



55th ACF Council Meeting

Future Proof Construction Industry

TCA - Thai Contractors Association under H.M. the King's Patronage

April 24th, 2024



TCA - Country Updates

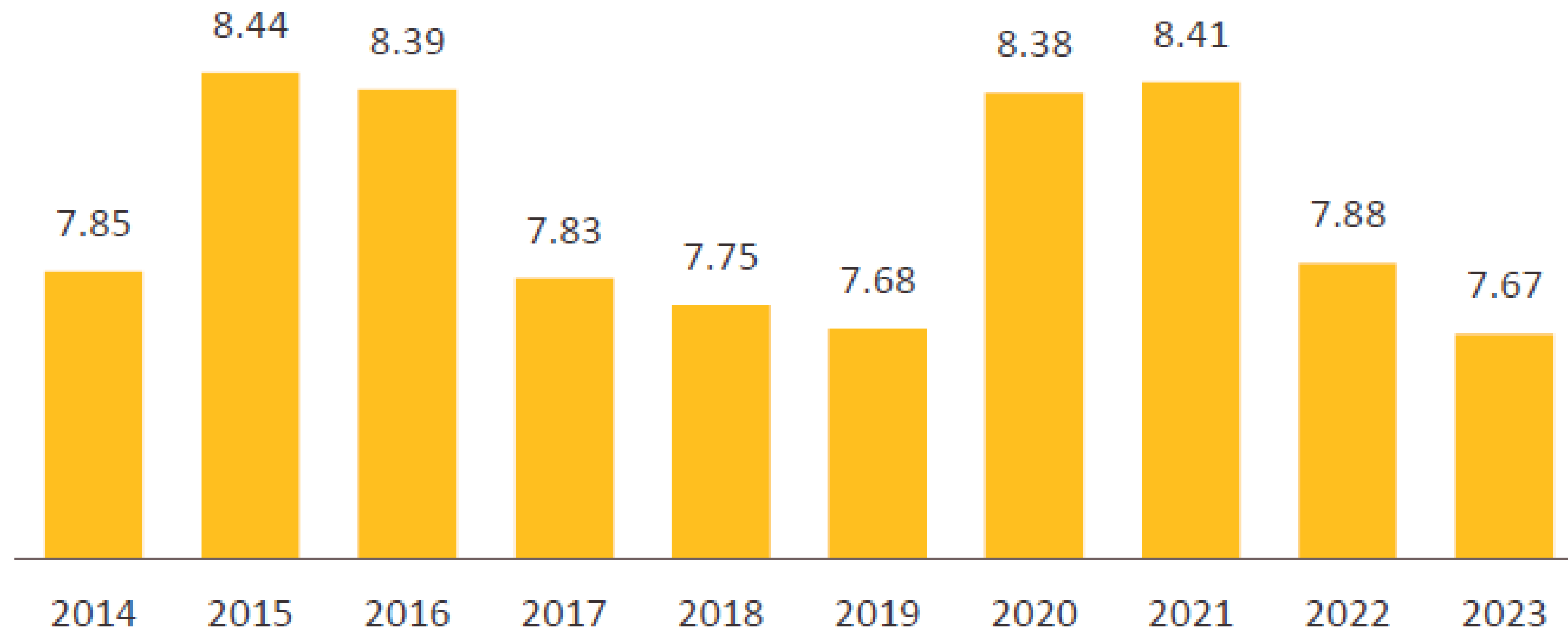
- I. Overview of the Macroeconomy and the Construction Industry**
- II. Update / Issues related to the Construction industry in Thailand**
- III. Summary and Outlook of Construction Industry**

