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Thai Economic Outlook for 2025

The Thai economy in 2025 expanded by 2.4 percent, compared with 2.9 percent in 2024.

- On the expenditure side, private and government consumption grew by 2.7 percent and 0.6 percent, decelerating from expansions of 4.4 percent and 2.6 percent in 2024, respectively.
- Total investment expanded by 4.9 percent, compared with a contraction of 0.3 percent in 2024, supported by a return-to-growth in private investment at 3.5 percent, while public investment continued to expand robustly by 8.9 percent.
- Exports of goods recorded strong growth of 11.9 percent, whereas exports of services declined by 1.9 percent.
- On the production side, the wholesale and retail trade, agriculture, and construction sectors expanded by 6.1 percent, 3.6 percent, and 6.6 percent, respectively, accelerating from growth rates of 3.2 percent, 1.9 percent, and 1.7 percent in 2024.
- The manufacturing sector returned to grow by 0.4 percent, improving from a contraction of 0.3 percent in the previous year.
- The accommodation and food services sector, as well as the transportation and storage sector, expanded by 2.5 percent and 4.0 percent, respectively, decelerating from expansions of 12.0 percent and 10.1 percent in 2024.

In 2025, Gross Domestic Product (GDP) amounted to 18.97 trillion baht (577 billion US dollars), increasing from 18.68 trillion baht (529 billion US dollars) in 2024. GDP per capita averaged at 269,643.1 baht per person per year (8,200.9 US dollars per head per year), rising from 266,102.7 baht per person per year (7,539.3 US dollars per head per year) in 2024. For economic stability, the unemployment rate stood at 0.81 percent, average inflation registered (–0.1) percent, and the current account recorded a surplus of 3.1 percent of GDP.

Thai Economic Outlook for 2026

The Thai economy in 2026 is expected to grow within the range of 1.5 – 2.5 percent, with a midpoint estimate of 2.0 percent. Key supporting factors include

(1) continued expansion in private domestic demand, both consumption and investment,
(2) an increase in budgetary framework, covering both current and capital expenditure,
(3) a gradual recovery in the tourism and related sectors, and
(4) favorable water conditions that contribute to increased agricultural production.

Private consumption and private investment are projected to increase by 2.1 percent and 1.9 percent, respectively, while the value of good exports in US dollar terms is expected to expand by 2.0 percent. Headline inflation is expected to be within the range of (-0.3) - 0.7 percent, while the current account balance is expected to record a surplus equivalent to 2.4 percent of GDP.

Source: Office of National Economic and Social Development

Thailand Population

Thailand's population stood at 65,809,011 as of 31 December 2025. The figures show 64,820,708 Thai nationals and 988,620 non-Thai residents recorded in the civil registration system. Bangkok remains by far the most populous area, with more than double the population of second-ranked Nakhon Ratchasima. Most of the top 10 provinces are located in the northeastern region.

Source: Central Registration Office, Department of Provincial Administration

Life expectancy

In 2026, the average life expectancy at birth in Thailand is projected to be approximately 77.1 years, with a notable gender gap: 72.9 years for males and 81.4 years for females. The country's population is aging, with a crude death rate of 9.6 per 1,000. Life expectancy at age sixty is estimated at 17.5 years for males and 23.3 years for females.

Labour Force

According to National Statistical Office survey in September 2025, there were 59.51 million persons who aged 15 years old and above. Among these were work force 40.45 million

persons: 40.09 million persons of employed persons, and 0.324 million persons of unemployed persons (unemployment rate 0.8%), also, there were 0.04 million persons of seasonally inactivate labour force.
Source: Department of Employment, Ministry of Labour

Labour Migration

In September 2025, there were 4,005,283 foreign workers in Thailand. Among these were general workers from Myanmar, Lao, Cambodia and Vietnam with 3,702,952 persons (92.45%). Followed by 202,263 persons of skilled labour (5.05%), and minorities/lifetime workers with 100,168 persons (2.50%).
Additionally, foreign workers who permitted to work in Thailand were 56,164 persons, classified by types of permissions as follow: MOU 36,443 persons (64.89%), general type 10,288 persons (18.32%), 4,028 persons of minorities/liftime workers (7.17%). 3,404 persons of daily and seasonal workers (6.06%), lastly, BOI 2,001persons (3.56%).
Source: Department of Employment, Ministry of Labour

