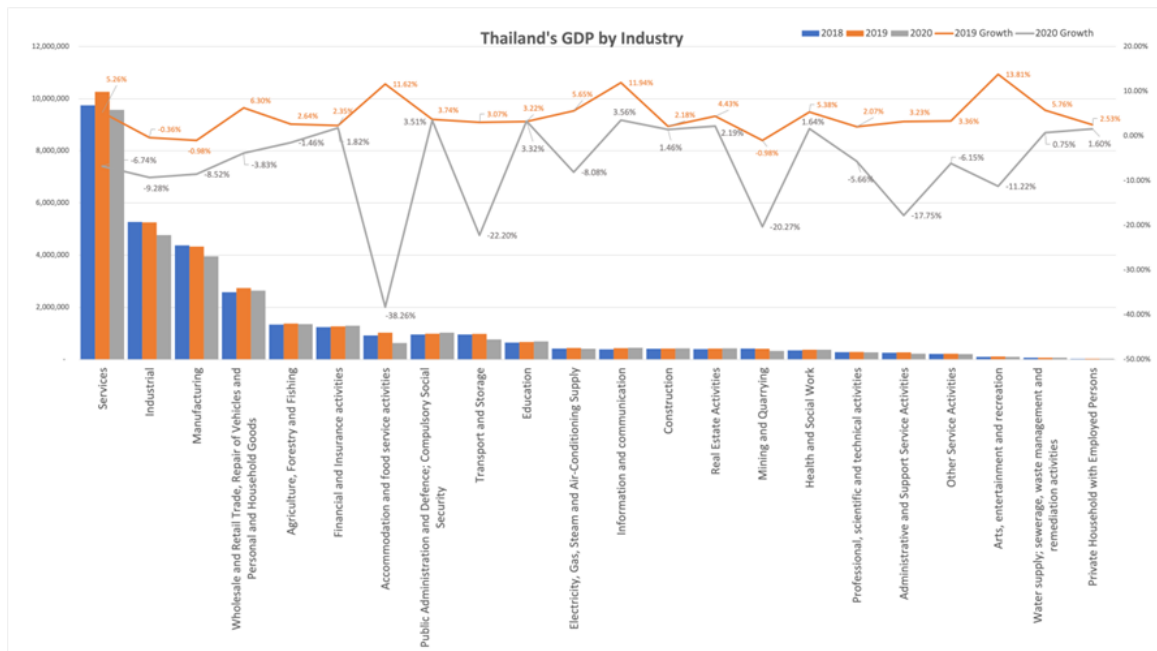


EMPLOYERS' CONFEDERATION OF THAI TRADE AND INDUSTRY (ECON THAI)

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During the first round of the Covid-19 epidemic in 2020, the government's defensive measure was to lock down the country for 90 days, including all high-risk service industries, hotels and all tourist attractions as was also done in some other countries like USA and Europe. This shutdown hugely impacted many businesses large and small. Some companies immediately reduced and/or canceled orders. Exports were delayed at least for six months. The most heavily affected business sector, namely tourism and hotel services, saw dramatic income losses. Most employers tried to help their own employees by keeping them on the monthly payroll. Some large private organizations paid reduced salaries of 38%, which allowed them to receive the remaining 62% of their wages from the Department of Public Welfare. Some of the temporarily paused businesses even paid as much as 75% of their employees' salary.

The early results of Covid-19 led most employers to discuss and encourage various creative ideas and marketing techniques , including focusing more on domestic products and using online trading for imports and exports. These online positions created many new full-time jobs. Apart from working from home, employees were also able to enjoy higher commissions from online sales. As a result of these advantageous changes, many businesses remained open and either workers gainfully employed.



As shown by the graph above, Thailand's 2020 GDP decreased 7.10% compared with 2019. By sector, the decreases varied from less than two percent decrease to nearly a 40 percent decrease; albeit the GDP of a very few business sectors did increase somewhat.

