

A photograph of an elderly person, likely a woman, wearing a light blue cable-knit cardigan with yellow and white trim over a white collared shirt. She is holding a black cane in her right hand and resting her left hand on a wooden handrail. The background is a blurred indoor setting.

Aging Population and Employment in Thailand



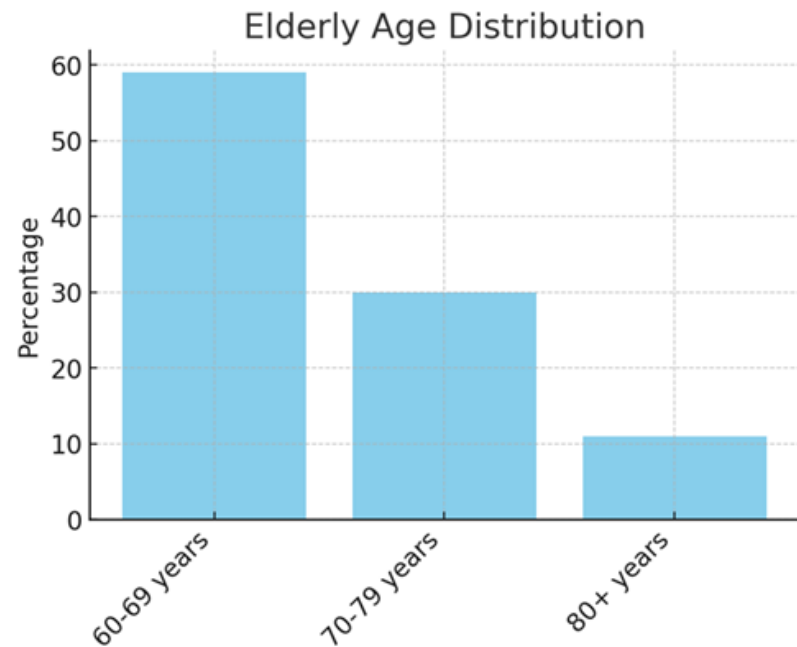
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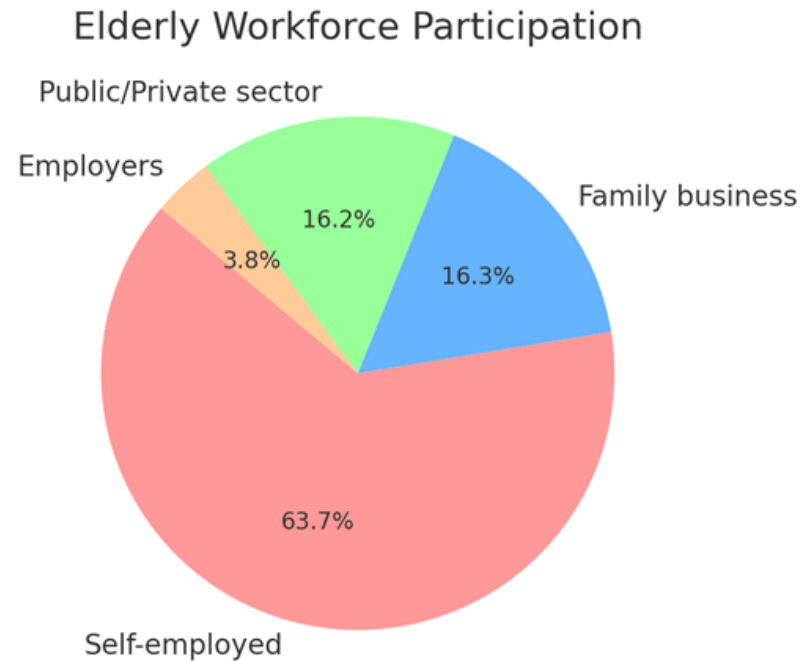
Thailand's Aging Population

- Total population (2024): 67 million
- Elderly (60+): 14 million (20%)
- Officially an 'aged society' and will become a 'super-aged society' by 2035
- Female elderly outnumber males (58% vs. 42%)



Elderly Workforce Participation

- 34% of elderly remain employed
- Main employment sectors:
 - 60% in farming & fishing
 - 47% of workers are aged 60-69





Reasons for Continued Work

- 51.5% still physically capable
- 43.5% need to support families
- 0.6% willing but unable to find work

Education levels among elderly:

- 67.2% did not complete elementary school
- Only 7.9% hold higher education degrees

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Financial Challenges for Elderly

- 31% lack personal savings
- 42% report income insufficiency
- Social Security Fund pensions inadequate
- Informal workers (nearly 50%) not covered by pension system
- Government exploring mandatory savings schemes

Employment Legislation & Retirement Age

- Public sector: Mandatory retirement at 60
- Private sector: No fixed retirement age
- 2017 law amendment allows retirement at 60+ with severance pay
- Workforce participation dropped from 38.4% to 34% post-amendment



Public Sector Retirement Policies

- Covers ~3 million workers (7.5% of workforce)
- 2016 Cabinet proposal to extend retirement to 65 or 70 (not enacted)
- Exceptions in judiciary, academia, and prosecution—requires case-by-case approval

Government Policies to Promote Elderly Employment

- Encouraging full-time & part-time employment
- Enhancing vocational training & job placements
- Supporting social engagement for income generation



Financial Incentives for Employers

- Tax incentives: Employers can deduct wages of elderly employees up to 15,000 THB per person (max 10% workforce)
- MOUs signed with 12 organizations to promote hiring

Part-Time Employment & Wage Structure

- Special minimum wage for elderly: 45 THB/hour
- Daily wage falls below national minimum wage threshold
- Employment opportunities for low-skilled/ high-skilled elderly workers

Skill Development Initiatives

- Home-based work promotion
- Knowledge transfer between older & younger generations
- Extending public sector retirement age for sustainable employment

Pension System in Thailand

- Three main categories:
 - Civil Servant Pension Fund
 - Social Security Fund (private sector employees)
 - National Savings Fund (self-employed, voluntary contributors)

* Social Security Fund pension starts at age 55

Challenges with Pension System

- Civil Servant pensions: Max 70% of last salary
- Private sector pensions: Start at 20% of salary, increase by 1.5% per additional year beyond 15 years
- Low participation in Provident Fund (only 7% workforce)





Impact on Employers & Workers

- Elderly employment rate relatively stable (31-38%)
- Low labor union participation (only 3%) limits advocacy for elderly employment rights

Criticism of Government Policies

- Tax incentives too low to be effective
- Limited employer participation in hiring elderly workers
- Hourly wage policy mainly for low-skilled jobs, not experienced workers

Future Challenges & Policy Recommendations

- Define job targets for elderly workers
- Align skill development programs with market demands
- Implement fair wage policies for experienced elderly workers
- Extend healthcare coverage & introduce medical leave subsidies



Conclusion

- Elderly employment in Thailand faces multiple economic and social challenges
- Comprehensive reforms needed to balance economic stability & workforce sustainability
- Focus on job quality, pension adequacy, and policy incentives