

## National Broadcast by General Prayut Chan-o-cha, Prime Minister

December 12, 2015



Good evening, dear Thai citizens.

The special cycling event, “BIKE FOR DAD”, has just concluded with great success, in correspondence with His Royal Highness Crown Prince Maha Vajiralongkorn’s aspirations. This has been an historic event for Thailand, which at its essence, was reflection of the solidarity of the Thai people in expressing our devotion to His Majesty the King. The saying that goes “unity is the greatest force of a nation” was underscored by His Majesty King over 5 decades ago. His Majesty highlighted that if people are united and there is orderliness, the country will prosper. Therefore it should be accentuated that unity among our people, coupled with a collective responsibility to maintain orderliness, will be the driving factor towards sustainable growth for our nation.

I would like to express my sincere appreciation to all who participated in the cycling activity, and who came to support HRH the Crown Prince on the cycling route. I would like to thank all the supporters in Thailand and abroad who made this special event happen. I would especially like to thank those who worked “back-stage”, including officials, staff, and the private sector, who took the effort to ensure that the activity ran smoothly and according to plan. This bodes well for Thailand as we look forward to face increasingly complex global challenges and as we are on the verge of the ASEAN Community.

In terms of preparation for the ASEAN Economic Community, government agencies have been working in an integrated manner to enhance the country’s capabilities so as to remain competitive and cooperative with our global counterparts.

As for 2016 export stimulus measures, the International Trade Development Committee has already met, comprising authorities from 9 ministries, the secretary-general of the National Economics and Social Development Board, the secretary-general of the Board of Investment, the director of the Budget Bureau, the governor of Bank of Thailand, the chairman of the

Thai Bankers' Association, the president of the Thai National Shippers' Council, the chairman of the Thai Chamber of Commerce, and the president of the Federation of Thai Industries. These individuals will work with the government to stimulate the economy. Several follow up meetings have been convened.

These leaders will together formulate a 7-point strategic plan. The first strategy concerns the opening of doors to trade and economic cooperation, especially on the Trans-Pacific Partnership agreement (TPP) which will be studied thoroughly, the Regional Comprehensive Economic Partnership (RCEP), existing free trade agreements, and possible new free trade agreements.

The second strategy focuses on market expansion through the utilization of market demand, which will be used as a tool to determine domestic production of exported goods and services. There will also be more sophisticated approaches towards penetrating new markets and reaching specific consumers as well as online customers.

The third strategy pertains to border trade promotion, making Thailand ASEAN's trade hub for trade and investment.

The fourth one supports Thai entrepreneurs in foreign countries.

The fifth strategy is to adjust our trade infrastructure and mobilize 6 businesses which consist of healthcare, entertainment, logistics, education, hospitality, and professional services. It is essential to set standardized requirements for these businesses. These requirements will help them improve living standards and generate more income.

The sixth strategy seeks to increase the role of SMEs, hoping to create new businesspersons and drive towards innovation. Innovation needs also to be taught more to local producers.

The last strategy aims to create added-value in exported products. The government will help to turn producers into designers who can create their own brands. There are a lot of potential businesses out there. These will be our core undertakings

In addition, Thailand needs to revise its 7-year investment strategy (2015-2021), emphasizing on building clusters and super clusters. Super clusters will be developed in 9 provinces, with the help of the government in amending 367 rules and regulations pertaining to business facilitation, trade and investment, and human rights, all of which are benefiting the public. Some laws are still being discussed. I listen to all suggestions and all complaints. These laws must go through the deliberations of the national legislature so it cannot be assumed that they will get a nod automatically. The matter has just only begun in this process so patient is required. The cabinet can send drafts back to the lawmakers who take into consideration all of your concerns. What needs to be revised now is the principle, so that we can relate your suggestions to these drafts and have them discussed. The government urges citizens to be

more involved on this matter and for all stakeholders to work together with reason. We have always put the interests of the public at heart. The government will do its best as long as it doesn't violate any agreements, especially agreements we made with international community.

