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## Thailand's Labour Law & Employment Regulations

### Overview

Thailand is a dynamic and strategically located country at the heart of Southeast Asia, serving as a vital gateway to China, the Indo-Pacific, and the broader ASEAN region. Home to a population of 70 million, Thailand boasts the second-largest economy in ASEAN with a GDP of \$526 billion ([IMF, 2024](#)), contributing 10% of the region's total GDP.

Thailand is known for its robust infrastructure, efficient connectivity, and world-class ports such as Laem Chabang, which strengthen its position as a regional trade hub. The country enjoys strong economic ties through multiple trade partnerships, and benefits from a highly competitive workforce of around 40 million people, with a remarkably low unemployment rate of just 1–2% ([World Bank Group, 2024](#)).

Thailand's vibrant labour market is further supported by migrant workers from neighbouring countries, including Myanmar, Cambodia, and Laos, ensuring competitive employee costs and access to a broad talent pool.

In this issue, we explore Thailand's employment landscape to help you navigate your business.

### Basic Country Facts



**Capital**  
Bangkok



**Population**  
70 million  
[IMF](#)



**Currency**  
Thai Baht (THB, ฿)



**GDP per Capita**  
USD 7,770 (as of 2025)  
[IMF](#)

# Labour Law & Employment Regulations

## Employment Contract

The employment contract can be oral or written; the best practice is to put a strong, written contract in place. It can be bi-language, but only the Thai language will be considered in the court in case of any dispute.

### Type of Employment

- **Fixed term** (certain period of time, 3, 6, 12, 24 months and so on)
- **Indefinite period** (permanent employment)

## Probation Period

Labour Protection Act does not mention a probationary period. However, **119 days** is the most common practice. In the case of employees dismissed from the company for whatever reason within or before 119 days of employment, regardless of employment type, employees are eligible to receive the severance payment.

## New Minimum Wages

As of 1<sup>st</sup> January 2025, Thailand has implemented new minimum daily wage rates, ranging from **THB 337 to THB 400**, reflecting regional economic conditions and cost of living variations.

No.	Minimum Wage (THB/day)	Number of Provinces	Provinces
1	400	5	Chonburi, Rayong, Phuket, Chachoengsao, Surat Thani (only Ko Samui district)
2	380	2	Chiang Mai (only Mueang Chiang Mai District), Songkhla (only Hat Yai district)
3	372	6	Bangkok, Nakhon Patom, Nonthaburi, Patumthani, Samutprakan, Samutsakon
4	359	1	Nakhon Ratchasima
5	358	1	Samut Songkhram
6	357	5	Phra Nakhon Si Ayutthaya, Saraburi, Prachinburi, Khon Kaen, Chiang Mai (except Mueang Chiang Mai District)
7	356	1	Lop Buri
8	355	3	Suphanburi, Nakhon Nayok, Nong Khai
9	354	2	Krabi, Trat
10	352	15	Kanchanaburi, Prachuap Khiri Khan, Surat Thani (except Ko Samui district), Songkhla (except Hat Yai district), Phang Nga, Chanthaburi, Sa Kaeo, Nakhon Phanom, Mukdahan, Sakon Nakhon, Buriram, Ubon Ratchathani, Chiang Rai, Tak, Phitsanulok
11	351	3	Phetchaburi, Chumphon, Surin
12	350	3	Yasothon, Lamphun, Nakhon Sawan
13	349	5	Nakhon Si Thammarat, Bueng Kan, Kalasin, Roi Et, Phetchabun

No.	Minimum Wage (THB/day)	Number of Provinces	Provinces
14	348	5	Chainat, Sing Buri, Phatthalung, Chaiyaphum, Ang Thong
15	347	16	Ranong, Satun, Loei, Nong Bua Lamphu, Udon Thani, Maha Sarakham, Sisaket, Amnat Charoen, Mae Hong Son, Lampang, Sukhothai, Uttaradit, Kamphaeng Phet, Phichit, Uthai Thani, Ratchaburi
16	345	4	Trang, Nan, Phayao, Phrae
17	337	3	Narathiwat, Pattani, Yala

## Statutory Contributions

### Social Security (submission: monthly)

**5%** contribution of employee's base salary from both **employee and employer** equally  
(**minimum base salary** and **maximum base salary** capped at **THB 1,650** and **THB 15,000** respectively)