I. Overview of the Macroeconomy and the Construction Industry



Construction Investment to GDP

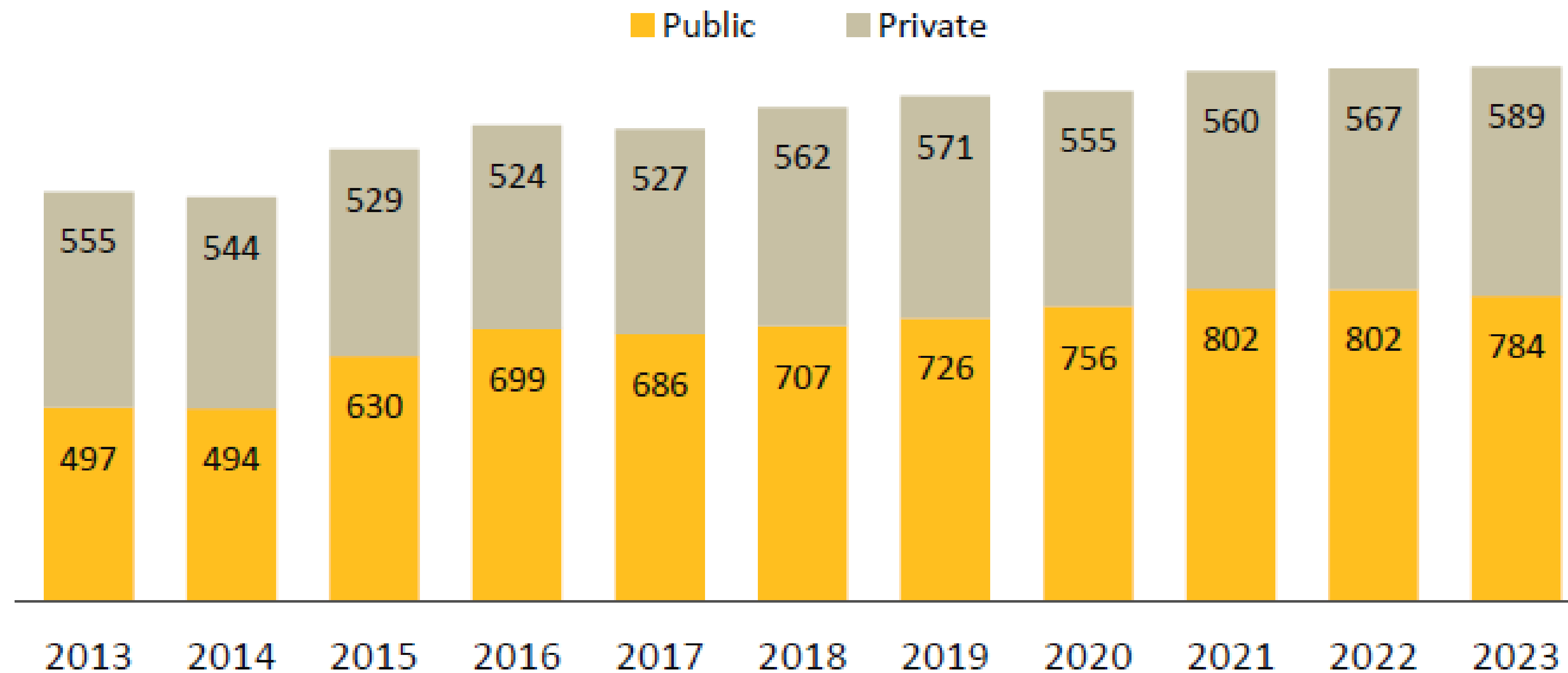
Figure 1: Construction Investment to GDP (%)



Source: Office of the National Economic and Social Development Council (NESDC)

