

The Formal Alleviation of People Suffering and Cost Reduction During the COVID-19 Epidemic in Thailand



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Abstract

This research found that the government has directly provided assistance to people suffering from lack of income in 4 projects, namely the program to heal people during the first wave of the outbreak, paying 1,000 baht per month for 3 months from May to July 2020. There are participants in the project 1.064 million. The Roa Chana project has a weekly payout of up to 9,000 baht per person (February-May 2021). The project has 33.229 million people. The project to increase purchasing power for the welfare people has 3 phases. Phase one: October-December 2020, the government pays 500 baht per person per month, totaling 3 months, 13.808 million people are eligible. In the second phase, January-March 2021, the government pays 500 baht per person per month, for a total of 3 months, 13.718 million people are eligible. And in the third period of July-December 2021, the government pays 200 baht per person per month, for a total of 6 months, 13.581 million people are eligible. There is also a project to increase purchasing power for those who need special assistance up to 1,200 baht throughout the project period. There is a total of 2,285,429 people who are eligible, most of which are distributed in the Northeast. It shows the comprehensiveness of remedies and assistance that is beneficial to the further assistance of the relevant organizations.

1. Introduction

- The pandemic caused a decline in economic growth and caused a sharp drop in employment in the second quarter (April-June) of 2020. However, consumer and business behavior has been supported by government-sponsored stimulus measures since March 2020.
- Public health measures used to control disease are responsible for the direct impact on services, perhaps most notably in education. Public health measures have enormous economic impact. The cost of stimulus and the loss of GDP will have a lasting impact on public finances, reducing resources for future expansion projects. The Economist Intelligence Unit (EIU, 2020) estimates that the international recession and Thailand's public health measures will reduce the country's gross national productivity.
- One of the main impacts of COVID-19 continues to be unemployment or job suspensions and continuing to lower incomes. UNICEF used data to predict a modest increase in poverty in the second and third quarters to another level that hides more severe impacts in some groups.
- In order to review the suffering of the people who were healed by the Thai government, especially the remedies to reduce the burden of expenses for people during the crisis. Therefore, this research study has reviewed various research studies. and use the Thai government's remedial information provided by the Fiscal Policy Office to show the spatial distribution of remedial assistance across different regions of the country. This study will reveal the breadth of remedies and assistance that will benefit further assistance to relevant organizations.

2. Methodology

- This research was conducted in two parts: a review of relevant UNICEF research to study the relief of suffering in Thailand as a whole; and searching for information on Thai government assistance using the information collected by the Fiscal Policy Office.
- Descriptive statistical analysis is used to classification of the density of people in different regions of the country who receive the right to help and relieve suffering from the Covid-19 crisis.

3. Result and Discussion

- This research has reviewed the measures taken to remedy the suffering of the Thai people from the United Nations in Thailand (2020) report, indicating that The pandemic will cause a deep reduction in economic growth and employment in quarter 2 (Q2) (April-June) of 2020, but consumption behavior and businesses are being supported by a series of stimulus measures put in place by the Royal Government of Thailand since March 2020 (Table 1) These are in large part a social protection package and will have substantial impacts on poverty and employment.

Table 1 Stimulus packages implemented in Thailand

Stimulus package	Details
Phased stimulus package	Phase 1 (4th March 2020): 100 billion baht, providing financial assistance to small and medium-sized enterprises as well as tax relief, and cash handouts. Phase 2 (24th March 2020): 117 billion baht, focused on enhancing the incentives provided in Phase 1. Phase 3 (7th April 2020): 1.9 trillion baht including: (i) 1 trillion baht loans, of which (i) 45 billion for healthcare; (ii) 555 billion baht for financial aid and cash handouts; and (iii) 400 billion for economic rehabilitation. (ii) 500 billion baht for business liquidity, which will be spent on funding commercial banks to lend to firms with liquidity problems. (iii) 400 billion baht for financial stability, to be spent on setting up the Corporate Bond Liquidity Stabilization. Workers covered by Social Security Fund receive increased unemployment payments. • As of May 2020, nearly 1.2m million people had applied for unemployment benefits due to furloughs and firings (nearly 1 million were eligible). • Between April 20th to May 2nd, 455,717 people were paid by the Social Security Office under disbursement of 2.3 billion baht. Of these 207,895 remain to be paid with almost 30,000 awaiting verification. There is an increase of around 30,000 new claimants per week.
Unemployment Benefit	SMEs can receive wage subsidies from April to July 2020 for employees who are members of Social Security Office and receive salary of up to 15,000 per month.
Wage subsidies	Fiscal package approved (30th April 2020) with three phases equivalent to 8.9% of GDP on measures for (i) health related spending; (ii) assistance for workers, farmers, and entrepreneurs affected by COVID-19; (iii) support for individuals and businesses through soft loans; (iv) lower water and electricity bills, and lower employees' and employers' social security contributions.
Monetary and fiscal response	Additional borrowing capacity authorized by Royal Decree: 1 trillion baht, including 800 billion baht for COVID-19-related health spending and compensation for people affected, and 400 billion baht to help revitalize those parts of the economy affected by the outbreak. Monetary Stimulus: The Bank of Thailand reduced the policy rate to 0.75%. Monetary measures to help business include (i) soft loans by the Bank of Thailand to financial institutions; and (ii) relaxation of repayment conditions for business. Measures to support financial sector stability: (i) Corporate Bond Stabilization Fund was established by the Bank of Thailand; (ii) Bank of Thailand purchased government bonds in excess of 100 billion baht in March 2020; (iii) Bank of Thailand bond issuance were reduced or cancelled, and (iv) a special facility was set up to provide liquidity for mutual funds through banks.

