



## Interpellation Title: Effect on Thai workforces from the entry of Thailand into ASEAN Economic Community (AEC)

Interpellation no. 946 Ror/ 2556 The 24<sup>th</sup> House of Representatives B. E. 2554 (2011)

<b>Date of Proposal:</b>	17 May 2013
<b>Cabinet Term:</b>	Miss Yingluck Shinawatra, Prime Minister
<b>Proposed by:</b>	Mr. Watchara Petthong, Democrat Party, Party List
<b>Persons who are questioned:</b>	Minister of Labour (Pol. Capt. Chalerm Yubamrung)
<b>Replied by:</b>	Minister of Labour (Pol. Capt. Chalerm Yubamrung)
<b>Interpellation Type:</b>	Replied in Government Gazette
<b>Interpellation Status:</b>	Replied by the Minister Published in the Government Gazette, Vol. 130, Special Issue Part 114 ngor., page 35 dated 6 <sup>th</sup> September B.E. 2556 (2013)
<b>Remarks:</b>	In case where the reply of interpellation is to be made in the parliamentary sitting but replied in the Government Gazette, it refers to Rule 162 paragraph 3 of the Rules of Procedure of the House of Representatives, B.E. 2551 (2008), which prescribes that an interpellation to be replied in the sitting which is placed or not placed on the agenda in each session when it is at the end of the session, the Speaker shall collect such interpellation and inform the concerned Minister. The concerned Minister shall reply such interpellation in the Government Gazette within thirty days.

### Summary of the Questions

Currently some categories of industries in Thailand, such as textiles or footwear, which their manufacturing bases already moved to neighbouring countries with lower production cost, and in fact foreign entrepreneurs are the ones who hold genuine ownership, such as those from Republic of China (Taiwan) and Republic of Korea, and cooperated with local businessmen. This joint venture shifting facilitates and worths the investment for the foreign entrepreneurs. This implies the decreasing number of foreign workforces in Thailand in the future since these workforces will be employed in their countries. Thus, this Labour Intensive Industries will attract more foreign direct investments and will expand to more technical and higher investment industries. Skilled labour will be able to take over employment from local workforces until they can develop their skills. From the reasons above, the interpellant would like to ask for the government's policy to enhance local

workforces' skills to reach the requirements in domestic industries in order to avoid foreign workforces' employment take-over in these industries. Please clarify in details.

## Summary of the Answers

### Answer to the questions

The Ministry of Labour had set up Thailand's preparation measures prior to entering ASEAN Community, which aims to reach international standards in protecting workforces and to create human resources development model which are:

1. Accelerating the preparation on National Skill Standard and motivating ASEAN Skill Standard

1.1 Developing Thai workforces' competency in every skill corresponding with the entry of Thailand into ASEAN Community, such as language competency, logistics and IT

1.2 Successfully developing National Skill Standard system in 4 areas which are: automotive industry, electrical and electronics industry, air condition and refrigeration industry and auto parts industry, as well as National Skill Standard with the cooperation from any professional or vocational association or club

1.3 Providing training on high technology in order to increase labour productivity for newly graduates, workforces in related business, unemployed or lay-off workforces in industry and service sector, including people in the area requiring new knowledge that will promote the innovation and establishing high technology center

2. Revising laws, rules and regulations of Ministry of Labour relating to free flow of workforces and protection on Thai and foreign workforces in equal and fair manner

3. Developing central labour market database for domestic and intra ASEAN utilization, by setting up connecting standard database structure on productivity, supply side and demand side and developing IT connectivity

4. Cooperating with related agencies, both public and private sectors, preparing human resource development plan in vocational field at national level, corresponding with the demand of domestic and ASEAN's markets

5. Developing labour management system and reinforcing labour capacity for the entry of Thailand into AC, which will provide stability and quality in working life, labour welfare, labour relations and safety and occupational health in workplace

6. Publicizing and providing knowledge on free flow of labour under AEC's agreement, including culture, knowledge and understanding on laws and regulations of other ASEAN countries, to educational institutions, practitioners and stakeholders in developing each field of vocational markets.

The Department of Employment had set up preventive measures on foreign workers' taking over Thais' employments, by implementing two laws under its legal responsibility, which are: Employment and Job-Seeker Protection Act, B.E. 2528 (1985) and Alien Working Act, B.E. 2521 (1978).

The Department of Skill Development had surveyed labour demand and business demand in providing language training and coordinating with expertised trainers from educational institutions and private sector in order to provide language courses suitable for the demand from industrial sector. Department of Skill Development already provided language training courses to Thai workforces prior to the beginning of ASEAN Community.

Once ASEAN Economic Community becomes a success, it may have some effects on economics and society as a whole, such as the increasing number of alien workers, the inspection on alien workers (including registration or welfare such as education and healthcare service, which demands high volume of government's expense).

In order to handle with the impact from these matters, the Social Security Office studied and prepared brief data analysis and impact solution, such as developing e-Service system, preparing agreement on international social security cooperation and courses on ASEAN Community and social security system in ASEAN and supporting a better understanding in business and social security for entrepreneurs.