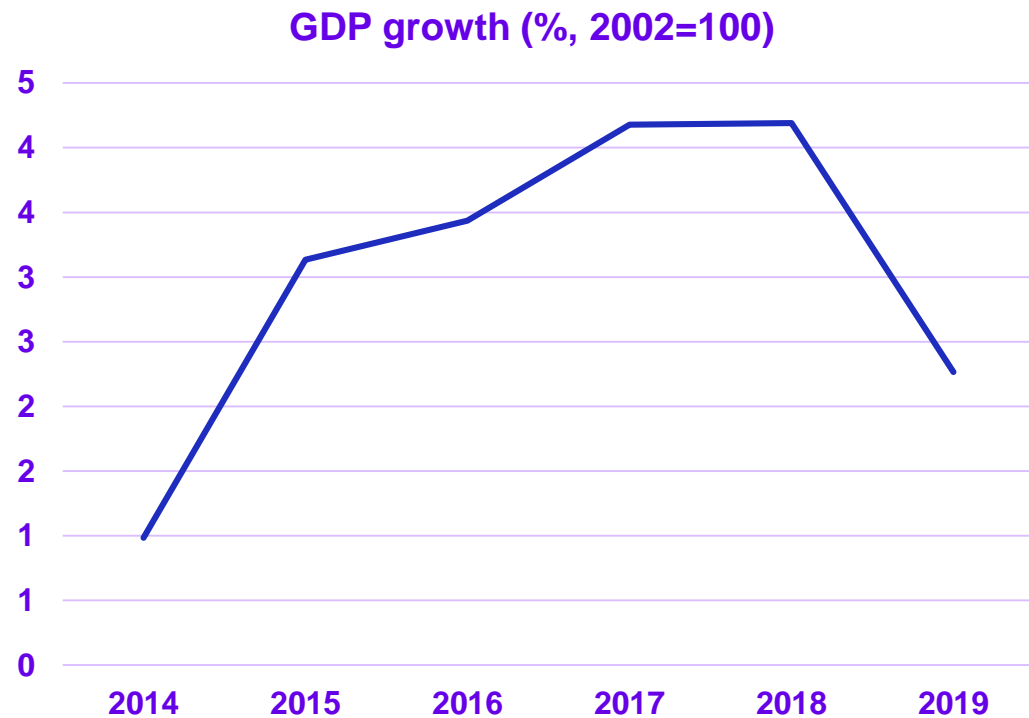
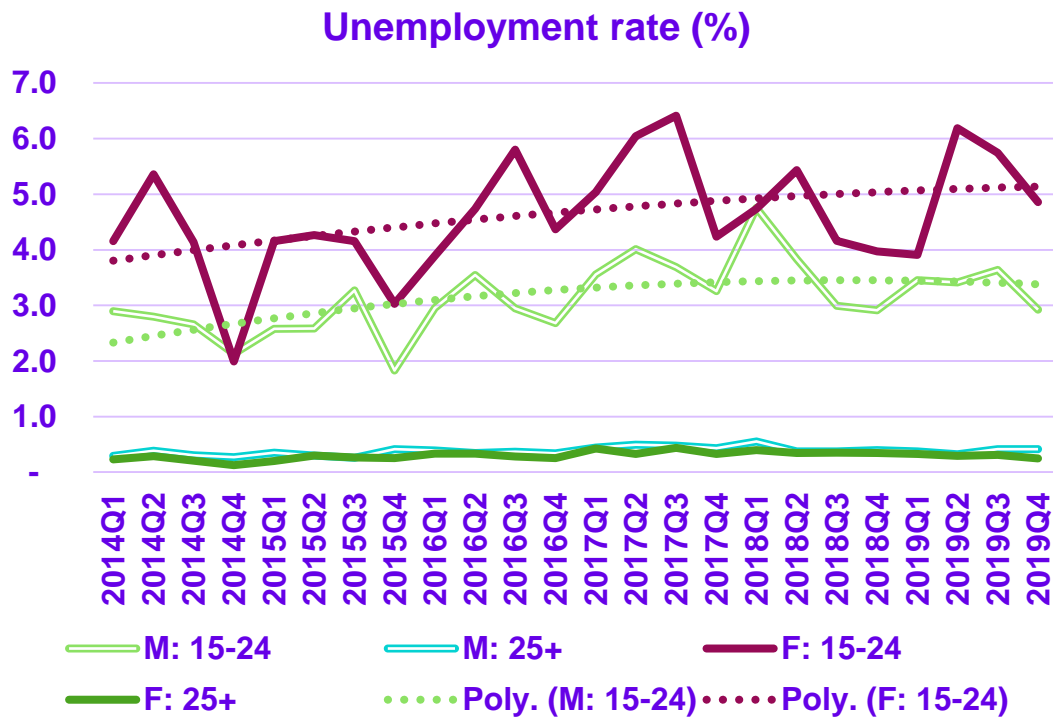


