

Youth Employment in Thailand

Current Landscape and Pathways to Greater Inclusion

Panthip Pruksacholavit

Associate Professor, Faculty of Law, Chulalongkorn University

Presentation Overview

01 Labor Market Demographics

Population, participation rates, unemployment profile & NEET youth

02 Legal Framework

Minimum age, working conditions, prohibitions & wage rules for youth

03 Structural Challenges

Skills mismatch, transition barriers, COVID impact & automation risks

04 Job Creation & Support

Skills development law, existing programs & policy gaps



Labor Market Demographics

70M

Total population

59.5M

Aged 15+

40.2M

Labor force participants

<1%

Unemployment rate

Unemployment Profile

- 52% of unemployed hold bachelor's degrees or above — signaling structural skills mismatch
- Youth unemployment rate approx. 5–6× the national average
- COVID-19 peak (2021): youth unemployment rose to 6.5% and reduced to 0.7% in December 2025
- Informal sector absorbs large share of youth unable to find formal work

NEET Youth — A Structural Concern

35%

of youth aged 15–24 are
Not in Education, Employment, or Training

Legal Framework – Minimum Age & Working Conditions



Age Thresholds Under the LPA

<15

Minimum working age

Employment contract permitted; employer must notify labor inspector within 15 days of hiring

<16

Maritime work

Workers under 16 entirely prohibited from maritime employment (those 16-18 permitted with restrictions)

<18

Hazardous work ban

Metal smelting, hazardous chemicals, scaffolding, quarrying, and late-night / entertainment venues all prohibited

Conditions, Hours & Benefits

Max 8 hrs/day, 48 hrs/week

Workers aged 15–18; no overtime permitted under any circumstances.

No night work

Prohibited between 10 PM – 6 AM; no rest-day or holiday work.

Rest break

Mandatory 1-hour break after every 4 consecutive hours of work.

Professional development

Employees under 18 entitled to attend skill-building and vocational training programs during working hours.

Health & safety

Employer required to provide a written statement of working conditions within 7 days of hiring.

Legal Framework – Minimum Wage & Student Work Rules

\$ Minimum Wage Rules

General principle

Young workers (15+) entitled to the same minimum wage as adult workers — no age-based reduction permitted.

Exception – student workers

Students enrolled in apprenticeship / cooperative education programs may be paid a reduced training allowance rather than full minimum wage.

The challenge

Students aged 15+ are legally eligible to work but may receive sub-minimum allowances. This creates tension between educational continuity and fair pay.

School-day working hours

On school days: max 4 hrs/day total work. On non-school days: max 8 hrs/day — same adult cap applies.

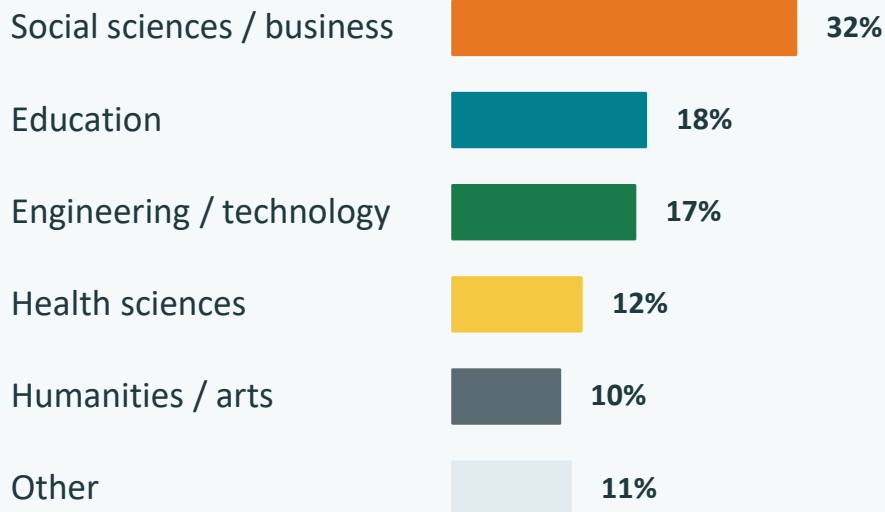
Student Worker Protections

- ✓ No deductions from training allowance for accommodation, food, or equipment
- ✓ Full statutory sick pay entitlement — cannot be waived
- ✓ Employer must maintain records of all student workers separately
- ✓ Training allowance must be paid at least monthly
- ✓ Students retain all rights under the LPA — reduced pay does not diminish other protections
- ✓ Employers cannot use student-worker status to circumvent adult labor standards in other respects

Structural Challenges – Skills Mismatch

52% of unemployed hold a degree or above — a structural education-employment mismatch

University Graduate Composition (2019)



Barriers: Education → Employment

1

Lack of work experience

Entry-level jobs demand prior experience; graduates unable to meet requirements without internship pathways.

2

Weak employer-university links

Limited industry-academia collaboration means curricula poorly aligned with actual labor demand.

3

Soft skills gap

Employers cite communication, teamwork, and problem-solving as key deficits among new graduates.

4

Geographic mismatch

Jobs concentrated in Bangkok; young people from rural provinces face relocation barriers and cost burdens.

5

Sector overconcentration

32% of graduates study social sciences/business — far exceeding labor market demand in those fields.

Structural Challenges – COVID-19 Impact & Automation



COVID-19: A Stress Test

6.5%

Youth unemployment in 2021

2x+

Youth were twice as likely to lose jobs as adult workers during the pandemic

Tourism

Sector collapse wiped out large numbers of informal youth jobs with no safety net

Remote

Youth lacking digital skills and home offices disproportionately excluded from WFH arrangements



Long-Term: Automation & Digital Transformation

High risk

Routine manufacturing and data-entry roles
Most exposed to automation; significant youth employment in these sectors

Growing

Digital economy jobs
Demand for tech skills rapidly outpacing the supply of qualified youth

Critical

Digital literacy gap
Youth from lower-income and rural backgrounds significantly disadvantaged in the transition

Needed

Lifelong learning systems
Thailand lacks adequate reskilling infrastructure for displaced youth workers

Skills Development Legislative Regime

Thailand's Skills Development Promotion Act forms the backbone of formal vocational training — with direct implications for youth labor market entry.

Pre-Employment Training

- Skills development centers deliver free or subsidized pre-employment training
- Programs aligned to TVET (Technical and Vocational Education and Training) pathways
- Examples include welding, mechanical work, cooking, hairdressing etc

In-Employment Upskilling

- Either provide training or contribute to the Skill Development fund
- Tax incentives: tax deduction for qualifying training expenditures
- Skills Development Fund provides grants for training programs



Policy Gaps in Youth Employment Support



Thailand has not established a standing policy specifically targeting young people as a distinct labor market cohort — a critical gap.

No dedicated youth employment policy

Measures are fragmented across sectoral ministries with no coordinating body or national youth employment strategy.

Missing school-to-work transition framework

No cohesive policy linking secondary/tertiary education outcomes to labor market entry pathways or employer engagement.

Weak career guidance infrastructure

Career counseling at secondary level is underfunded and inconsistent; schools lack links to labor market information systems.

Insufficient informal sector coverage

Youth working in agriculture, domestic service, or micro-enterprises fall outside training and support programs.

No universal youth unemployment benefit

Young people losing jobs have limited access to income support compared to older workers with more than 6 months of contribution.

Lack of digital skills

While digital skills are in need, the skill gap remains substantial.