Construction Contribution to Investment

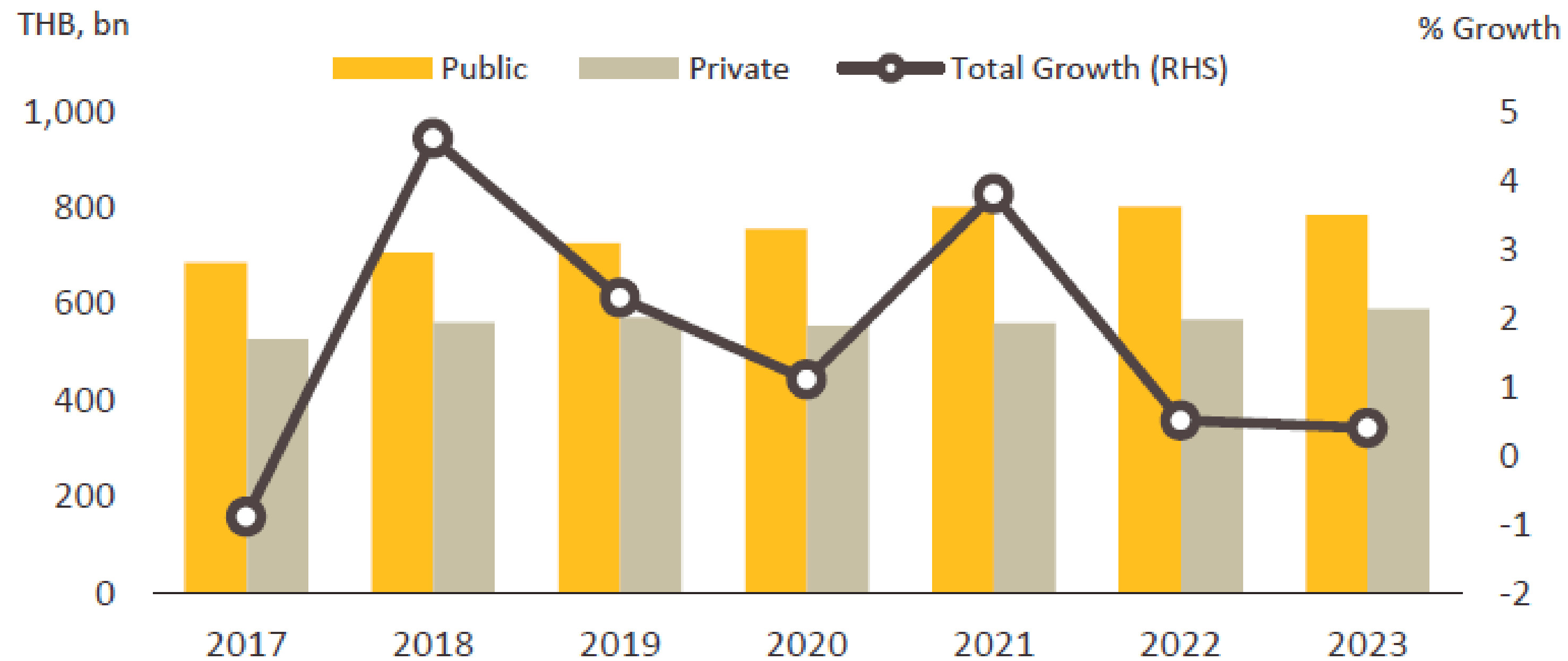
Figure 2: Public and Private Construction Investment
(at current prices, THB bn)



Source: NESDC

In summary

Figure 5: Construction Investment



Construction	2017	2018	2019	2020	2021	2022	2023
Value (THB, bn)	1,212.4	1,268.3	1,297.5	1,311.6	1,362.1	1,368.6	1,373.7
Growth (% YoY)	-0.9	4.6	2.3	1.1	3.8	0.5	0.4