Base Salary (THB)	EE <sup>1</sup> Contribution (THB)	ER <sup>2</sup> Contribution (THB)
1,650	83	83
12,000	600	600
15,000	750	750

Submission method (Monthly)

Manual submission before **7<sup>th</sup>** of next month

Online submission before **14<sup>th</sup>** of next month (company needs to have online credential)

<sup>1</sup>Employee <sup>2</sup>Employer

### Workmen's Compensation (submission: yearly)

Pro-rated amount based on employee's annual salary (**maximum base salary** capped at **THB 20,000 per month**) to be contributed by **employer only**

Base Salary (THB)	Minimum Risk (0.1%)	Maximum Risk (1%)
15,000	$15000 \times 0.1\% = 15 \text{ THB/month}$	$15,000 \times 1\% = 150 \text{ THB/month}$
20,000	$20,000 \times 0.1\% = 20 \text{ THB/month}$	$20,000 \times 1\% = 200 \text{ THB/month}$
<b>Pro-rated Amount per year</b>	<b>THB 240</b>	<b>THB 2,400</b>

Submission method (Yearly, pro-rated)

1<sup>st</sup> submission due **31<sup>st</sup> Jan**

2<sup>nd</sup> submission (after Workmen office revised the amount) due **28<sup>th</sup> Feb**

*\*The above calculation is a sample for visualisation purposes only.  
Actual amount will be based on the employee's actual base salary.*

## Employer Welfare Fund

Thailand's Employee Welfare Fund (EWF) is a mandatory program and effective **starting from 1<sup>st</sup> October 2025**.

Employer Welfare Fund (EWF) <i>(required to contribute by EE &amp; ER equally)</i>		
<b>0.25%</b> contribution of employee's base salary (actual wage, no cap) from both <b>employee and employer</b> equally		
Base Salary (THB)	EE <sup>1</sup> Contribution (THB)	ER <sup>2</sup> Contribution (THB)
20,000	50	50
100,000	250	250
Submission deadline: Monthly, by the 15th of the following month		

<sup>1</sup>Employee <sup>2</sup>Employer

### Contribution Rates

- 1<sup>st</sup> October 2025 – 30<sup>th</sup> September 2030:** Both employers and employees are required to contribute **0.25%** of the employee's wages to the EWF.
- From 1<sup>st</sup> October 2030 onwards:** The contribution rate increases to **0.5%** for both employers and employees.
- No wage ceiling** applies; contributions are based on the full amount of wages
- Due Date:** Contributions must be remitted by the 15<sup>th</sup> of the following month after the deduction.

## Student Loan Fund (Withhold/deduct from Employee Salary)

### What is SLF?

- The Thai Student Loan Fund was **established in 1996** by the Thai government.
- This loan fund is designed to provide **students from the lower income group** access to upper secondary and higher level education, as well as to reduce the existing gaps in educational rights and human capital development between the rich and the poor.
- The Student Loan Fund is provided for **upper secondary, vocational, and undergraduate levels** of education.
- For the undergraduate level of education, the loan is directly forwarded to the university based on its previous record through the Office of Higher Education Commission, OHEC. This loan fund covers tuition fees, other education expenses, and living expenses.



### IMPORTANT

Employers who fail to deduct from employees' salaries to pay off their government-funded student loans will be held legally and financially responsible for missed loan repayment.

## Legal Execution Deduction (Withhold/deduct from Employee Salary)

### Legal Execution Department (LED)

- The department will send a copy of the writ of execution and a form to submit the sequestration money and the department order company to deduct the employee's salary for them due to the employee's loss in the court case and owes someone/other party or bank.

### Deduction Sequence

- His salary in excess of THB 20,000 per month (the employee should get the first THB 20,000);
- 50% of his bonuses;
- All payments to be made to the employee if the company lets him go, which is more than THB 300,000 (the employee should get the first THB 300,000); and
- 30% of other compensations that are paid to him occasionally, e.g., overtime payment, gifts.

