Youth Employment in Thailand: Current Landscape and Pathways to Greater Inclusion

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I. Demographics of the labor market and youth employment in Thailand

In 2025, Thailand's total population stands at approximately 65.8 million, of whom around 55 million are aged 15 years and above. Of this figure, 39.8 million participate in the labor force, and approximately 0.3 million registered as unemployed.[1] Young workers aged 15 to 24 constitute 3.3 million, representing 8.3 percent of the total workforce.[2] Within this youth employment cohort, 58 percent are engaged in the formal sector, while the remaining 42 percent operate in the informal economy.[3]

Thailand has historically maintained one of the lowest unemployment rates, consistently hovering at or below one percent. The onset of the COVID-19 pandemic caused a modest rise to 1.6 percent in 2021,[4] before gradually declining to 0.7 percent as of December 2025.[5] Notwithstanding the overall low unemployment rate, youth unemployment presents a more concerning picture. As of December 2025, the youth unemployment rate stands at 5.1 percent, representing approximately 188,000 persons—accounting for roughly 63 percent of the total unemployed population.[6]

Notably, the educational profile of unemployed individuals reveals a structural mismatch in the labor market: approximately 52 percent have completed tertiary education, while 17 percent have completed secondary education,[7] suggesting that unemployment in Thailand is disproportionately concentrated among more educated individuals.

A persistent structural challenge within Thailand's youth labor market is the phenomenon of young people who are Not in Education, Employment, or Training (NEET). In the third quarter of 2022, approximately 1.2

1. National Statistical Office of Thailand, *Number of Employed Persons in Formal and Informal Sectors Classified by Age Group, Sex, Region and Province, 2012–2025*, NSO, https://www.nso.go.th/nsoweb/nso/statistics_and_indicators?impt_branch=301#gsc.tab=0 (last visited Feb. 23, 2026).
2. *Id*.
3. *Id*.
4. UNICEF Thailand, *In-Depth Research on Youth Not in Employment, Education or Training (NEET) in Thailand* 24 (2022), https://www.unicef.org/thailand/media/10746/file/In-depth%20research%20on%20youth%20NEET%20in%20Thailand.pdf.
5. National Statistical Office of *Thailand, Report of Labor Force Survey December 2025* (Jan. 2026), https://www.nso.go.th/nsoweb/storage/survey_detail/2026/20260122095359_37698.pdf.
6. *Id*.
7. *Id*.

million young people were classified as NEET, corresponding to the national NEET rate of 13.2 percent.[8] This figure was equivalent to 35 percent of the 3.3 million young people aged 15–24 who were employed. Women comprised nearly two-thirds of this group.[9] The NEET condition was found to be particularly pronounced among youth with post-secondary education and among those from both low-income and high-income households, indicating a non-linear relationship between socioeconomic background and labor market engagement. Contributing factors identified in the literature include limited employment opportunities and financial constraints, absence of career aspirations, inadequate career guidance, low motivation, poor self-esteem, and labor market discouragement.[10]

II. Legal framework governing youth employment in Thailand

Under Thai law, the minimum age for entering into an employment contract is 15 years.[11] While young workers are broadly afforded the same legal status as adult employees, the Labor Protection Act B.E. 2541 (1998) (hereinafter "LPA") establishes a number of additional protective provisions specifically applicable to workers between the ages of 15 and 18, reflecting the legislature's recognition of this group's particular vulnerability in the employment context.

With respect to protections, employers who engage workers in this age group are required to notify the competent labor inspector within 15 days of hiring, thereby enabling enhanced oversight of the employment conditions of young workers.[12] In terms of working conditions, the LPA prohibits young workers aged 15 to 18 from working during night hours—defined as the period between 22:00 and 06:00[13]—as well as from performing overtime work or working on public holidays.[14] Furthermore, young workers are entitled to a mandatory rest period of at least one hour after four consecutive hours of work, a more protective standard than the five-hour threshold applicable to adult workers.[15]

The LPA also prescribes certain categories of work and workplaces that are entirely prohibited for workers under the age of 18. These include metal smelting operations, work involving hazardous chemicals or toxic substances, and work in high-risk environments such as slaughterhouses, gambling establishments, and entertainment venues.[16]

With regard to maritime work, the law draws a further age-based distinction: Workers under the age of 16 are entirely prohibited from engaging in such work, while workers between the ages of 16 and 18 who are employed on vessels are prohibited from performing work at night.[17] For dock work[18] and fishing,[19] the protective threshold is set uniformly at 18 years of age, with the law prohibiting any worker under that age from engaging in either dock work or fishing.