Labour market trend and challenges in times of pandemic

Makiko Matsumoto, Employment Specialist, DWT-Bangkok

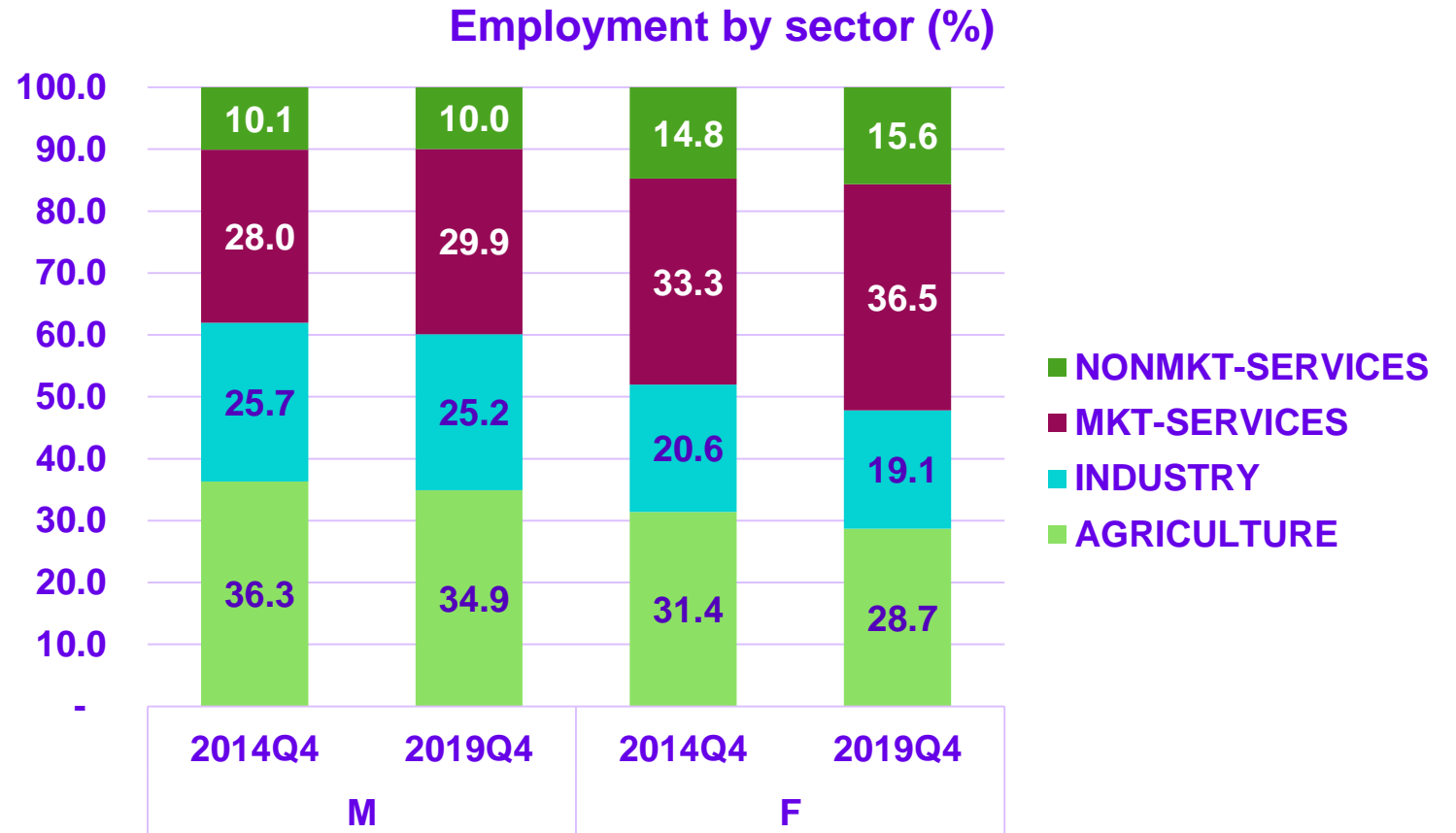
Trends prior to the crisis: Thailand



Trends prior to the crisis: Thailand

Structural shift toward services

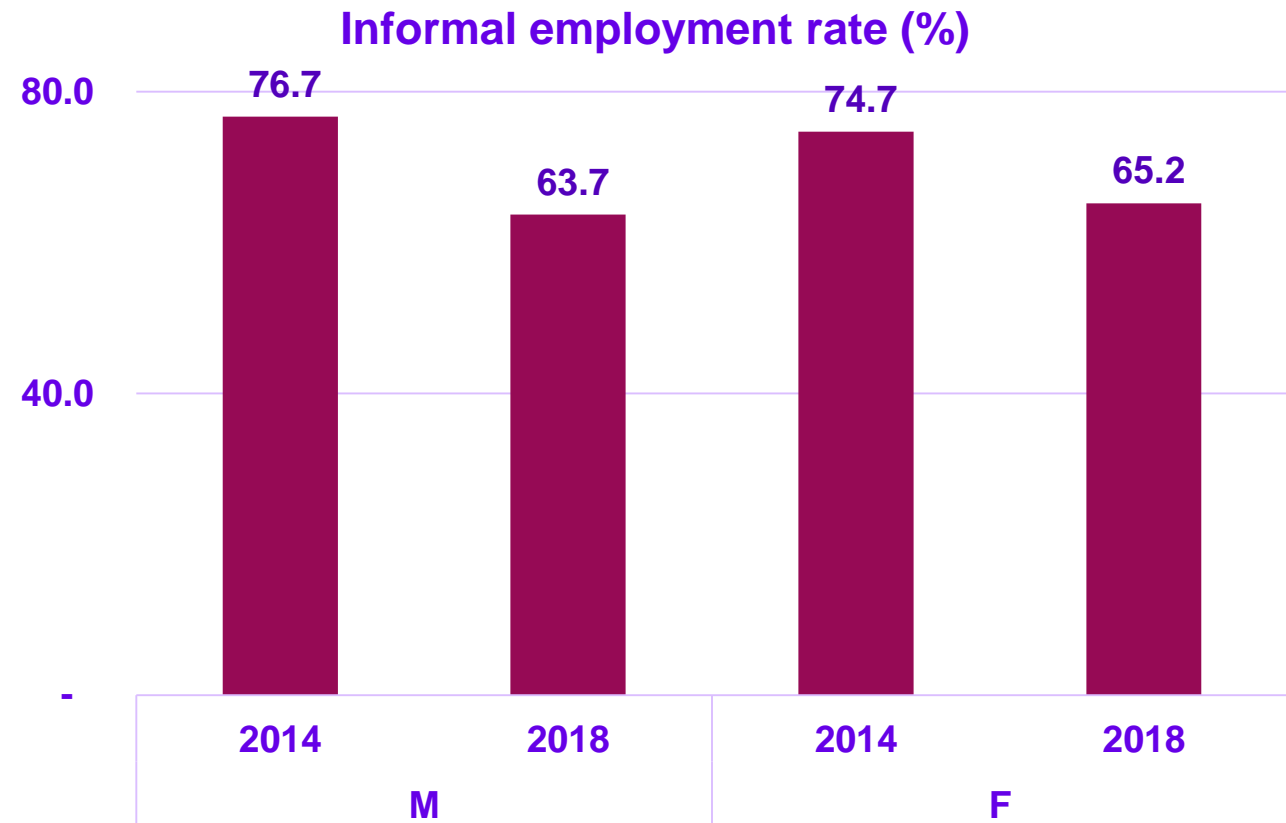
particularly for women



Trends prior to the crisis: Thailand

Still considerable informality...