We will also add incentives for investors seeking opportunities in Thailand. It is important that agriculturists have additional income. The agricultural sector will be better off with the introduction of green businesses. Farmers will be able to earn the income they need to support their families. Farmers need to become entrepreneurs through the formation of agricultural groups. Cooperatives must be improved. Quality of produce must also be uplifted. I have already asked the Agriculture Ministry to urgently look into this matter. The focus will be on advanced technology and other industries deemed to have promising growth potential. These industries are, for example, automobiles, intelligent electronics, tourism, health tourism, agriculture and biotechnology, food processing, artificial intelligence for medical purposes, transportation and aviation, fuel and biochemistry, and the digital industry. A lot of emphasis will be placed on quality products, innovation, added value, and processing raw materials. We also need to create connectivity among SMEs, entrepreneurs, and large enterprises in order for higher incomes to be achieved.

We also need to be prepared, support, promote, and neutralize all problems such as land allocation. We have a lot of problems concerning the abuse of public spaces. Such misconduct has become something that many people have become accustomed to, thus failing to respect the law. The government will assist you in a way whereby a code of conduct is upheld. Another problem that needs to be addressed is inefficiency of public utilities. One Stop Service centers will keep serving the people. Assistance can be sought at these centers. Today there are One Stop Service centers in Bangkok and provinces that will hold special economic zones.

Furthermore, there must be a single database into which entrepreneurs seeking investment promotion are registered. This year, the state has approved 2,000 projects thus far, with a total value of 700 billion baht, the amount of which has positively impacted the economy in many aspects, as evidenced by the increase of export value of 1 trillion baht, and the increasing use of domestic materials whose combined value was recorded 800 billion baht. It has also encouraged investments in 20 provinces and generated 44 billion baht. If we didn't implement these projects, no growth would be realized. We can no longer rely solely on agriculture. Prosperity and development must be present in rural areas. Agriculture, agricultural processing, and the industrial sector have to be improved in all regions. I ask that the public cooperate with the government on this issue. If you have problems, please come through the appropriate channels.

We must encourage more foreign direct investments as well as promote investments in the form of Thailand-ASEAN cooperation, for instance, the Thailand+1 policy, which happens when Thailand works with another nation.

Lastly, the establishment of special economic zones must occur in 10 areas along the border (6 areas this year and 4 areas next year). This also includes potential areas of super clusters. This could happen inside or outside special economic zones. This must be achieved through public-private cooperation. On several occasions, there have been some teething troubles, be they infrastructure, electricity, irrigation, and transportation. So now I want to ask land owners not to overcharge the investors. Lands must be sold at reasonable prices; otherwise, there will be no forthcoming investments. Should you be able to follow the government's plan in this short period of time, it will pave the way for growth, employment, developed communities, more trade activities along the borderline, and more uses of domestic and imported materials. This way, we will be able to resolve problems of oversupply of rice and rubber in the country. We need to use 30% more of domestic materials. There will be factories where rubber is used to produce car tires, asphalt, and rubber gloves. Rubber can also be used to construct bathroom walls as well as furniture and mattresses. I believe Thai producers have the skill to create these products. We have plenty of materials. We just need higher skills and more factories. We also need to acquire new technology in order to achieve new innovation, allowing us to compete with other nations. Our products must be unique. We understand that Thailand's labor cost is higher than others. This is why we need to improve other departments. A way to reduce production cost is to use the materials we possess domestically. The government will support this area and gear up for new entrepreneurs. As for skilled workforce, I have instructed related agencies to implement short and long term measures. Fourth year students can attend training courses and improve your skills in whichever profession you long to thrive. As for long term solutions, the next generation of university students must prepare themselves according to what the market demands.

Preparing skilled labor in the industrial sector is a major challenge. We do not have enough skilled workers, not to mention researchers, developers, and managers, both in the industrial and service sectors. Tourism also needs more skilled work forces. Thailand is still looking for technicians in electric rail, road transport, water transport, and air transport. Because we urgently need more skills, I have asked my subordinates to take on this matter with urgency. If we don't have enough skilled workers, we would not be able to respond to and keep up with the expansion of ASEAN Community.

