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Thailand's Minimum Daily Wage Update: Effective 1 July 2025

General Overview

Since July 1, 2025, Thailand's daily minimum wage has undergone several adjustments. The minimum daily wage has been increased depending on the province and now ranges from 337 baht to 400 baht.

The 400 baht minimum wage rate, previously limited to a few areas, now also applies to Bangkok, in addition to Chachoengsao, Chonburi, Phuket, Rayong, and Ko Samui (Surat Thani District). This brings the total to five provinces and one district where the top-tier rate is enforced.

Moreover, the 400 baht rate now applies nationwide to two specific sectors: hotels (excluding Type 1 hotels which have a maximum of 50 guest rooms) and entertainment venues as defined by Thai law.

These changes were officially announced in the Royal Gazette on June 17, 2025 and took legal effect on July 1, 2025.

Sectoral and Geographic Expansion

The extension of the 400 baht rate to Bangkok reflects recognition of rising living costs and increased economic activity in the capital. It also aligns the capital's wage floor with other key industrial and tourism-driven provinces. By applying this rate to all businesses operating in the hotel and entertainment sectors, regardless of their location, the government reinforces its efforts to standardize wage protections in industries that attract both domestic and foreign capital.

The government has also standardized the 400 baht rate across the hospitality and entertainment sectors, but with an important caveat: the wage increase applies only to hotel Types 2, 3, and 4, as defined by the Hotel Act, B.E. 2547 (2004).

Hotel Classification under the Hotel Act:

Type 1 Hotel: Provides only guest rooms, with no more than 50 guest rooms – not subject to the 400 baht rate.

Type 2 Hotel: Provides only guest rooms with more than 50 guest rooms, or provides guest rooms and a dining room, restaurant, or kitchen.

Type 3 Hotel: Provides guest rooms, a dining room, restaurant or kitchen, and either an entertainment venue or a conference room.

Type 4 Hotel: Offers full services, including guest rooms, a dining room, restaurant or kitchen, an entertainment venue, and a conference room.

The nationwide 400 baht minimum does not apply to Type 1 hotels, making this an important compliance point for smaller-scale or boutique lodging operators.

Entertainment venues, on the other hand, include business places such as nightclubs, pubs, bars, karaoke lounges, and massage parlors, as defined under the Entertainment Place Act, B.E. 2509 (1966), amended by the Entertainment Place Act (NO.4), B.E. 2546 (2003).

Equally important is the government's decision to apply the 400 baht rate to all employers operating in the hotel and entertainment sectors, nationwide. This applies regardless of business size or location and includes both domestic and migrant workers - from Cambodia, Laos, Myanmar, and Vietnam, who are registered under MOUs with the District Labor Office.

While the wage brackets remain intact, this update significantly broadens the categories of businesses and employees subject to the highest rate. Employers with multi-location operations or those in regulated sectors may need to update internal payroll systems and reallocate workforce budgets accordingly.

Strategic Considerations for Foreign Investors

For foreign investors, particularly those active in hospitality, tourism, or consumer services, the nationwide application of the 400 baht rate may have practical and financial implications. Investors considering expansion into regional Thailand must now account for a potentially higher wage floor for sector-specific activities. In Bangkok and other newly affected areas, the increased labor cost should be factored into operational planning, especially for labor-intensive enterprises.

Provincial Wage Breakdown

Thailand's minimum daily wage rates vary from 337 baht to 400 baht depending on the location of operation. Employers should consider the minimum wage rate table, breakdown by province under Labour Law to confirm the applicable rate for each location of operation. For your reference, below are examples of the applicable wage rate of certain provinces in Thailand:

- 400 baht: Bangkok, Chachoengsao, Chonburi, Phuket, Rayong, Ko Samui (Surat Thani), and nationwide for hotels and entertainment venues
- 380 baht: Applied in districts such as Mueang Chiang Mai (Chaing Mai) and Hat Yai (Songkhla)
- 372 baht: Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, and Samut Sakhon
- 337 baht: Narathiwat, Pattani, and Yala, currently have the lowest rates in the country