but an improving trend



► Crisis impact: All sub-regions hit hard, some more so than others

GDP growth (%), APESO 2020

| Region | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------------|------|------|------|------|------|
| World | 3.5 | 2.8 | -4.4 | 5.2 | 4.2 |
| Asia and the Pacific | 5.1 | 4.4 | -2.2 | 6.7 | 5.4 |
| East Asia | 5.1 | 4.7 | 0.2 | 6.8 | 4.9 |
| South-East Asia | 5.2 | 4.5 | -3.5 | 6.1 | 5.5 |
| Pacific Islands | 2.9 | 2.0 | -4.6 | 3.2 | 2.8 |
| South Asia | 5.0 | 3.9 | -7.7 | 7.2 | 7.1 |

► Crisis impact: All sub-regions hit hard, some more so than others

GDP growth (%), IMF April 2021 – somewhat more optimistic?

| Region | 2020 | 2021 | 2022 |
|-------------------------------|------|------|------|
| World | -3.3 | 6.0 | 4.4 |
| Emerging & developing Asia | -1.0 | 8.6 | 6.0 |
| China | 2.3 | 8.4 | 5.6 |
| India | -8.0 | 12.5 | 6.9 |
| ASEAN-5 (IDN/MYS/PHL/THA/VNM) | -3.4 | 4.9 | 6.1 |

► Crisis impact: All sub-regions hit hard, some more so than others

Working hours and FTE (mils) lost (2020, compared to 2019Q4), Monitor 7th ed.

| Region | WH (%) | FTE (mils) |
|----------------------|--------|------------|
| World | 8.8 | 255 |
| Asia and the Pacific | 7.9 | 140 |
| East Asia | 4.2 | 35 |
| South-East Asia | 8.4 | 24 |
| Pacific Islands | 3.7 | 1 |
| South Asia | 12.7 | 80 |

► Crisis impact and context: Thailand

Negative growth

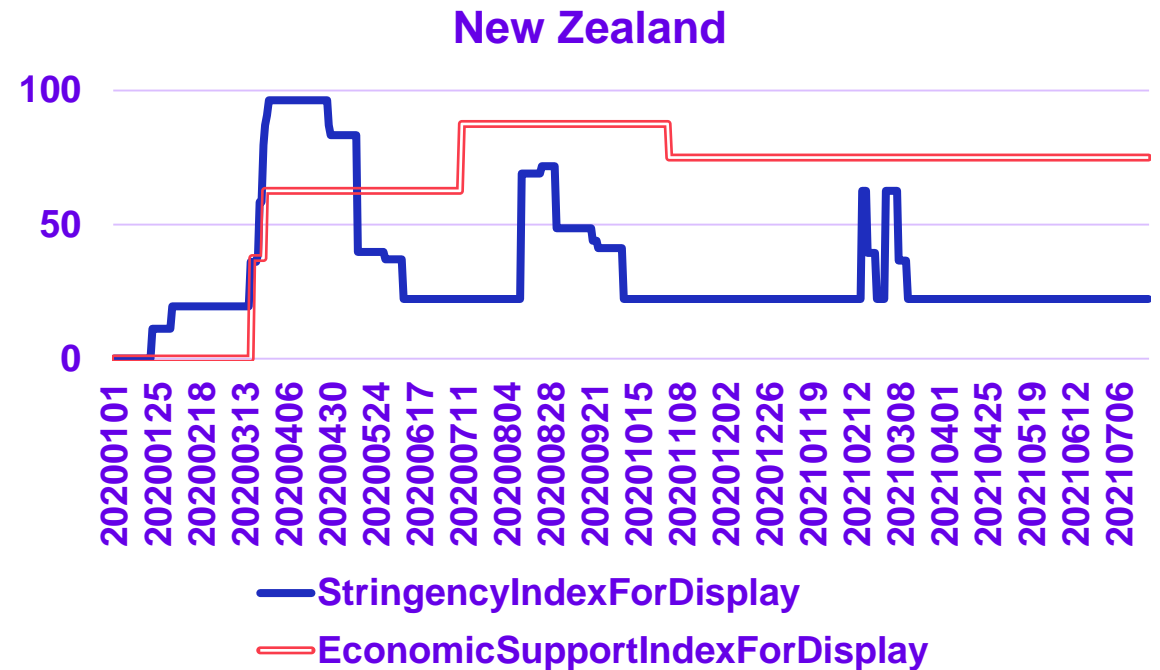
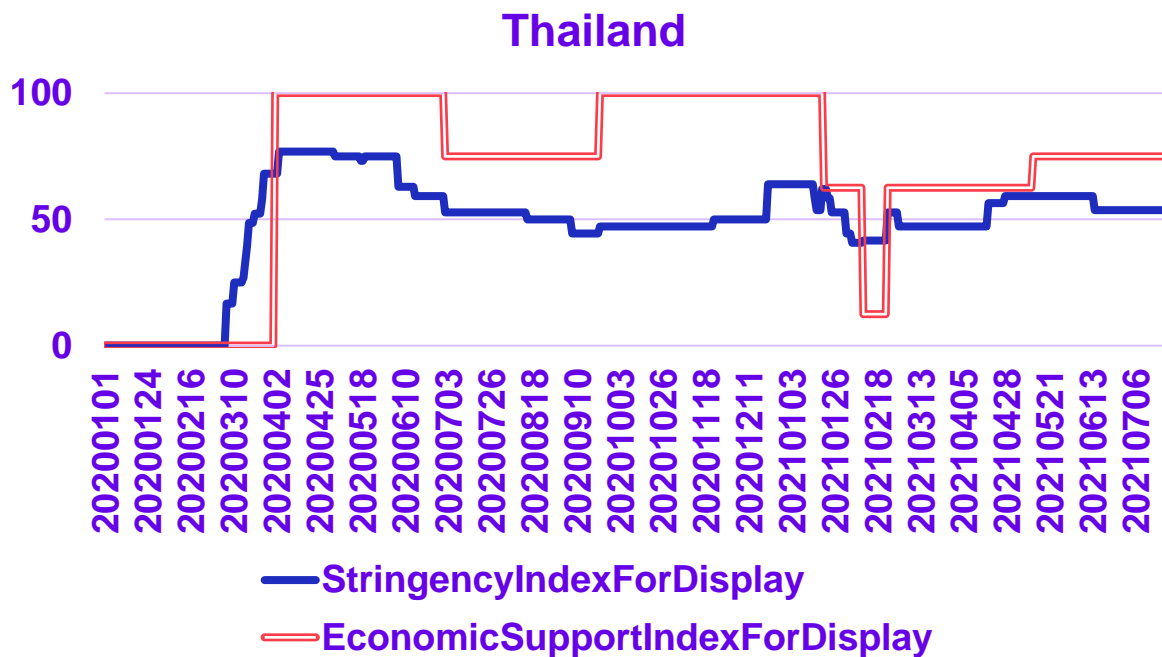
almost comparable with the AFC