Beyond restrictions on working conditions, the LPA provides for enhanced access to professional

8. International Labour Organization, *Promoting Youth Employment in Songkhla and Yala, Thailand: A Situation Analysis* 3 (2023), https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40asia/%40ro-bangkok/documents/publication/wcms_922746.pdf.
9. *Id.*
10. *Id.*
11. Labor Protection Act B.E. 2541, § 44 (1998) (Thai).
12. *Id.* § 45.
13. *Id.* § 47.
14. *Id.* § 48.
15. *Id.* § 46.
16. *Id.* § 50.
17. Maritime Labor Act B.E. 2558, § 15 (2015) (Thai).
18. Ministerial Regulation No. 11 (B.E. 2541) issued under the Labor Protection Act B.E. 2541, art. 4 (1998) (Thai).
19. Ministerial Regulation on Labor Protection in Sea Fishing Work B.E. 2565, art. 4 (2022) (Thai).

development opportunities for young workers. Employees under 18 years of age are entitled to training leave of up to 30 days per year to attend meetings, training programs, or seminars[20]—a provision that reflects a broader policy orientation toward balancing employment with the continued education and skill development of young workers.

A further noteworthy aspect of the legal framework governing youth employment concerns the minimum wage applicable to young workers. As a general principle, all employees in Thailand are subject to a uniform daily minimum wage,[21] the rate of which varies by province, with the exception of certain categories of workers possessing specialized skills. Notably, Thai labor law does not prescribe an hourly wage rate; rather, an employee is entitled to the full daily minimum wage regardless of the number of hours worked within that day. This structural feature of the wage regime effectively creates a disincentive for employers to engage workers on a part-time or hourly basis, as the cost of hiring remains fixed at the daily rate irrespective of actual hours rendered. This arrangement, however, presents a particular challenge for young persons over the age of 15 who are legally eligible to work but remain enrolled in formal education. In recognition of this structural gap, the government introduced in 2005 a dedicated hourly minimum wage applicable specifically to students engaged in part-time work during their studies.[22] The current rate is prescribed at THB 40 (approx. USD 1.24) per hour.[23]

This special wage regime operates within a defined set of working conditions tailored to the circumstances of student workers. On school days, student employees are permitted to work no more than four hours per day, while the permissible limit is extended to six hours per day on weekends and public holidays.[24] In addition, consistent with the broader protective framework under the LPA, the nature of work must be appropriate for young workers—safe, non-hazardous, and free from occupational risk. Student workers under this scheme are also prohibited from working in certain categories of establishments, including casinos, pubs, bars, saunas, and restaurants or entertainment venues with host/hostess service.[25]

III. Structural challenges in youth employment and support for transitioning

A persistent structural challenge confronting Thailand's youth labor market is the pronounced mismatch between the qualifications produced by the education system and the actual demands of the labor market. Research conducted by the Bank of Thailand indicates that the positions with the highest labor demand are those requiring unskilled or low-skilled labor, such as domestic workers and general laborers, followed by technical occupations requiring practical competencies, most notably welding and mechanical work.[26] Critically, none of these high-demand occupations require a tertiary education qualification. This stands in stark contrast to the educational profile of the unemployed population, of whom over 50 percent hold a tertiary education qualification, underscoring a deep qualification mismatch embedded within the structure of

20. *Id*. § 52.
21. As of March 2026, the minimum daily wage rate ranges from THB 337 (approx. USD 10.45) to THB 400 (approx. USD 12.40), depending on the province.
22. Wage Committee Notification on Minimum Hourly Wage Rates B.E. 2548 (2005) (Thai).
23. Wage Committee Notification on Hourly Wage Rates for Students (No. 2), art. 3, B.E. 2555 (2012) (Thai).
24. *Id*. art. 3(1.1).
25. *Id*. art. 3(2).
26. Pimchanok How, Kawalin Sriwichayangkul & Pattareya Nualnai, *Youth Unemployment*: *ส่องตลาดแรงงาน·เด็กจบใหม่ยุค COVID-19* [*Youth Unemployment: A Look at the Labor Market for New Graduates in the COVID-19 Era*], Regional Letter (แบ่งปันความรู้…สู่ภูมิภาค), No. 5 (2022), https://www.bot.or.th/content/dam/bot/documents/th/research-and-publications-pdf/articles-and-publications/articles/regional/2022/2565_RL_05_Youth_Unemployment_COVID19.pdf.