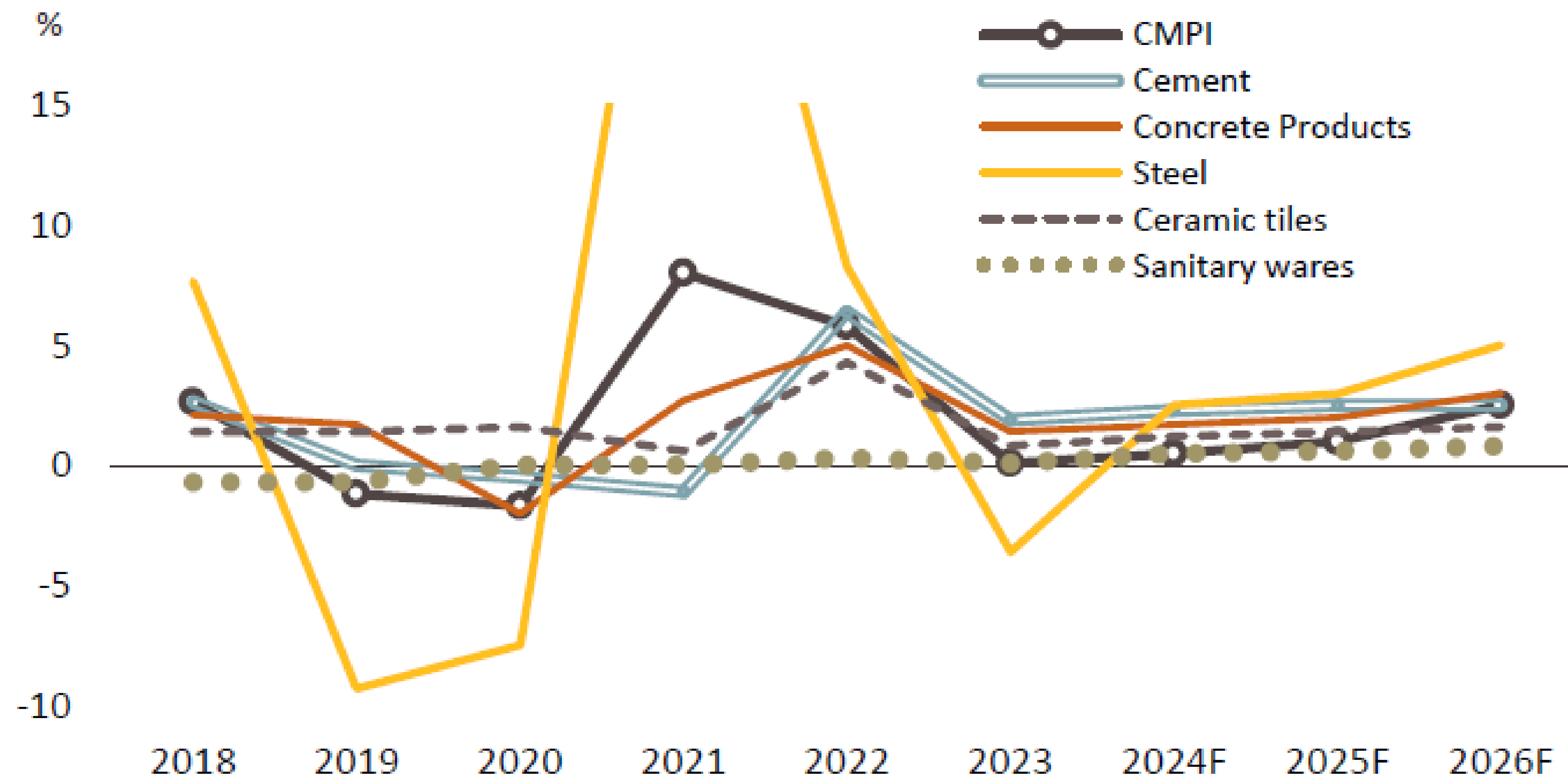
Source: NESDC

II. Updates/ Issues Related to Thai Construction Industry



Construction Material Price

Figure 15: Construction Material Price Growth



Source: MOC, forecast by Krungsri Research
Note: CMPI = Construction materials price index

Labor Issue

Table 5: Labor Demand in Construction and Total Service Sector (2022)

Service Sector	Construction Industry (thousand)	All Services (thousand)
Total demand for workers	1,317.90	12,244.90
Employed workers paying social security	1,164.78	9,936.19
Excess demand for workers	153.12	2,308.71
Excess demand as a percent of total demand (%)	13.15	23.24
Number of companies	140,558	2,614,586

Sources: Ministry of Labor (MOL), NESDC, Department of Business Development (DBD), Social Security Office (SSO) and Thansettakij