... and still in 2021, prolonged negative impact



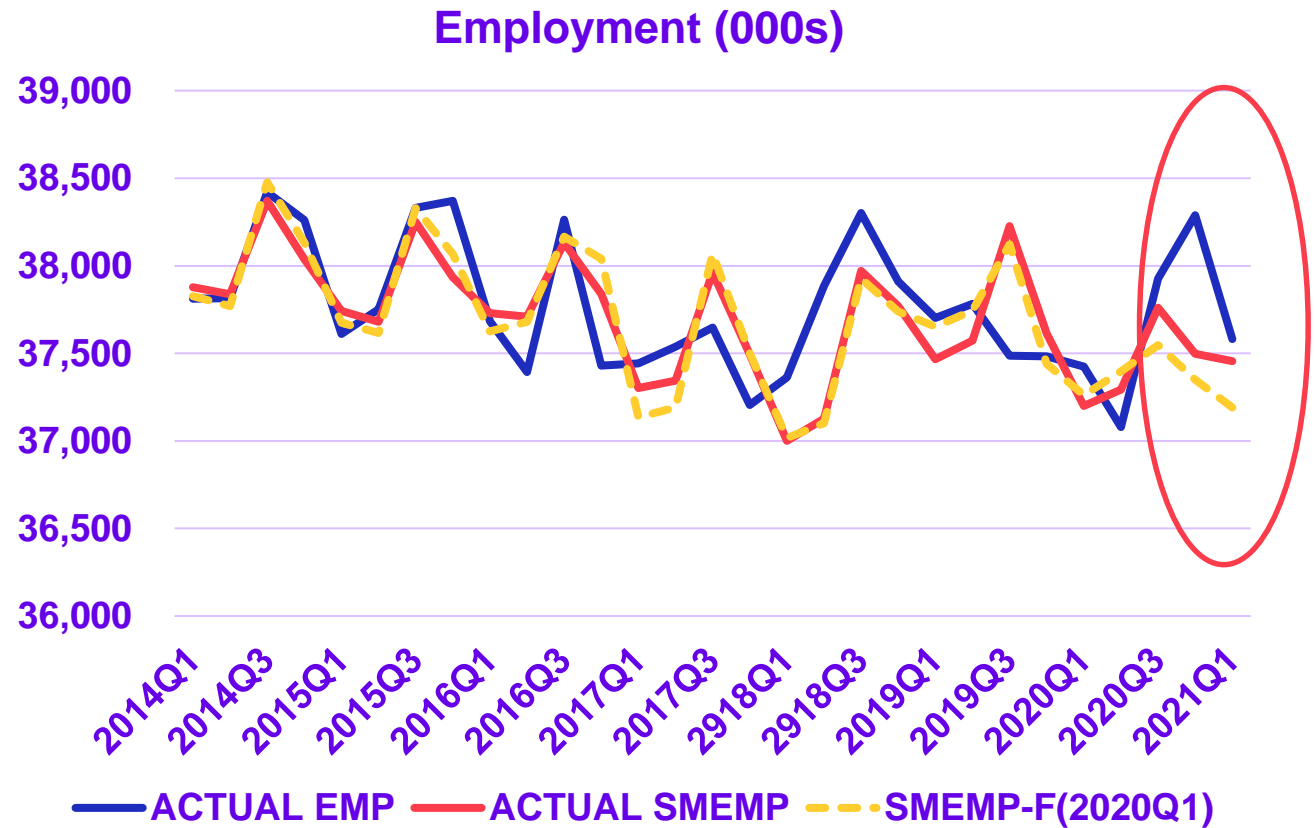
Crisis impact and context: Thailand

Initial robust economic support measures, but this is waning vis-à-vis restrictive measures