Source: United Nations in Thailand, 2020.

- It also surveyed the Thai government's assistance measures during the severe Covid-19 outbreak that prevented people from doing their jobs as usual. Government measures are considered as remedies, reduce cost burdens, support the spending of essential goods, and increase purchasing power for those who need special assistance. There are 4 government-assisted projects. (Table 2)

Table 2 Number of people eligible for state financial aid

Project	Number of eligible persons
1. Financial assistance/remedial/compensation programs	1,064,166
2. Roa Chana Project	33,229,388
3. Increase purchasing power project	
3.1 Phase One (October-December 2020)	13,808,756
3.2 Phase Two (January-March 2021)	13,718,150
3.3 Third phase (July-December 2021)	13,581,033
4. Increase purchasing power for those who need special assistance Project	2,285,429

Source: Royal Thai Fiscal Policy Office, 2021.

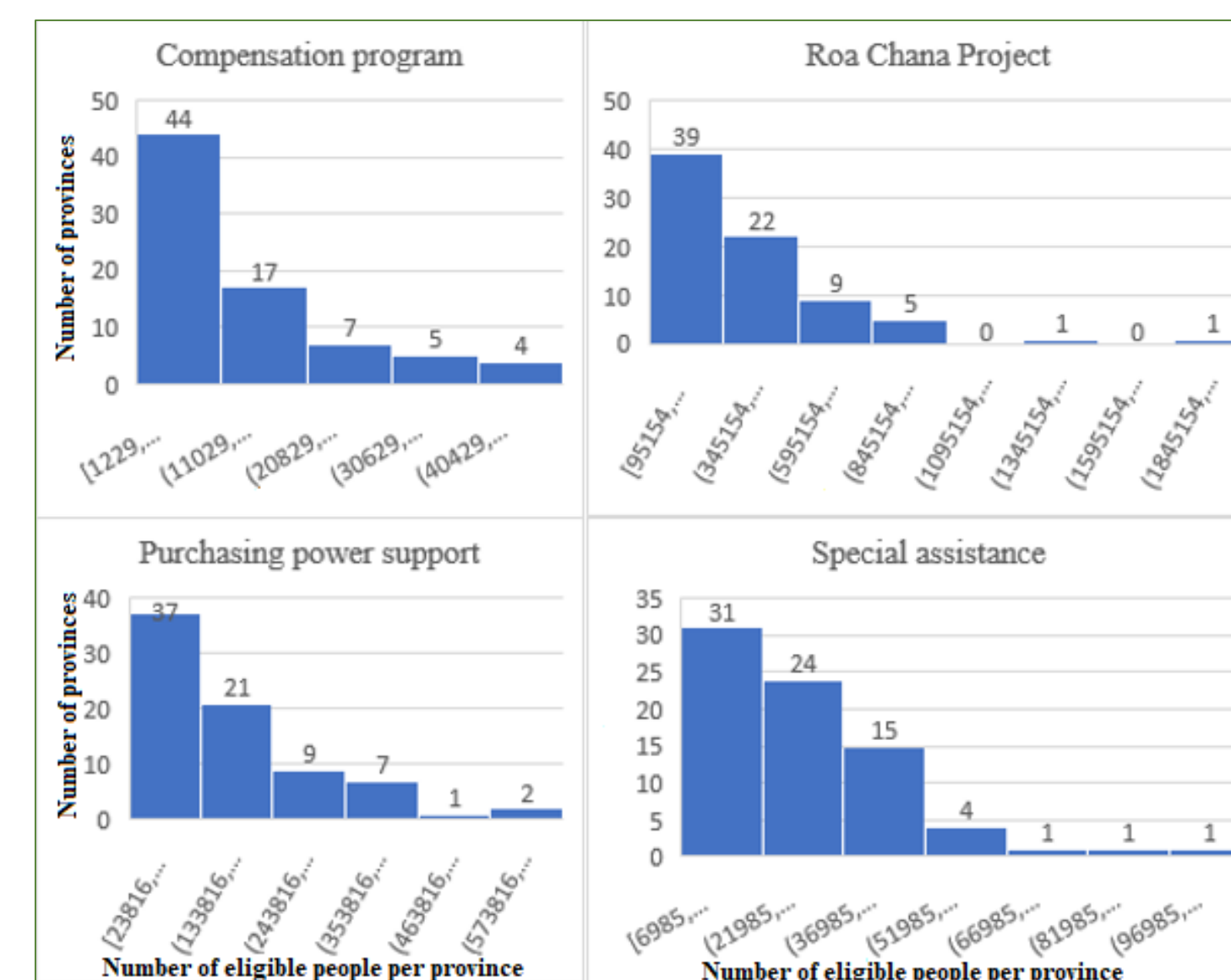


Figure 1: Distribution of government grantees in various projects during the COVID-19 crisis in Thailand

There is support for a budget of no more than 9,000 baht per person, paid weekly between February-May 2021. There are a total of 33,229,388 eligible people, mostly in the Northeast.

- The increase purchasing power project with government welfare cards is intended to help heal and reduce expenses for those who have government welfare cards during the epidemic situation of Covid-19. Assistance is divided into 3 phases:
 - Phase 1, implemented during October-December 2020, the government supported the budget at 500 baht per person per month for 3 months, with a total of 13,808,756 eligible people. Most of them are distributed in the Northeast.
 - Phase 2, conducted between January and March 2021, the government supported the budget at 500 baht per person per month for 3 months, with a total of 13,718,150 eligible people.