the Thai labor market.[27]

The mismatch is further compounded by an imbalance in the composition of university graduates. Data from 2019 reveals that 32 percent of university graduates majored in business administration and law, while 13 percent graduated in engineering, industrial, and construction fields, and 10 percent in arts and humanities.[28] Although demand for skilled digital workers—particularly computer programmers and data scientists—remains high and continues to grow, Thailand's higher education system produces more graduates in other fields and has thus far been unable to produce graduates in sufficient numbers to meet this demand.[29]

Beyond qualification mismatches, young graduates in Thailand face significant structural barriers in the transition from education to employment. These include low employability skills attributable to inadequate educational achievement, a lack of marketable and occupation-specific competencies, and a deficiency in soft skills demanded by employers. These difficulties are compounded by the limited access that young job seekers have to consistent and timely career guidance, mentorship, and effective employment matching services.[30] Employers further contribute to this cycle by demonstrating a systematic preference for experienced workers even in low-skilled positions, effectively excluding recent graduates lacking internship or prior work experience from consideration.[31] As a result, newly recruited individuals frequently possess skills that are misaligned with the needs of employers and the broader economy.[32] These dynamics are reflected in the growing tendency among young graduates to opt for informal sector employment—in 2021, approximately 56,000 new graduates chose to engage in informal sector work, particularly in sales and service-related activities.[33]

The structural vulnerabilities of youth employment in Thailand were rendered acutely visible by the COVID-19 pandemic. In 2021, youth unemployment rose to approximately 290,000 persons—roughly double the figure observed under normal economic conditions.[34] The impact was particularly severe in some regions. Compared to 2019, the unemployment rate among young college graduates in 2021 increased by as much as 80 percent in the Northern region and 73 percent in the Northeastern region, highlighting the geographic dimension of labor market vulnerability among young workers.[35]

Looking beyond cyclical disruptions, the long-term structural outlook presents additional challenges. Digital transformation and automation are progressively reshaping the labor market in fundamental ways. Industrial machinery sales in Thailand increased more than sixfold between 2018 and 2019, rising from approximately 60,000 units to over 384,000 units, signaling the rapid pace at which automation is penetrating the Thai economy.[36] The continued expansion of artificial intelligence and robotics is projected to significantly alter the existing employment ecosystem, rendering the enhancement of worker skills and productivity both a critical policy priority and an urgent economic imperative.[37] Yet the digital skills gap in Thailand remains

27. National Statistical Office of Thailand, *Report of Labor Force Survey December 2025* (Jan. 2026), https://www.nso.go.th/nsoweb/storage/survey_detail/2026/20260122095359_37698.pdf.
28. Pimchanok How, Kawalin Sriwichayangkul & Pattareya Nualnai, *supra* note 26.
29. *Id*.
30. UNICEF Thailand, *supra* note 4, at 23.
31. *Id*.
32. *Id*.
33. Pimchanok How, Kawalin Sriwichayangkul & Pattareya Nualnai, *supra* note 26.
34. *Id*.
35. *Id*.
36. UNICEF Thailand, *supra* note 4, at 23.
37. Bank of Thailand, *Upgrading Thai Workers' Skills: A Big Problem in the Age of Technology That Changes the World* (การยกระดับทักษะแรงงานไทย: โจทย์ใหญ่ยุคเทคโนโลยีเปลี่ยนโลก) (Feb. 20, 2019), https://www.bot.or.th/th/research-and-publications/articles-and-publications/articles/Article_20Feb2019.html.

substantial. The World Economic Forum's *Future of Jobs Report 2025* further underscores the accelerating pace of technological transformation in the global labor market. The report found that 76 percent of organizations identified robots and autonomous systems as likely drivers of business transformation in the near future.[38] With respect to the skills outlook, the report indicates that 55 percent of organizations currently regard AI and big data competencies as core skills for 2025, while a striking 93 percent anticipate that proficiency in AI and big data will be among the skills experiencing the most significant increase in demand by 2030.[39]