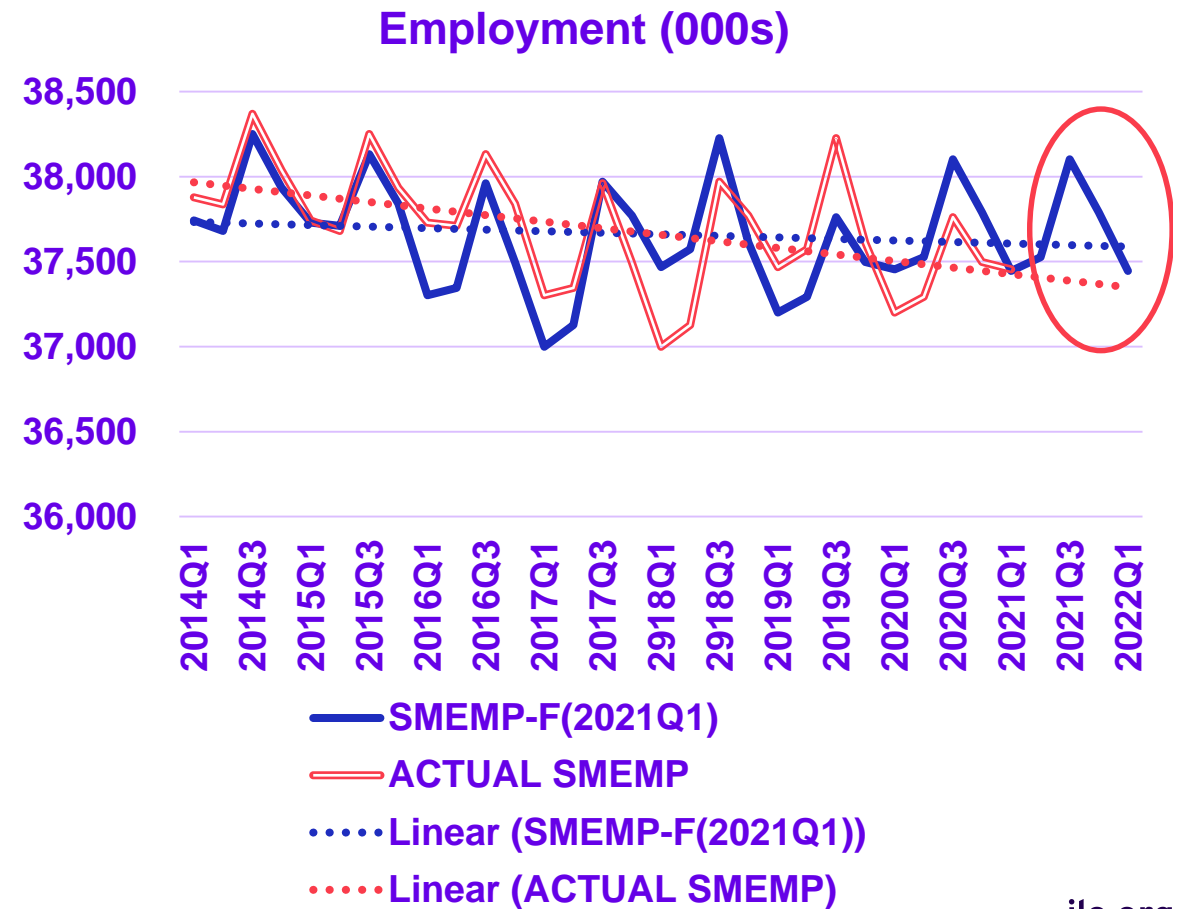
Crisis impact: Thailand

Some employment recovery in 2020/2021...



Crisis impact: Employment

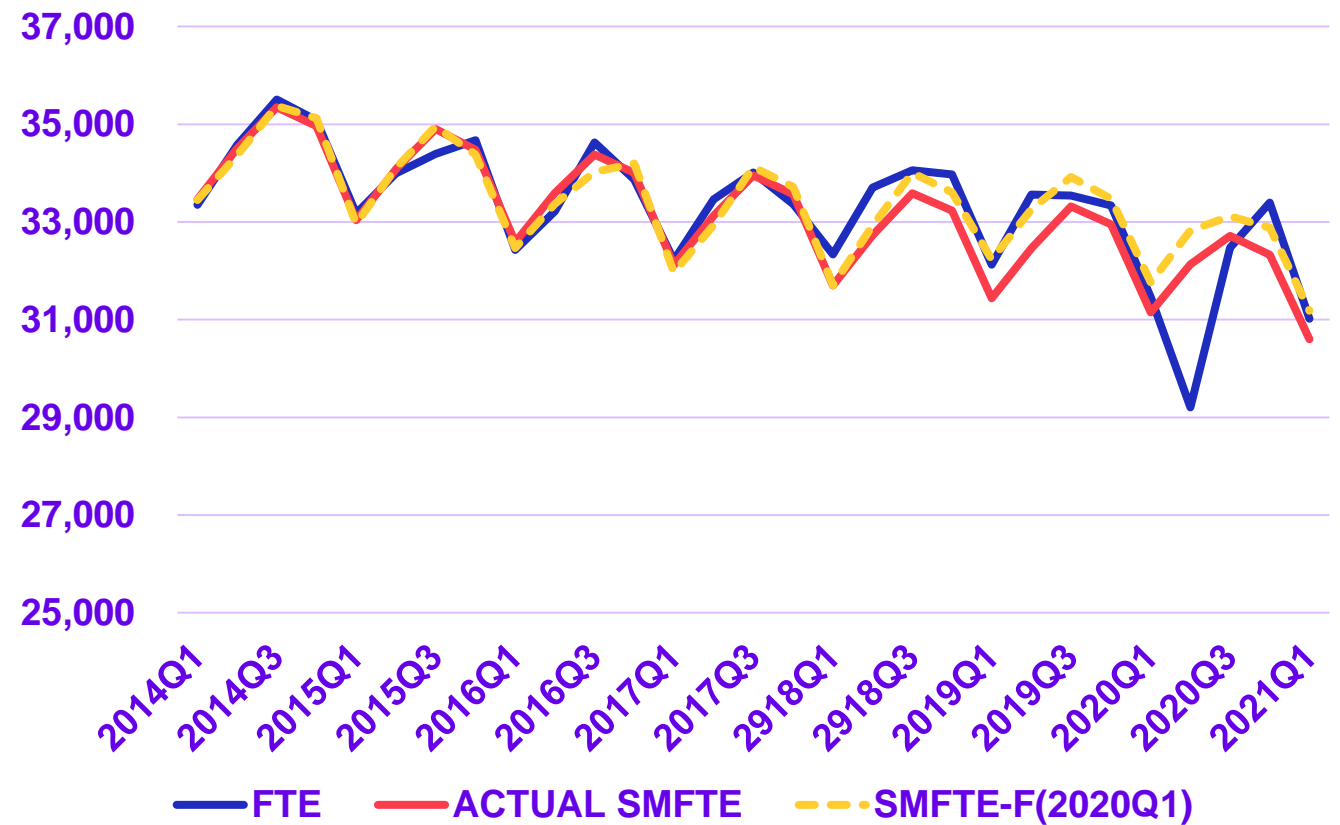
May see some 'resistance' in employment in 2021...



