

# THAILAND : COUNTRY REPORT

## ECONOMIC PROFILE :

### GDP of 2012 : Growth 5.5-6%

The National Economic & Social Development Bureau announced the GDP in the second quarter of the year expanded by 4.2 percent, after expanding revised 0.4 percent in the previous quarter. The substantial growth in the second quarter to a full recovery of the production sector after being hard hit the great flood late last year that resulted exports expansion, the increase in number of foreign tourists, private investment and household spending.

### Inflation :

It was forecasted by the Bank of Thailand that the inflation in 2012 would be 2.2 and 1.9 next year. Actually, in August, the actual was 1.76.

### ASEAN ECONOMIC COMMUNITY (AEC)

The economic cooperation between ASEAN nations in the next 3 years is becoming a more clear opportunity to Thailand, but, inherently, there are threats coming with it too.

Thai government started to provide more information on this regional economic integration to people and has initiated campaigns enhancing recognition of Thai people on the matter.

## LABOR SITUATION

### EMPLOYMENT OPPORTUNITY

Among the tough time since last year after flood hit in many industrial zone, the significant recovery had arisen with financial support from the government. The unemployment rate is still low and supposed to be the lowest among the region: 1.72 per cent. Most of the jobless are newly graduated with bachelor degree. The bright opportunities are those who finished at vocational school and may be shortage in the next two years when AEC kick off.

### THE MINIMUM WAGE

It has been announced early this year that the minimum wage for Bangkok Metropolitan would be baht 300 per day started from April and from January 2013 all nationwide will be the same rate. Moreover, the government advised the employers to pay every employee who graduated bachelor degree to receive baht 15,000 a month. However, there is no law enforcement to this matter.

It is believed that many employers especially on SMEs were faced the great impact on new minimum wage. More than 30% of the companies had to close because they couldn't effort to pay.

### HR CHALLENGES :

As Thailand participated in ASEAN, the AEC will kick off in 2015. The major challenge is how to prepare our workforce to be cope up with global. The top priority is about language ability, not only the English, but the third language should be the ASEAN native language also. The HR process and procedure must be transformed to be more international or up to world class standard. The SMEs which are 90 % in the industry need to be developed. PMAT help them by

provide continuous communication and design training courses for better understanding.

PMAT try to propose to the Ministry of Labor to add the HR professional on the MRA's lists (Mutual Recognition Arrangement). The consideration is not final yet. The alternative to be more international is to collaborate with SHRM on developing the program for certification on professionalism.

## **PERSONNEL MANAGEMENT ASSOCIATION OF THAILAND**

### **PMAT**

Personnel Management Association of Thailand (PMAT) was found on November 17<sup>th</sup>, 1965 with the intention to modernize principles and practice in human resource management and industrial relations in Thailand, to provide academic knowledge and training to leverage competence, and to offer assistantship in human resource area, which will finally result in the proper utilization of human resource practices and industrial relations. Moreover, association acts as center for knowledge and experience sharing, especially on issues related to human resource management and industrial relation, and do other human resource related issue, such as, giving academic assistants and suggestions to its members. Besides, association coordinates and cooperates with other professional organizations to promote sound understanding between employers and employees. Our members are ranging from organizations to individuals.

## HR Accreditation:

The Institute of Personnel Management, under the umbrella of PMAT, had launched the HR Accreditation (PHR level) since last year. There were 2 groups of HR Professional who past in the test (80 persons) and it's on the process of the third group which should take examination by coming December. It is plan to certify at least three times a year. Thailand will play the key role when AEC kick off and certified HR professional will be needed.

## PMAT AND THE AEC RESEARCH

At PMAT, we are also well aware of the impact of various kinds of international cooperation, especially ASEAN Economic Community (AEC), which is becoming more real each day. Therefore, we conduct the AEC research to find Thai HR persons' perception on AEC and to study on organization awareness on the AEC. And in additional we conduct the research HR trend and HR model in the next 10 years.

## 47<sup>TH</sup> ANNIVERSARY 2012

The Annual Conference will be held in November on the occasion of 48 Anniversary. We expect more than 800 participants under the theme of What's Next in HR: Ready for the Future.

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