

Decent work and youth in Thailand

Facts and trends

January 2020

ILO and the future of work for youth

The world of work is undergoing profound transformations driven by technological, demographic, climate and environmental changes, and globalization. The 2019 ILO Centenary Declaration for the Future of Work highlights the need to direct efforts to developing effective policies aimed at generating full, productive and freely chosen employment and decent work opportunities for all, and in particular facilitating the transition from education and training to work, with an emphasis on the effective integration of young people.

About this fact sheet

The ILO is the United Nations agency for the world of work. This country fact sheet provides an overview of selected key labour market indicators for youth aged 15-24 years in Thailand. The fact sheet on decent work and youth aims to support government, employers' and workers' organizations, youth and key stakeholders to drive a human-centred approach to the future of work, in line with the objectives of the 2030 Agenda for Sustainable Development and the UN Global Initiative on Decent Jobs for Youth.

Productivity growth needs to accelerate to support the ageing population

1. Thailand's population is ageing. In 2018, there were 7.8 million persons aged 65 years and above, accounting for 12% of the population in 2018. By 2023, around 4 million more people will become older than 65 years old, while roughly the same number will join the working age population.
2. Supporting an ageing workforce requires labour productivity increases. However, the growth rate of output per worker (15+) has been volatile and limited to less than 3% in recent years.

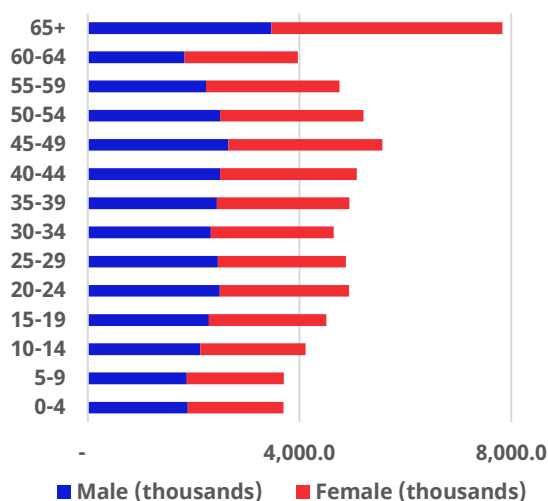


Figure 1: Population by sex and age (thousands). Source: ILO estimates from the microdata of the NSO's Labour Force Survey in 2018.



Figure 2: SDG Indicator 8.2.1. Growth rate of output per worker (GDP constant 2010 US\$), 2001-2019. Source: ILOSTAT.

Work that young people undertake will be important for current and future productivity growth.

3. Young people are more likely to work in urban areas than before. In 2018, 39% of youth were working in urban areas, 13 percentage points higher than in 2010.
4. When young people work, they tend to work in agriculture (29% in 2018) or in market services (36% in 2018). While agriculture still remains an important sector of work for youth, it has declined notably from 38% in 2010.

5. Youth are more likely to work as employees than to be self-employed, and increasingly so over time. In 2010, 54% of employed youth were employees. This share increased to 61% by 2018.
6. Young employees work long hours of more than 49 hours per week, although the trend is decreasing. In 2010, 37% of employed youth worked more than 49 hours. By 2018, this share declined to 17%.

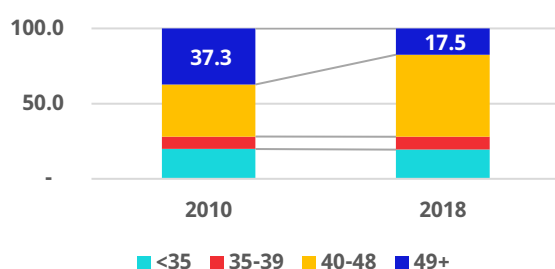


Figure 3: Employment distribution by hours of work, youth, 15-24 years (%).
Source: ILO estimate from Q3 microdata of Labour Force Survey 2010 and 2018.

7. Young workers are increasingly better educated. In 2010, 36% of young workers had upper secondary education and above. In 2018, the ratio rose to 42%.

In sum, young workers in Thailand are increasingly based in urban areas, work as employees in the services sector, are increasingly educated and are less likely to work long hours than in previous years.

At the same time, a large proportion of young workers still engage in agriculture and in market services, where incomes and productivity increases continue to be limited. The existing job opportunities in the country may not be utilizing the full potential of young workers. This can pose a challenge in supporting a growing proportion of older population.

Youth unemployment rate has been rising, particularly for young women

8. The number of unemployed youth has been on the rise since 2010, from 124 thousand in 2010 to 157 thousand in 2018. Young women are more likely to be unemployed than young men. The youth unemployment rate has also been rising steadily since 2010. Young women's unemployment rate was 5% in 2018 and that of young men was 4%.
9. Young women are also much more likely to be not in education, employment or training (NEET). Young women's NEET rate was 19% and that of young men was 10%. Also, NEET rates tend to increase with age, as it particularly affects young married women. Young married women (41%) are much more likely than young married men (6%) to be a NEET.

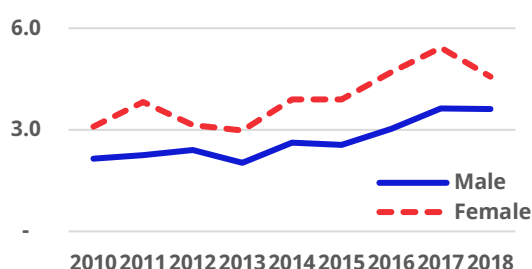


Figure 4: Youth unemployment rate, 15-24 years (%)
Source: ILO estimate from Q3 microdata of Labour Force Survey, 2010-2018.

Joblessness in Thailand affects young women more than young men, and there has been an increasing trend in joblessness in recent years.

With the economic shock that COVID-19 is currently having on Thailand, lack of job opportunities for youth is an ever pressing concern that needs to be addressed.

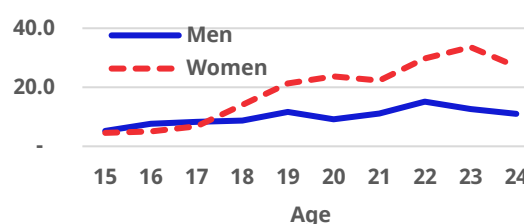


Figure 5: SDG indicator 8.6.1: Proportion of youth not in education, employment or training by sex and age (%).
Source: ILO estimate from Q3 microdata of Labour Force Survey 2018.

The immediate and direct impact on jobs and incomes are expected in the tourism sector, which has become increasingly reliant on visitors from China since about 2015. As a large proportion of youth work in services, which includes tourism, there may be added risks of job and income loss for youth due to the COVID-19 shock.

More information about decent work and youth in Thailand: www.ilo.org/thailand