Crisis impact: Full-time equivalent employment (000s)

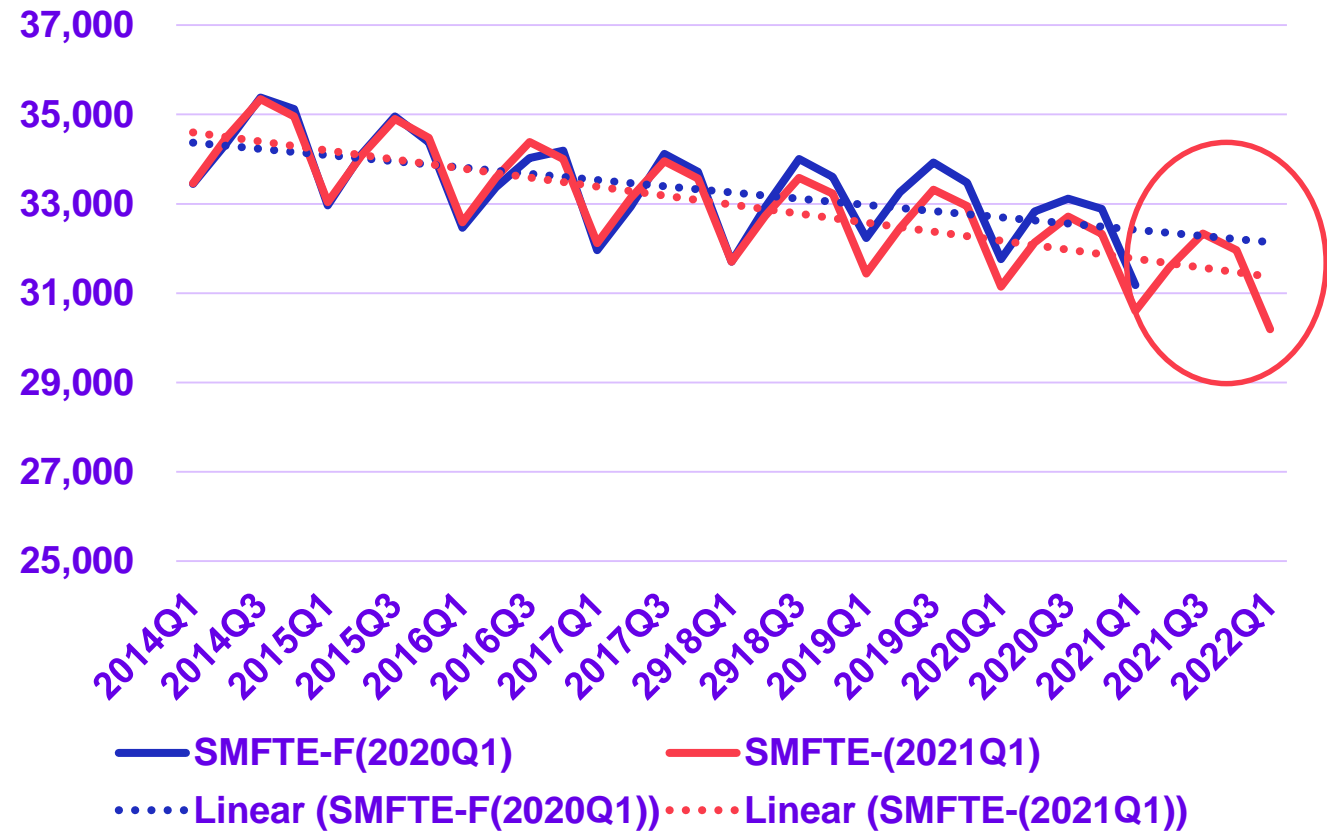
A trend decline, and big loss in 2020Q2...

but some recovery in 2020 Q3+Q4



Crisis impact: Full-time equivalent employment (000s)

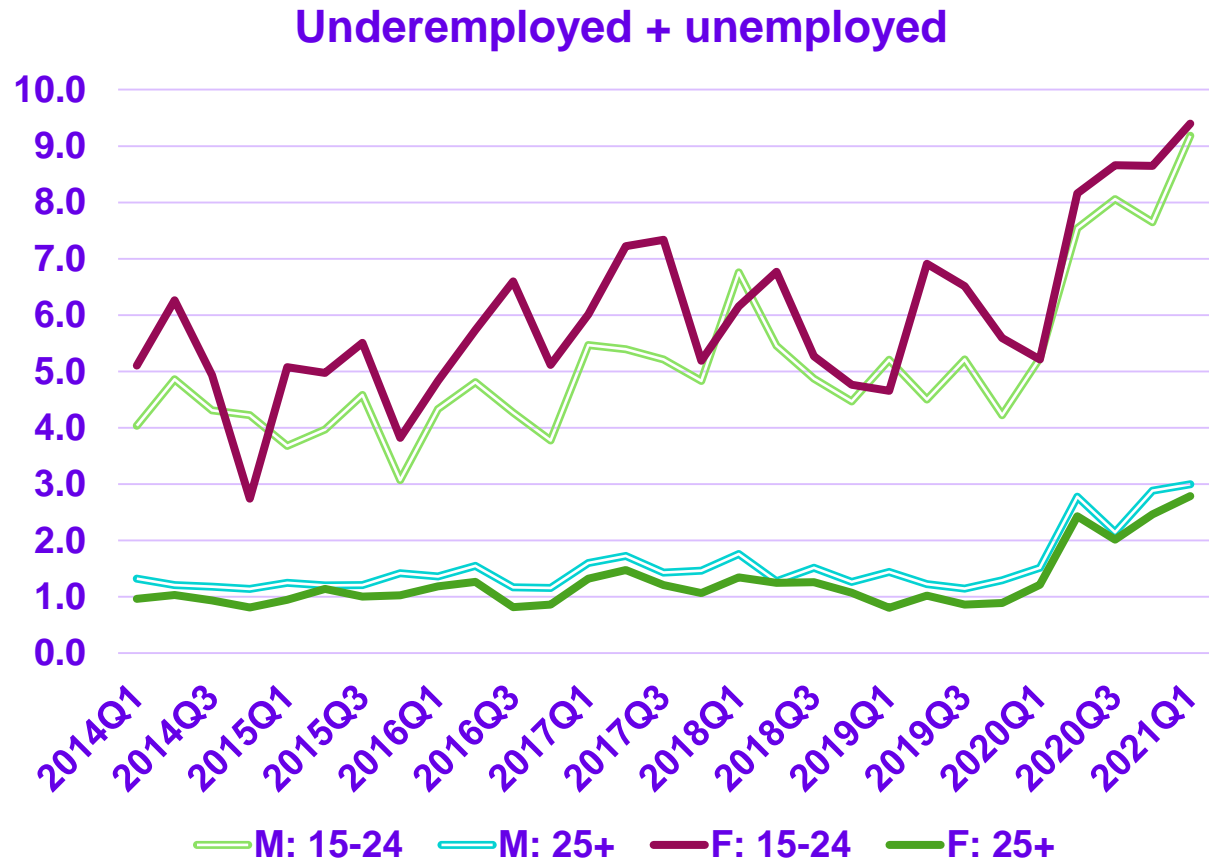
Nevertheless, further job losses to be expected in 2021...