## Employee Benefits (Advance Notice Payment for Termination Case)

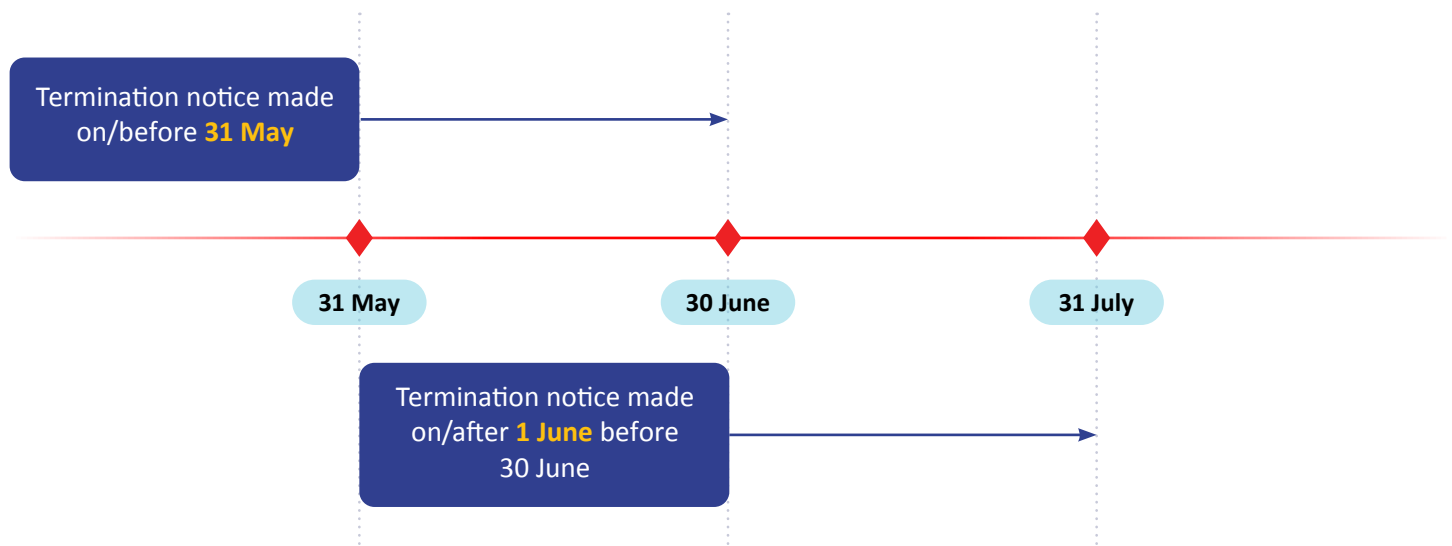
The notice period will be **at least 30 days (one month payroll cycle) in advance**. If the notice is less than mentioned, the employer has to pay **payment in lieu of advance notice** to the employee.

The employer who would like to terminate the employment must send the dismissal notice to the employee in advance, before or on the day of wage payment to serve the dismissal and to be effective on the day of the next wage payment.

It means that the dismissal notice from the employer must be sent to the employee in advance at least one cycle of wage payment.

### For example:

If the wage payment is made on the last day of every month, the employer must notify the dismissal to the employee before or on 31 May 2025 and request the employee to leave their job on 30 June 2025.



## Severance Payment

Uninterrupted Employment Period	Severance Pay *days of the most recent pay rate
120 days < 1 year	30 days
1 year but < 3 years	90 days
3 years but < 6 years	180 days
6 years but < 10 years	240 days
10 years but < 20 years	300 days
20 years or more	400 days

## Employee Benefits (Advance Notice Payment for Termination Case)

### Assessable Income/Employment Income

- Salaries, wages, bonuses, commission
- Allowances, pensions
- Other benefits such as rental fee, tax absorbed or tax that paid by employer (also consider assessable income that is taxable)
- Income from retirement/pension and **severance** money from the contract ended

### Exempt Income from PIT

- Travelling expense, per diem, childbirth expense, company uniform
- Medical expenses, insurance, bus from – to company
- **Severance** payment and (income) that was terminated by the company for the first THB 600,000

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National HR Summit Australia



## Thailand

22 Apr

Updates on Thailand's Labour Law & Employment Regulations with Ken Tip



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## Thailand

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## Indonesia

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HR Leaders Forum



## About BIPO

Established in 2010 and headquartered in Singapore, BIPO is a trusted provider of payroll and people solutions in **over 160 global markets**.

Our comprehensive HR offerings include **Human Capital Management solutions**, **Global Payroll Outsourcing**, and **Employer of Record services**, powered by our award-winning HR Management System and Athena BI (Business Intelligence) platform.

At BIPO, we deliver customised services and scalable tech-enabled solutions that automate processes, simplify workflows, and generate actionable insights.

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