 - Phase 3, will be implemented during July-December 2021. The government supports the limit for the purchase of goods from Thong Fah stores and supports the limit for the purchase of goods or service fees from shops or service providers participating in the 3rd phase of 200 baht per person per month for 6 months. There is a total of 13,581,033 eligible people, mostly scattered in the northeastern region.
- The increase purchasing power for those who need special assistance Project aims to help and reduce the cost burden to those who need special assistance during the Covid-19 epidemic situation. There is a credit limit for the purchase of goods from the Blue Flag Shop and support for the purchase of goods or service fees from participating stores or service providers, Phase 3, at 200 baht per person per month for 6 months between July and December. 2021, the total amount is not more than 1,200 baht throughout the project period. There is a total of 2,285,429 eligible people, mostly scattered in the northeastern region.
- The distribution of government grantees in various projects during the Covid-19 crisis by regions in Thailand (Fig. 2)

- The Distribution of 4 government - assisted projects during the COVID-19 crisis in Thailand classified by the number of eligible people per province (Fig. 1)
- The compensation program to help people affected by the Covid-19 epidemic aims to provide relief to those who have a government welfare card who have not received medical assistance from any government program with reduced income and unable to find other income to replace The government paid compensation of 1,000 baht per month for a period of 3 months between May-July 2020. A total of 1,064,166 people were eligible, mostly in the northeastern region.
- The Roa Chana project, the objective is to help reduce the burden of living expenses for people due to the new wave of the Covid-19 epidemic.