Crisis impact: Labour underutilization rate (% of labour force)

Shot up in 2020Q2, and remains record high...

particularly for youth



► Crisis impact: Work hours (million per week)

In terms of total hours of work...

Compared to 2019Q4 (base):

- 6% in 2020Q1

- 7% in 2021Q1

2019Q1 (base):

- 2% in 2020Q1

- 3% in 2021Q1

► Crisis impact: Full-time equivalent employment

...translating into a loss of full-time equivalent employment of around:

Compared to 2019Q4 (base):

- 2 million in 2020Q1

- 2 million in 2021Q1

2019Q1 (base):

- 1 million in 2020Q1

- 1 million in 2021Q1

► Crisis impact: Sectoral impact

Loss in FTE employment In 2021Q1:

Compared to 2019Q4 (base):

Agriculture (1.3 mil)

Manufacturing (0.6 mil)

Wholesale and retail trade (0.4 mil)

Accommodation and food services (0.1 mil)

[Tourism-related: 0.2 mil]

Gain in FTE employment in 2021Q1:

Compared to 2019Q4 (base):

Construction (0.1 mil)

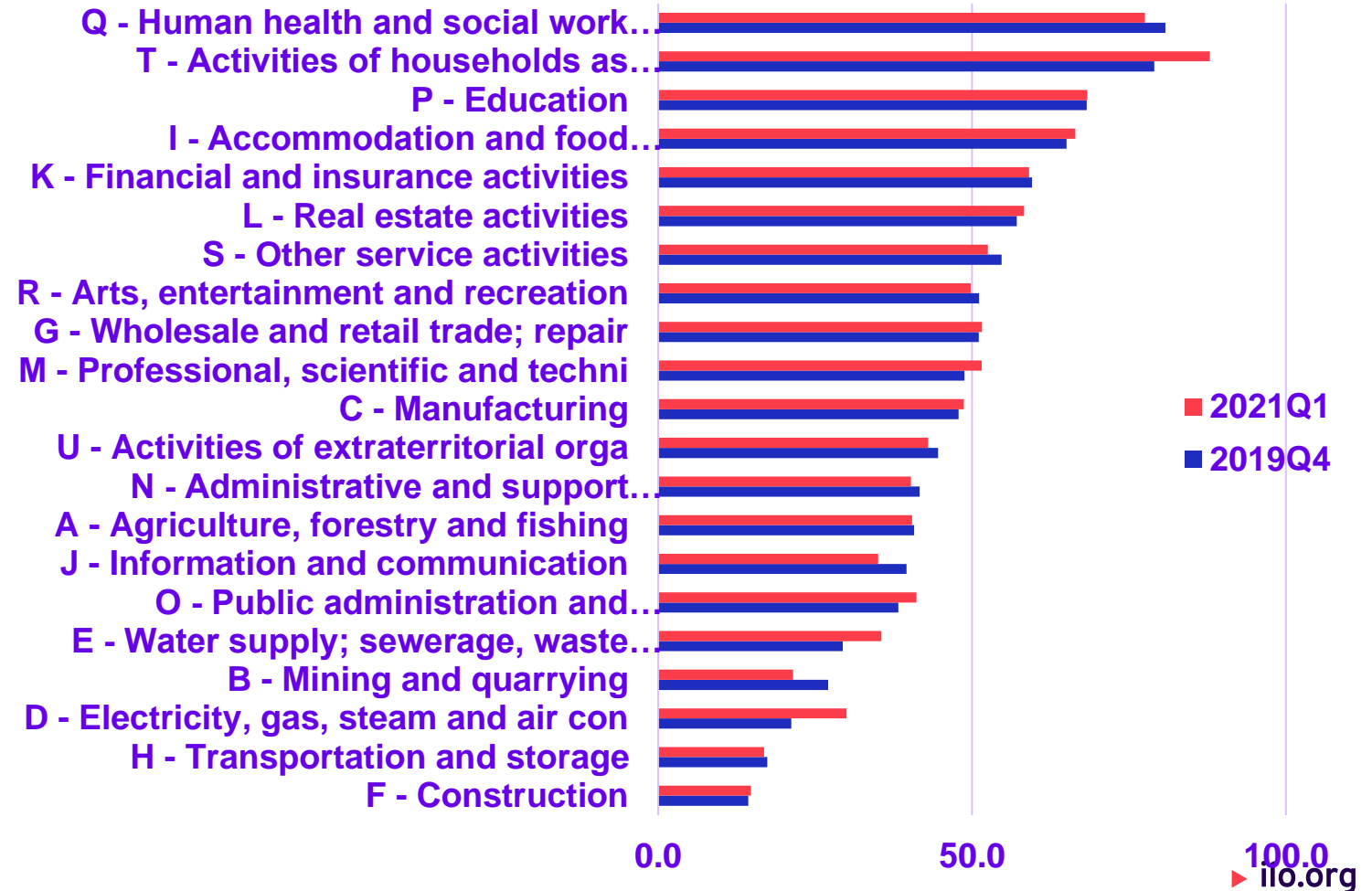
Human health and social work (0.1 mil)

And other smaller gains in (000s):

public administration and defence (20.4), real estate (8.5), professional, scientific and technical (8.0)

