been estimated at from 36.8 million employed (of 55.6 million adults of working age) to 38.3 million (1Q2016). About 49 percent were employed in agriculture, 37 percent in the service sector and 14 percent in industry. In 2005 women constituted 48 percent of the labour force, and held an increased share of professional jobs. Thailand's unemployment rate was 0.9 percent as of 2014, down from two percent in 2004. A [World Bank](#) survey showed that 83.5 percent of the Thai workforce is unskilled.

A joint study by the Quality Learning Foundation (QLF), [Dhurakij Pundit University](#) (DPU), and the World Bank suggests that 12 million Thais may lose their jobs to automation over the next 20 years, wiping out one-third of the positions in the workforce. The World Bank estimates that Thai workers are two times and five times less productive than Malaysian and Singaporean workers respectively. The report assesses the average output of Thai workers at US\$25,000 (879,200 baht) in 2014 compared to Malaysia's US\$50,000 and US\$122,000 for Singapore. A 2016 report by the [International Labor Office](#) (ILO) estimates that over 70 percent of Thai workers are in danger of being displaced by automation. Factories in Thailand are estimated to be adding from 2,500–4,500 industrial robots per year.

In fiscal year 2015, 71,000 Thais worked abroad in foreign countries. Taiwan employed the most Thai employees overall with 59,220 persons, followed by South Korea at 24,228, Israel at 23,479, Singapore at 20,000, and the UAE at 14,000. Most employees work in metal production, agriculture, textile manufacturing, and electronic part manufacturing fields. As of 2020, Thai migrant labourers overseas generate remittances worth 140 billion baht.

The number of migrant workers in Thailand is unknown. The official number—1,339,834 registered migrant workers from Cambodia, Laos, and Myanmar—reported by the Office of Foreign Workers Administration under the [Ministry of Labour](#), represents only legal migrant workers. Many more are presumed to be non-registered or illegal migrants. The [Thailand Development Research Institute](#) (TDRI) estimates that there may yet be more illegal migrant workers than legal ones in Thailand.



<b>Population</b>	69,950,844 (2021)
<b>GDP</b>	<ul style="list-style-type: none"><li>\$574 billion (<a href="#">nominal</a>; 2023 est.)</li><li>\$1.591 trillion (<a href="#">PPP</a>; 2023 est.)</li></ul>
<b>GDP rank</b>	<ul style="list-style-type: none"><li><a href="#">27th (nominal; 2023)</a></li><li><a href="#">23st (PPP; 2023)</a></li></ul>
<b>GDP growth</b>	<ul style="list-style-type: none"><li>1.5% (2021)</li><li>2.8% (2022f)</li><li>3.7% (2023f)</li></ul>



<b>Human Development Index</b>	<ul style="list-style-type: none"><li>0.800 <b>very high</b> (2021) (<a href="#">66th</a>)</li></ul>
<b>Labour force</b>	<ul style="list-style-type: none"><li>0.646 <b>medium</b> <a href="#">IHD</a> (2019)</li><li>38,917,441 (2019)</li><li>67.3% employment rate (2018)</li></ul>
<b>Unemployment</b>	1.1% (2020 est.)
<b>Main industries</b>	<a href="#">Automobiles</a> and automotive parts (11%), <a href="#">financial services</a> (9%), electric appliances and components (8%), <a href="#">tourism</a> (6%), <a href="#">cement</a> , auto <a href="#">manufacturing</a> , <a href="#">heavy</a> and <a href="#">light industries</a> , <a href="#">appliances</a> , <a href="#">computers</a> and parts, <a href="#">furniture</a> , <a href="#">plastics</a> , <a href="#">textiles</a> and <a href="#">garments</a> , agricultural processing, <a href="#">beverages</a> , <a href="#">tobacco</a>
<b>Ease-of-doing-business rank</b>	<a href="#">21st (very easy. 2020)</a>

## Thailand's Labor Mismatch : Contemporary Situations

For Thailand, the shortages of human resources (both quality and quantity) were symptomatic of more complex problems that urgently needed to be addressed in order for the economy achieve its full potential. Hence, not only has it hard for HRM teams to decide how to solve the labor mismatch problems, but also it has been harder for Thai HRD officers and policymakers responsible for solving the national-level problems. Indeed, the quantitative and qualitative mismatches seen in the Thailand labor market in the manufacturing sector were similar to those faced by both developed and developing countries.

## Thailand's Labor Mismatch : Contemporary Situations

- **Quantitative** mismatch referred to the case where there was a low employment rate or shortage of laboras reported in the official statistics comprising both the formal and informal labor markets.
- **Qualitative** mismatch referred to the situation where there existed either a vertical mismatch or a horizontal mismatch in the labor market. A vertical mismatch existed when labor participating in the job market had either a higher degree of education or lower degree of education than what was required by employers. This is the higher or lower education challenges. A horizontal mismatch occurred when labor graduated from one field of study but worked in the jobs unrelated to that field of study.

## Thailand's Labor Mismatch : Contemporary Situations

Labor mismatches of both types, quantitative and qualitative mismatches, tends to manifest as labor market problems as well as human resources management challenges. Hence, the policy makers was keen to understand the root causes of this disequilibrium in the labor market, with a view to determining whether existing private-sector human resource practices were likely to be effective over the long term and, if not, how Thai policymakers, alone or in coalition with the private sector, could help alleviate these problems.



**THANK YOU**

Siripong Intavadee