The Thai Government helped by allowing the Ministry of Finance to issue credits of 150,000 million baht to support business with a low interest rate of just two percent per annum. More than that, the Exim Bank has provided a more than 10,000-million-baht credit for businesses with an interest rate of only 3 % interest during the first two years of the loan. Money can be borrowed as long as five years. Other assistance came in the form of long-term debt suspensions and debt restructuring.

The second round of Covid-19 infections that began in 2021 has created more severe effects than 2020 because of rapid spread of the virus throughout the country. Both employers and employees are now at high risk for infection. Fortunately, the Thai Government sector, including employers and employees, benefitted from the lessons learned in 2020. Consequently, the government in 2021 has not needed to shut down .

Employers have worked together to help their employees through the Federation of Thai Industries, which has 45 groups industries clubs from seventy five provinces all over Thailand. FTI have set up giant temporary hospitals for Covid-19 patients, such as the 200-bed hospital in Samut Sakorn.

Additionally, the Federation of Thai Industries (FTI) has aimed to construct temporary ICU beds for Covid19 patients, connected to governmental hospitals by encouraging FTI members to donate funds and other necessities.

Moreover, some members of the Federation of Thai Industries have also manufactured free masks, disinfectant alcohol, and gel-alcohol for people during the crisis. They have also campaigned to make low-cost disinfectant alcohol for people during times of shortage by asking the Ministry of Finance to remove the ban on the manufacture of disinfectant alcohol.

Furthermore, the Textile and Garment Sector has improved water-repellant cloth, reusable gowns (PPE) named “Rau su” that can be washed up to 20 times and spun bond coated with waterproof film to prevent blood leakage by producing Disposable Cover all Seam Seal Level 4 named “ Rau Chana” models for medical personnel who are at high risk from Covid-19. As a matter of fact, the shortage of PPE is mostly a reflection of the high cost of importing them.

In the Electronic Appliances and Telecommunications Sector co-operated with Air conditioner sectors, vaccine freezers have been manufactured and dispersed to 77 provinces in a handover to the Ministry of Public Health. Finally, the Federation of Thai Industries has succeeded in pushing employees to get alternative Covid-19 vaccinations as they become available.

During this time now called the “new normal,” both employers and employees realize vividly that learning new skills, including digital skills, are necessary for the survival all organizations and personnel.

Accordingly, methods for payments should be adjusted to include not only daily or monthly salary payments, but also hourly and job-based payments. Increased flexibility should be adopted by private organizations in order to improve work efficiency and at a reasonable cost.

Social Protection is very vital for both formal and informal work to create and/or maintain an employee’s sense of self confidence by addressing issues of medical care, unemployment, salary, compensation from work-related accidents, childbirth, and retirement.

Moreover, the Federation of Thai trade and Industry(ECON THAI) has a responsibility to review aspects of Social Security to improve health services and attain a universal standard and take speedy actions to ensure fair compensation, especially retirement incomes and/or pensions. Currently, nearly one in five Thais is considered elderly (18.45%). Thus, the Federation of Thai Employers must push hard to guarantee that the monthly pension fund is sufficient to maintain an adequate standard living after retirement.

To be fair to both sides, employers and employees, the ILO should recognize that employees play a particularly important role within their organizations in terms of helping drive the organization towards its expected goals.

Accordingly, the Federation of Thai Employers works toward providing and maintaining quality working standards to create a good standard of living and good health. We strive to create a happy work environment where happy minds are able to focus their willpower while to further the work of their respective organizations.

So, on behalf of employer organizations, we have always been trying to improve workers' standard of living and provide for them to create a healthy and happy atmosphere for both sides. As a matter of fact, if there is anything the ILO can do is to support employer organizations during the ongoing Covid-19 crisis. Such help would be much appreciated, and I'd love to say thank you for any assistance.

Finally, we need employers, employees, and government sectors (the tripartite) to get through this global crisis together and join hands to ensure and maintain a quality standard of living and remain safe and healthy in the near future.

THANK YOU

Speech by Dr. Nauvarat Songswaddichai

Chairman

EMPLOYERS' CONFEDERATION OF THAI TRADE AND INDUSTRY (ECON THAI)