IV. Job creation and employment support measures

A further dimension of the legal framework governing youth employment and labor market integration is the legislative regime on skill development. The Skill Development Promotion Act B.E. 2545 (2002) and its subsequent amendments establish a comprehensive system of skill standards, assessments, and quality assurance measures designed to assist individuals in enhancing their occupational competencies. The Act defines "skill development" as a process through which working-age individuals acquire and strengthen agility, knowledge, ability, work ethics, and a positive career orientation through structured skill training.[40] Notably, the Act establishes non-mandatory incentive mechanisms aimed at encouraging employers to recognize and invest in the skill training and development of their employees through tax benefits.[41] The Act further imposes an obligation on employers of a prescribed size to either provide skill development training directly to their employees or contribute to the Skill Development Fund, thereby enabling the government to subsidize training costs for workers who seek to develop their own occupational competencies.[42]

Unlike many other jurisdictions, Thailand has not established a standing or permanent employment policy specifically targeting young people as a distinct labor market cohort. The only instance in which the government introduced a dedicated youth employment initiative was in direct response to the economic disruption caused by the COVID-19 pandemic, during which the barriers to labor market entry for new graduates became particularly difficult. In 2020, the government launched the Co-Payment Program (โครงการส่งเสริมการจ้างงานใหม่สำหรับผู้จบการศึกษาใหม่), a wage subsidy scheme under which the state subsidized up to 50 percent of the monthly wages of newly graduated workers engaged under one-year fixed-term employment contracts with participating public and private sector organizations. The program was conceived as a temporary countercyclical measure aimed at incentivizing employers to hire new graduates during a period of exceptional economic contraction. However, the program concluded at the end of 2021 and has not been renewed or replaced by any comparable initiative. The absence of a successor program, or indeed any structural policy framework aimed at facilitating youth labor market entry beyond crisis conditions, reflects a broader gap in Thailand's employment policy architecture.[43]

Moreover, the country continues to lack a coherent and integrated policy framework specifically designed to facilitate the transition of young people from education to employment or further training. A targeted policy response to the youth NEET phenomenon emerged only recently, with the introduction of a specific

38. World Economic Forum, *The Future of Jobs Report 2025*, at 204–205 (2025), https://reports.weforum.org/docs/WEF_Future_of_Jobs_Report_2025.pdf.
39. *Id.*
40. Skill Development Promotion Act B.E. 2545, § 5 (2002) (Thai).
41. *Id.* §§ 33–34.
42. *Id.* § 29.
43. Thailand Development Research Institute, *ประสิทธิภาพของโครงการจ้างงานเด็กจบใหม่ (Co-payment) จากรัฐบาล* [*Effectiveness of the Government's Co-Payment Program for New Graduates*], (May 14, 2021), https://tdri.or.th/2021/05/covid-123/.

NEET reduction indicator under the 13th National Economic and Social Development Plan (NESDP), while the Ministry of Labour (MOL) remains the only ministry to have addressed the NEET issue within its Action Plan (2023–2027). The absence of cross-ministerial policy coherence is particularly acute given the fragmented mandates of the relevant agencies: whereas the MOL focuses on promoting employability among the working-age population aged 15 and above, the Ministry of Education (MOE) and the Ministry of Social Development and Human Security (MSDHS) confine their services to children and youth up to the age of 18. This institutional gap leaves a significant proportion of young people—particularly those aged 18 and above who have left school without qualifications and discouraged jobless youth—without access to meaningful support for improving their life prospects. Active Labour Market Policies for youth, which typically encompass employment services, labor market training, subsidized employment, and support for entrepreneurship, remain underdeveloped and insufficiently accessible in Thailand. The problems identified all point to the same conclusion: the country needs a unified, national-level plan specifically for helping NEETs. This plan should be led by the MOL, working together with other relevant government ministries (like education, social affairs, etc.), rather than each ministry working in isolation. In addition, to make sure things actually get done, there needs to be a strong system for tracking progress, measuring results, and holding the different agencies accountable for their part.[44]

In sum, Thailand's youth employment landscape is shaped by a convergence of structural mismatches, regulatory gaps, and evolving economic pressures that demand a more deliberate and coordinated policy response. While the existing legal framework provides meaningful protections for young workers and the skill development regime offers a foundation for workforce readiness, the absence of a permanent, integrated youth employment strategy—coupled with institutional fragmentation across ministries—leaves a significant portion of Thai youth without adequate pathways into productive and sustainable employment. As digital transformation and automation continue to reshape the labor market, Thailand must transition from reactive, crisis-driven interventions to a forward-looking policy architecture that bridges education and employment, closes the digital skills gap, and ensures that no segment of the youth population, especially NEETs, is left without the support necessary to participate meaningfully in the country's economic future.

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44. UNICEF Thailand, *supra* note 4, at 73–75.