

# Thailand

## Overview

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What's happening

12%

Population below international poverty line

variable

National minimum wage

€375

per month

Urban living wage

31%

Agricultural workforce

9%

Agriculture share of GDP

5

very high

Risk to workers' rights

## Context

Thailand has a population of approximately 72 million people.<sup>[1]</sup> Urbanisation is on the rise, however, the country remains relatively equally populated in its urban and rural regions, which account for 52%<sup>[2]</sup> and 48%<sup>[3]</sup> of the population respectively. Agriculture is a significant source of employment for the country as it assumes 31% of the workforce.<sup>[4]</sup> The sector represents 8.5% of the national GDP.<sup>[5]</sup>

Agriculture has historically been the backbone of the Thai economy, employing the majority of the national working age population. While the sector has seen a decline in the number of workers in recent years, some 12.7 million workers, approximately 30% of Thailand's total labour force, work in agriculture today. As the country's economy has grown, and educational attainment increased, workers are moving into higher-skilled occupations, creating labour shortages in the agricultural sector, which are increasingly filled by migrant workers. In 2019, 11.4% of all registered migrant workers (317,996) were employed in the agricultural sector, as well as an unknown number of undocumented migrant workers<sup>[6]</sup>.

The top produced commodities in Thailand are sugar cane, rice, cassava and oil palm fruit.<sup>[7]</sup> Thailand's top export commodities in terms of quantity are rice, dried cassava and starch of cassava.<sup>[8]</sup>

# Wages

## Minimum wage

The minimum wage in Thailand varies by province, ranging between 8003 and 8296 Thai Bahts (217-225 EUR) per month.<sup>[9]</sup> The value does not apply to seasonal agricultural sector. According to government statistics, 54% of the labour force worked in the informal economy in 2020, with limited protection under labour law and the social security system.

Labour unions estimated 5 to 10% of workers received less than the minimum wage in 2019, and that the share of workers who received less than minimum wage was likely higher among unregistered migrant workers and in the border region. Unregistered migrant workers rarely sought redress under the law due to their lack of legal status and the fear of losing their livelihood. The informality problem has among its roots the practice of the “subcontract labour system” under which workers sign a contract with labour brokers. By law businesses must provide subcontract labourers “fair benefits and welfare without discrimination.” Employers, however, often paid subcontract labourers less and provided fewer or no benefits.<sup>[10]</sup>

## Living wage

The **Global Living Wage Coalition** has developed a living wage living incomes for rural and urban areas within each country and should not replace countries where a Anker benchmark is available. They are not location-specific, and so are not reference value for Urban Thailand based on the Anker methodology.

The Anker Living Wage Reference Value in urban Thailand is estimated at 14,202 Thai Baht (375 EUR) per worker per month. This is the wage required for workers in typical urban areas of Thailand to afford a basic but decent standard of living.<sup>[11]</sup>

## What's happening

### RESOURCE

#### Working and employment conditions in the agriculture sector in Thailand



A survey of migrants working on Thai sugarcane, rubber, oil palm and maize farms. International Labour Organization, 2021.

### RESOURCE

#### Living Wage Reference Value, Urban Thailand

Living wage estimate updated for workers in typical urban areas of Thailand to afford a basic but decent living standard. Global Living Wage Coalition.

## Footnotes

1. World Bank (2021). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=TH>
2. World Bank (2021). <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=TH>
3. World Bank (2021). <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=TH>
4. World Bank (2020). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=TH>
5. World Bank (2021). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=TH>
6. ILO (2021). *Working and employment conditions in the agriculture sector in Thailand*: [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms\\_844317.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_844317.pdf)
7. FAOSTAT (2021). [https://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country](https://www.fao.org/faostat/en/#rankings/commodities_by_country)
8. FAOSTAT (2021). [https://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country\\_exports](https://www.fao.org/faostat/en/#rankings/commodities_by_country_exports)

9. Wage Indicator Foundation (2023). Minimum Wage-Thailand.

<https://wageindicator.org/salary/minimum-wage/thailand>

10. U.S. Department of State. 2021 Country Reports on Human Rights Practices: Thailand.

<https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/thailand>

11. Global Living Wage Coalition (2022). Anker Living Wage Reference Value: Urban Thailand 2022.

<https://www.globallivingwage.org/living-wage-reference-value-urban-thailand/>