



**ASEAN INTER-PARLIAMENTARY ASSEMBLY (AIPA)  
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**Thailand Country Report on Poverty Reduction**

**1. Poverty reduction policy mainstreaming process**

Thai governments continually paid attention to solve poverty and income distribution. They were set to be the national agenda since the 5<sup>th</sup> National Economic and Social Development Plan (1982 – 1986). They also paid more attention to human development in parallel with the development on economic, social and environment in 8<sup>th</sup> National Economic and Social Development Plan (1997 – 2001) since then. These obviously led the numbers of poor people decreased from 22.1 million in 1988 to 5.1 million in 2010.

Based on the 11<sup>th</sup> National Economic and Social Development Plan, Thailand's economic growth is driven by the philosophy of “Inclusive Growth”. This policy places equal importance to social dimension of sustainable development. To improve quality of life for Thai population at large, the government paid more attention to income distribution through a variety of initiative.

For “Inclusive Growth”, it composes of 1) an opportunity to make a job/income; 2) reachable to the justice system; 3) quality health care and; 4) social protection. To reach these schemes, Thai government integrates policies as following:

1.1 Improve educational quality to the international level

1.2 Enhance the quality of life as well as internationalized the standard of health care service

1.3 Provide the social welfare for every group of people especially older persons, children, women, and people who have no chance.

1.4 Give opportunity to access capital and gain more income to SMEs entrepreneur and community economy.

1.5 Adjust the channel to access the justice process for people

1.6 Anti-corruption, promote good governance and accountability to urge people realizing the social benefit

1.7 Building knowledge about ASEAN to people sector, labour sector, and officials.

## **2. Coordination in implementing poverty reduction policies programmes**

The Thai government assigns related agencies to responsible for implementing poverty reduction as following:

2.1 Courses training by Department of Skill Development, Ministry of Labour, which serve everybody who has ages 15 years old and older. They are divided into three levels:

2.1.1 Pre-employment training for new comer labour, to level the ground and adjust the good attitude for their career. This course will take 2 – 10 months. About 7,000 labour are certificated for this course per year.

2.1.2 Upgrading training for groups of labour who have their own jobs, to able to have advanced or more skilled in their jobs. These courses, composes of motor vehicle, machinery, mechatronics, welding, electronics, construction, information technology, foreign languages, services, industrial arts and administration, will take 6 – 240 hours. About 250,000 labour are certificated for these courses per year.

2.1.3 Self-employment training for unemployable persons, informal labour, labour from agricultural sector, labour who need to change their jobs, and disadvantaged persons, for example, women, youth, disable persons, older persons. About 10,000 labour are certificated for these courses per year.

2.2 The Ministry of Commerce (MOC) supports farmers by using pricing policy, improvement of regulations to facilitate fair trade and poverty reduction, especially among Thai farmers and micro enterprises. One of our strategies is that government can provide support in terms of price subsidy. For rice, a producer price support scheme introduced in 2001 effectively provided producers with a guaranteed price for rice. Under the program, farmers were given a low-interest loan (a mortgage) based on the quantity of rice harvested

and the loan rate. If market prices were greater than the loan rate, the loan could be repaid at the loan rate plus interest or, if prices were below the loan rate, with the harvested rice.

Besides rice, the MOC has also price support policies for other agricultural products, including maize, manioc, some tropical fruits, and shallots. In most years the support levels are relatively low and Thailand relies on its tariff structure to maintain domestic prices, and provide a consumer, rather than a taxpayer, transfer to producers.

Thailand's ministry of commerce pledge to control goods prices to alleviate the cost of living expenses. This pricing policy aims to oversee the people's cost of living in all aspects, whether it is consumer goods or farm produce, while inflation will be managed properly. Blue flag food stall project has been organized so as to offer savings on one-dish meals. Frequently, the Blue flag food trolleys were dispatched to communities and department stores.

2.3 The Ministry of Labour gives the equal opportunity in education, training and suitable earning a living, both formal and informal school. It is also include the disabled persons, for example, Blind Person School, Deaf Person School.

### **3. The application of multi-dimensional poverty approach in national policies**

There are initiative laws/regulations to upgrade the quality of lives of people, as following:

- National Children and Youth Development Promotion Act

- Women Role Development Fund

- Village Fund. It is set to promote people saving. It gives priority to enhance community financial institution by capital collecting from villages and communities, capacity building to community for the risk management, internal audit for law, accountant and initiate participating as well as solving the problem.

- Fund for new enterprise. It is set up to build small enterprises to be able to borrow with the mechanism of "The Incubator" in schools by focusing on the innovative enterprise to a new engine to drive the economy.

- SML Project. This project supports the coordination of people in villages and communities to participate in management and solve the poor problem.

- Older Person Fund B.E.2003 article 11(3) the suitable earning/training the living

- National Disabled Person Development Plan

Except laws/regulations, the government also has many plans as following:

- Upgrade education quality into international level

- Preparedness human resource to be accordance with demand and mobilization of labour market in ASEAN region.

- Coordination in health research and development in ASEAN member states

#### **4. International and national resource mobilization for poverty reduction**

Thai government plans to strengthen social and economy to lay the foundation of the country as following:

- Planning the Long-term Province Strategy in accordance with the National Strategy

- Education reformation

- Development social protection system

- Investment in infrastructure especially in transportation

- Launch the zoning in agriculture, industry, tourism and, urban

- Increase ability and efficiency to business and investment to support economic expansion

#### **5. National coping strategy during economic crisis to support the poor**

Under economic crisis, Thai government presents 16 emergency policies to help people under theme “Increase income, Reduce expenditure, Extend opportunity”:

- Decrease income tax of juristic person from 30% to 23%

- Refund tax for people who bought the first car.

- Increase the minimum wage into 300 Baht (10 USD)

- Price subsidy for rice and main agricultural plants project

- Women Role Development Fund, New Enterprise Fund, etc.

- One Tambon One Product (OTOP)

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