The Labor Ministry is compiling data on labor forces in collaboration with the Industry Ministry and the Education Ministry which have been in close contact with skilled workers groups. Don't forget to acquire this information from Thai entrepreneurs and foreign investors as well. We also lack unskilled labor, a problem which we will fix through

cooperation with our neighboring countries. We need to be able to control migrant workers and take good care of them. We need to take care of the migrants and not take advantage of them. Human trafficking is a serious crime. All perpetrators who are involved in human trafficking activities will face prosecution. Serious and harsh penalties will be given to offenders who trade humans. The same goes for the fishing industry. We also need to keep up with statistics regarding the number of workers needed in the market, what sort of workers, which level of education, and what additional skills are required. Many professions still need more workers. This is what we need to keep track of. The problem that we are encountering now is the data compilation process. I ask that a complete compilation must be finished by the year 2017. We need an identification card that specifically says the holder's profession. This is so that the government can understand all circumstances and use its funds in the most effective way. The government has limited funds. When the economy recovers, debts will be less of a problem. But if nothing is done today, we will have difficulties in the future. So please lend us your cooperation.

Labor reform does not conclude here. The Labor Department's database needs to be revised, such as the Smart Job Center, in order for operatives, service centers and related government agencies to synthesize their service efforts for the public. This is for those who are in need of workers to meet with labor organizations or other companies. Some companies are efficient, some companies are straightforward and some companies are not, causing problems in the labor market.

Next is the project to enhance the productivity of Thai labor. The government has assisted small to medium enterprises (SMEs) in order to enhance their competitiveness and innovation in preparation for the ASEAN Economic Community, such as the development of multi skilled workers that are able to do more in the same allotted time, therefore enhancing competitiveness. In addition, this will also reduce productivity loss and initial capital for 260 SMEs in 20 sectors such as food and beverages, textiles, fashion, furniture, woodcarvings, gemstones and accessories.

There has also been the establishment of the consulting center for work productivity regional skill development institutes across the country in order to provide counseling to various business, whether it be regarding improvements of the production process or managing logistics, or supply chains that could reduce productivity loss. It is also the law that businesses with over 100 employees conduct work training for no less than 50 percent of its employees each year. Expenses used for job training can be used for tax deductions.

Regarding the readiness of human personnel, whether it is the industrial, technical, medical, education or civil servant sector, all personnel must be able to enhance the efficiency of their services to meet international standards. They must also have a sound understanding of ASEAN and the ASEAN community as well as its member countries. Personnel must also be

able to utilize the latest technologies and have general knowledge of the English language as well as other languages regarding essential listening, speaking and basic writing skills. In the future, these people must continue to perfect their skills should they want to progress to managerial positions. The ability to use English in meetings will aid in people's understanding and negotiating skills. Businesses from the bottom level to the higher levels must continue to develop their skills. Labor workers must also realize that they will have foreign colleagues and contractors. You need to know enough to greet others and have basic conversation. As for the languages of our neighboring countries, I've seen various resources such as instructional shows on television. One day they teach one topic and the next day they teach another; so I unfamiliar with this system. I'm not quite sure about English language shows as well. I would like everyone to categorize language learning, making basic English the first category for everyone to study. The second category should be business English for various industries. The third should be English for civil servants. The fourth should be English for tourism in order for us to play the role of good hosts and welcome tourists to our country. These categories vary in difficulty. Another matter is existing curriculum at various schools. Today we must teach students to first be able to understand and then to talk and then to read and write. The Thai curriculum places a huge emphasis on grammar because we are afraid of making mistakes. I'm afraid of making mistakes myself. Therefore we must do our best. This is not our native language but we need to learn it well. We must be professional in our work and have a clear understanding of shared agendas. What's important is a work environment that is transparent, in accordance with the highest standards, is result-oriented, and encourages teamwork various sectors. There also needs to be an adherence to international standards.