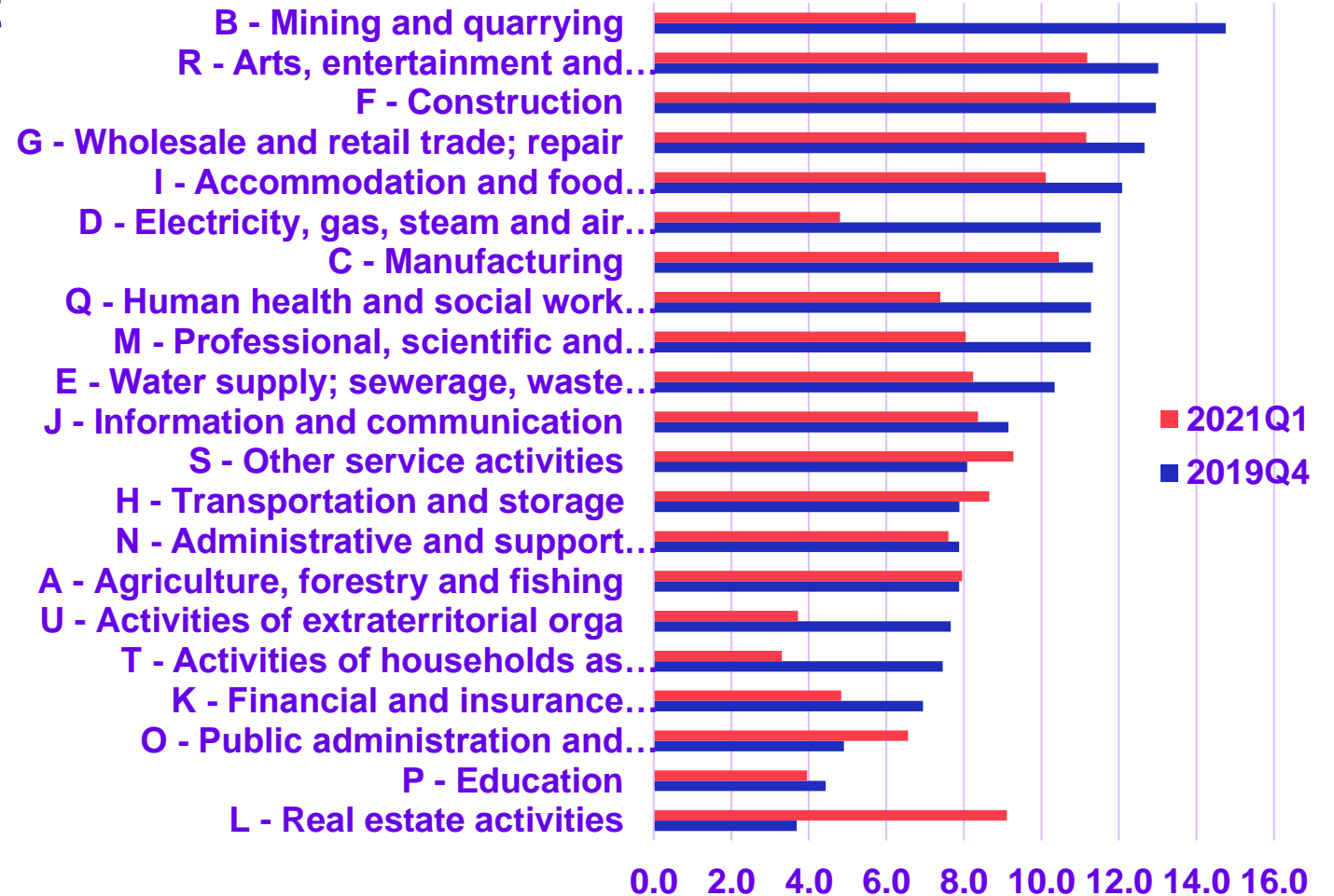
Crisis impact: Sectoral impact

% of women in employment by sector:



Crisis impact: Sectoral impact

% of youth in employment by sector:



► Post-pandemic labour market???

Less employment opportunities, and some compositional change

In total, at least 1 million FTE jobs lost that will likely not come back in the immediate recovery period

People's need to earn an income is apparent, but still fragile labour market

- potential informalization of employment
- less secure forms of work, less take-home pay

Challenge of supporting an ageing society

► **Post-pandemic labour market: Depends on the policy responses now**

Focus on employment and income generation for youth and women – a priority

Role of the public sector – continued temporary support + investment (macro + sectoral):

- income protection
- investing in people's capacity (education/skills, health)
- providing economic injections/support, especially for survival/re-invigoration of SMEs
- supportive macroeconomic environment for economic recovery

Role of social dialogue

► Post-pandemic labour market: Skills in demand??

Additional analyses and assessments needed (on-going)

Short-term, ensure available employment opportunities are fully utilized:

- Support **reallocation** of displaced workers (re-skilling)
- Strengthen public services (including accountable e-government) for efficient and additional outreach of services
- Conduct regular skills need assessment, involving enterprises, workers, training/education institutions (skilling/upskilling)

► Post-pandemic labour market: Skills in demand??

Additional analyses and assessments needed (on-going)

Medium-term, ensure formal employment opportunities **grow – will determine the composition of skills in demand:**

- Investment in infrastructure: base + strategic trigger (including education + training)
- Greater domestic component in value-chains?
- Economic risk assessments + adequate ‘insurance’ policies in place
- Strategy for formalization of the labour market that meets people’s needs and expectations

Competencies that could be more in demand (speculation!):

- Communication (including on-line), ability to work independently, ability to conduct risk assessment and generate logical responses, etc.

► Migrant workers management during a pandemic

An exodus, stranded, worsening working conditions, without support

JUL2020 (MWG): approx. 700,000 migrant workers (tourism-related services, construction) without work

Deterioration in working conditions (LWOP, lack of PPEs)

Registration and visa extensions

► Migrant workers management during a pandemic

Inclusive policy process – information + access

In national covid-19 policy response/recovery (social dialogue++)

Extension of health/social protection services

Reassessment of housing conditions (communal/worksites) + investment

Safe return procedures

https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---migrant/documents/publication/wcms_743268.pdf

Advancing social justice, promoting decent work

Thank you!
ขอบคุณค่ะ