Other challenges

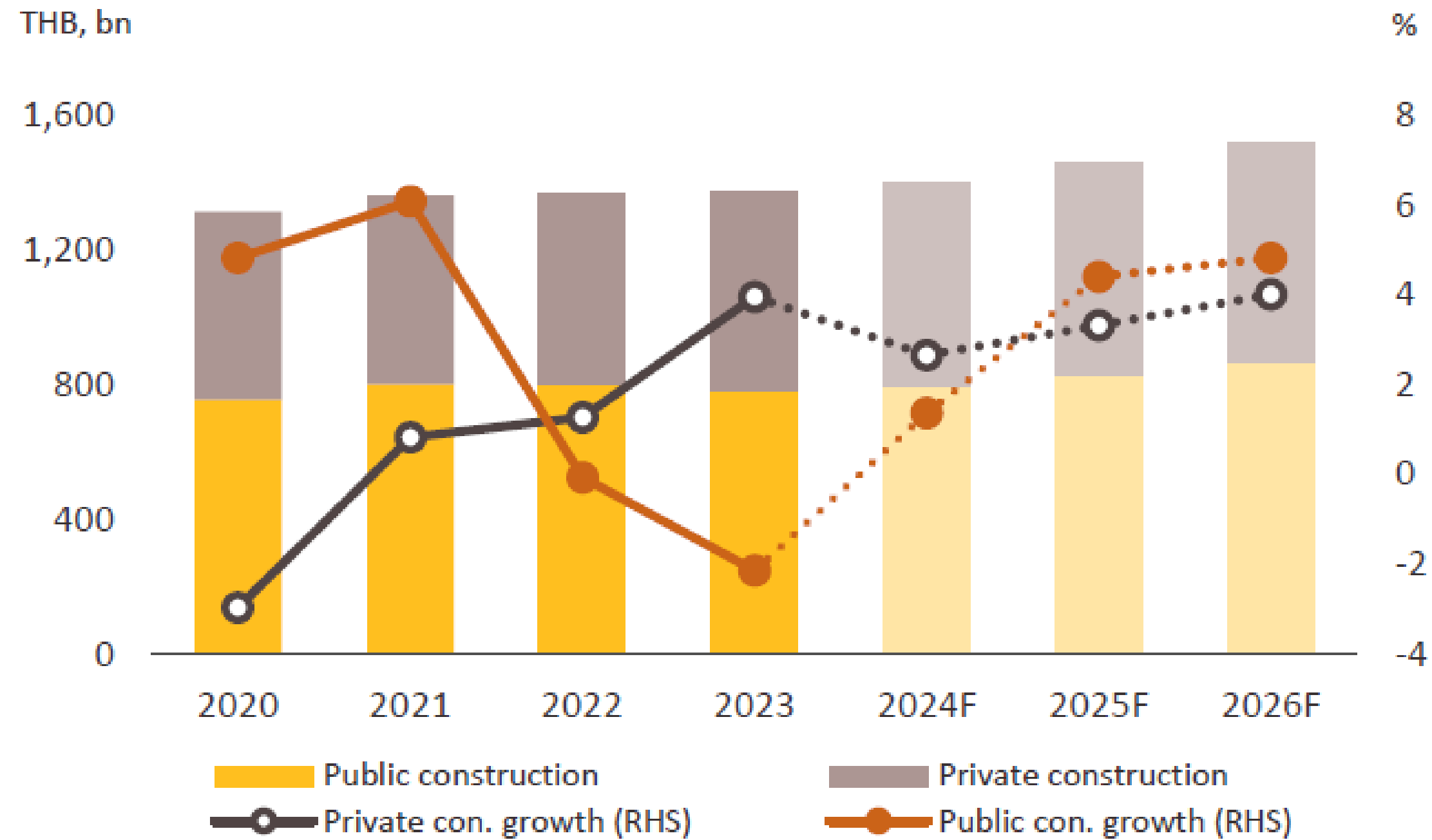


III. Summary and Outlook of Construction Industry



Construction Outlook

Figure 12: Construction Investment Forecast



% YoY	2022	2023	2024F	2025F	2026F	2024F-2026F
Public	-0.1	-2.2	1.0-1.5	4.0-4.5	4.5-5.0	3.5-4.0
Private	1.3	3.9	2.5-3.0	3.5-4.0	4.0-4.5	3.0-3.5
Total	0.2	0.4	1.5-2.0	3.5-4.0	4.0-4.5	3.0-4.0