Becoming a member of the ASEAN Economic Community also means that we cannot exclude foreigners from working in certain occupations in Thailand the same way that they cannot ban our workers. This could cause serious competition for quality work. A lot of countries pay high salaries in order to acquire the best doctors and nurses. We are also trying to become the region's medical hub so I recommend that the Ministry of Education address this matter and try to identify if there are any potential labor shortages in this sector or any shortages and the rural areas. In order to be a medical hub, we must create credibility by acquiring consultations from foreign doctors. I've tasked the Ministry of looking into this and have included these matters in the 2016 and 2017 production model. If we have a shortage in rural areas, why don't we go open courses and allocate resources to the provinces and various community hospitals? We can have the provinces send people to study medicine in order to become doctors in their local communities. This way, we can create a community of learning with strong regional schools and universities.

Important issues in the country right now that I'm concerned about are:

1) A disrespect of the law and an inclination to impunity, resulting in authorities being unable to enforce laws, therefore degrading the sanctity of the law. These laws are not designed to violate human rights. But I want to ask if you think it is acceptable to be infringing on other people's rights as well? We are now in the process of reform. The next thing to be concerned of is if people violate or ignore the law and infringe upon other people's rights, this will lead to conflict and violence. It then rests on the government to address the problem. The authorities are also saddled by this problem. I ask all groups not to violate the law. If laws are not regarded as sacrosanct, how will we coexist? If there are no laws, things will revert to how it used to be.

2) The next issue is a lack of faith in the justice system and distrust in the judicial process. Why is this? Is it because people don't understand the judicial process well enough? A lot of people are fearful of being arrested. However, there must be a charge for being arrested. The process of accusing someone of a crime requires a person to file a complaint in order to go through the judicial process. I'm trying to resolve all matters in accordance to the law. Today you will see that all cases are treated equally under the law. Everyone is given a fair trial. Please understand this.

3) The next thing is that I think it's important that Thai people know of the process of the government's work. This is because many people don't understand how they are involved in the process. We have various acts and information provided. This doesn't mean that people need to implement projects from the start. The state can be the first to initiate them according to the needs of people in the region or according to a given strategic plan. Afterwards, the state disseminates the information to local communities to find out whether it is appropriate to proceed with the project. If you don't initiate projects then how can we expect anything to happen?

4) Another issue is that the public may have enough information on where or when it can cooperate with the state. This is why there are some lingering conflicts and a lack of progress on certain issues. This opens the door for the distortion of information and for some groups to take advantage of the public. I must ask why are there many issues that the public still lack understanding, despite realizing the importance of having to understand these things? It was the duty of the government to inform the public. However, the public has lacked an understanding in key areas for many years. Today I've tried to inform the public of many things but sometimes people don't cooperate because they have the incorrect information. I think the bureaucracy, the public and the private sector need to adjust themselves. Today the country is moving forward. Therefore there will be many changes that will affect your lives and so it is important that you understand them and how to deal with them as a citizen of the world.

I hope that everyone acts within the framework of the law, and according to international standards. Many people have good intentions but because of their lack of understanding, they are often manipulated. You must study the law and see if you are violating the law. You should also consider if this is really the appropriate time for these things, given our political situation and history? There are also other matters, such as whether your actions will affect public commuting or other people that don't agree with you? We need to think and work together; otherwise we won't be able to solve anything. Therefore today I would like to ask politicians, civil servants, the public and the private sector to understand this. How can we join hands at all levels and function as a "state of the people?"

The long New Year's holiday is approaching. So I asked all to be extra careful when traveling. I don't want see losses and casualties during a time when everyone should be happy. The government is doing everything it can to enhance safety at this time. We are in the process of strengthening the roads regarding turning points and risky areas. There needs to be thorough enforcement of speed and passenger limits. We also require manpower in assisting traffic. I would like to thank the authorities for their preparedness, the Ministry of Interior, the military and civilian staff. These people don't get to celebrate during the holiday season. They have families but they have forfeited their time for you. Don't think that they're there just because it's their duty or because they get extra compensation. They want to rest as well but they need to fulfil their tasks. When they aren't at home at least their families are compensated for that. Please understand and I thank all officials for sacrificing your time during the holidays to assist and ensure safety for the public. I hope that we will encounter only good things during the new year, and that the country is able to move forward while conflicts are either reduced or resolved, so we can finally progress to a lasting democracy.

Thank you. Sawasdee Krub. I wish you all happiness.

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