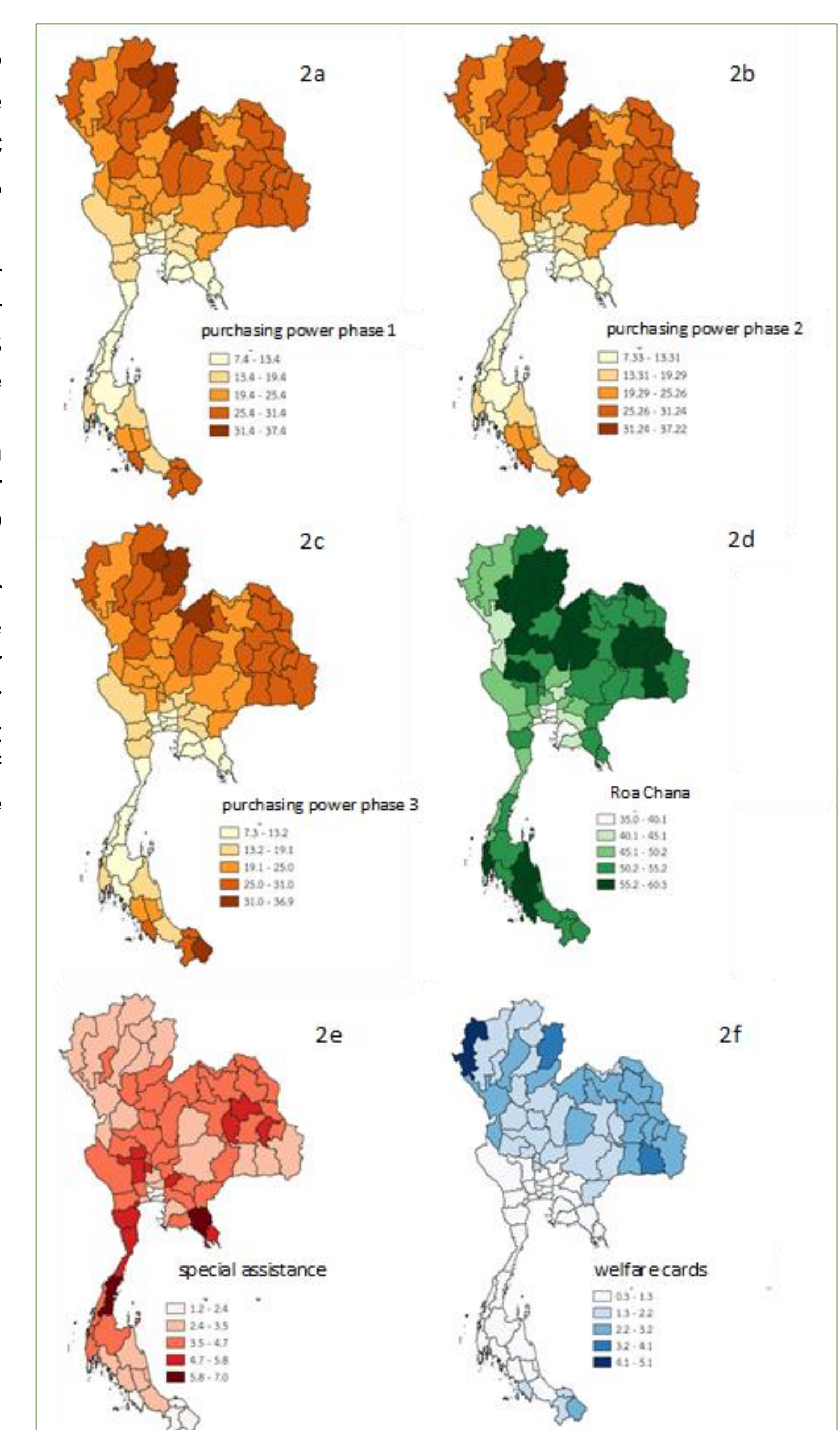


Figure 2: Distribution of government grantees in various projects during the COVID-19 crisis by regions in Thailand

4. Conclusion

- This particular research has surveyed information on measures to help the Thai government during the severe outbreak of COVID-19, people are unable to do their jobs as usual as a remedy reduce the burden of expenses Support spending on essential goods and increase purchasing power for those who need special assistance.
- There are 4 government-assisted projects. Firstly, A project to help/heal/compensate for people affected by the coronavirus disease 2019 outbreak. This project aims to help those who have a government welfare card of 1,000 baht per month for a period of 3 months during May - July 2020, there are a total of 1,064,166 people receiving rights. Our winning project, secondly, is not more than 9,000 baht per person, paid weekly between February-May 2021, with a total of 33,229,388 eligible people. Thirdly, Project to increase purchasing power for people with welfare cards of the state. It has three phases to pay for the people: phase one, October-December 2020, pay 500 baht per person per month for 3 months, with a total of 13,808,756 eligible people; phase two, January - March 2021, pay 500 baht per person per month for 3 months, with a total of 13,718,150 eligible people; and phase three, July-December 2021 pay 200 baht per person per month for 6 months with a total of 13,581,033 eligible people. And the last project to increase purchasing power for those who need special assistance up to 1,200 baht throughout the project period. There is a total of 2,285,429 eligible people. Most of them are distributed in the Northeast Thailand.

5. References

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