Source: NESDC

Note: forecast by Krungsri Research

Private Construction Investment

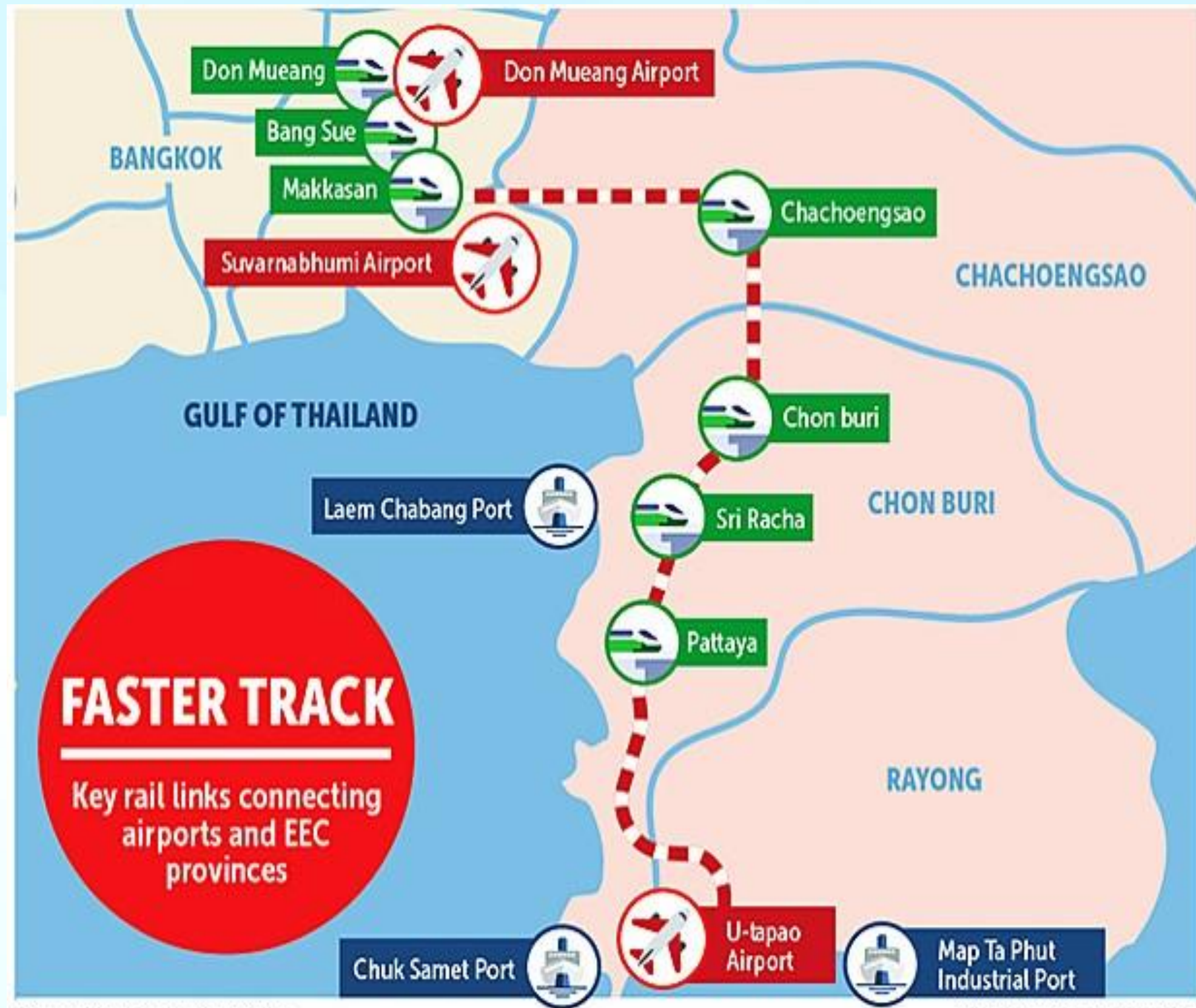


- “Origin resorts world Phuket” mixed-use valued of 8 billion baht
- More branded residences in Phuket like Banyan tree, the standard
- Garden of Edens, DPD invest from Dubai
- Lannatique in Chiangmai

Public Construction Investment

➤➤ New mega projects in 2024

- SRT high speed train from Bangkok to Nakhonratchasima phase 2
- High-Speed Rail Linking Three Airports Project (Donmuang/Suvanabhumi/U-Tapao)
- Donmuang Airport Phase 3 / Suvannabhumi airport extension
- Laemchabang Port Phase 3



Source: Compiled by Post Today

BANGKOK POST GRAPHICS



LAND BRIDGE PROJECT

The government plans to invest in a land bridge megaproject in southern Thailand between Chumphon along the Gulf of Thailand and Ranong along the Andaman Sea.