Minimum Wage

Effective from 1 July 2025, Thailand's minimum daily wage is 400 Baht for Bangkok and specific sectors nationwide (hotels, entertainment). This rate, set in July 2025, continues for 2026. Additionally, the maximum social security base wage increased to 17,500 THB/month in 2026.
Key Wage Details for 2026:

- Bangkok & Selected Businesses: 400 THB per day for all businesses in Bangkok, and hotels/entertainment venues nationwide.
- Regional Rates: Outside of those designated areas and industries, regional rates vary, with some provinces remaining lower, ranging from approximately 337 to 380 baht.
- Social Security Changes: Effective Jan 1, 2026, the maximum monthly wage ceiling for social security calculations increased from 15,000 THB to 17,500 THB, resulting in a maximum contribution of 875 THB per month for workers.

Note: The wage policy often varies by province, and 400 Baht is not yet a universal nationwide rate for all industries as of early 2026. Thailand has also the minimum skilled wage which the rates are up to THB855.- per day.
Source: Department of Employment, Ministry of Labour

Labour Laws

The Labour Protection Act (No. 9) B.E. 2568 (2025), published on November 7, 2025, and effective from December 7, 2025, brings significant updates to Thailand’s labor laws. Key changes include extending maternity leave to 120 days, introducing 15 days of paid spousal-support leave, and extending protections to government-supervised contract workers.
Key Updates to the Labour Protection Act (2025):

- Maternity Leave Extension: Increased from 98 days to 120 calendar days per pregnancy, with 60 days paid by the employer.
- Spousal-Support Leave: New provision allowing employees up to 15 days of paid leave to assist a spouse giving birth.
- Childcare Leave: Additional leave for mothers to care for newborns with medical complications or disabilities.
- Expansion of Coverage: Protections now explicitly apply to workers under service contracts in government agencies and state enterprises.
- Modernized Reporting: Streamlined procedures for submitting employment condition reports.

Platform Workers

As of early 2026, the status of platform workers in Thailand is characterized by a "trapped freedom," where high flexibility is coupled with low security due to a lack of formal employee status. While the platform economy is growing rapidly, riders and drivers are generally classified as “partners” or independent contractors rather than employees, which excludes them from mandatory labor protections like minimum wage, paid leave, and employer-funded accident insurance.
Key Status Updates:

- Legal Status: Platform workers remain classified as "partners" rather than employees, placing them outside the jurisdiction of traditional labor protection laws.

- Industry Consolidation: In February 2026, major platforms including Grab, Line Man Wongnai, Lazada, and Shopee formed the Thai Digital Platform Trade Association (TDPA), aiming to influence regulation and potentially hindering efforts for tighter labor protections.
- Precarity and Income: Workers face declining pay rates, opaque algorithmic management, and unstable earnings, often having to work excessive hours to make a living wage.
- Organizing Efforts: The Bangkok Platform Riders Union, established in 2025, continues to fight for better pay and conditions, but collective bargaining power remains weak against major platforms.
- Legislative Developments: There is ongoing debate regarding the Draft Independent Workers Promotion and Protection Bill. However, labor advocates warn that some proposed changes could fail to provide meaningful structural protections, leaving workers at risk.

Workplace Baseline Learning

Workplace-based learning in Thailand, particularly in the automotive and TVET sectors, is advancing through dual vocational training to meet industry demands. Initiatives like PIM (Panyapiwat Institute of Management) and the ILO's "In Business" program offer on-the-job training for technical and soft skills, focusing on real-world application, mentorship, and career readiness. ECOT works with the ILO on “In Business” program and TPQI on training and certification on some projects.

Key Features and Focus Areas

- Sector Focus: Heavily focused on automotive, manufacturing, tourism, hospitality, and STEM sectors.
- Industry Partnership: Strong collaboration between education providers (like RMUTL) and industry partners to ensure curriculum relevance, including 32 targeted positions in hospitality.
- Soft Skills & Career Growth: The "In Business" training tackles soft skills including leadership, teamwork, critical thinking, and communication.
- Assessment & Certification: WBL is increasingly moving toward standardized assessments like the TPQI certification, which is recognized by the Thai government and ASEAN.
- International Alignment: Programs, such as those in the automotive sector, are being aligned with International Labour Organization (ILO) standards to boost quality and recognition.

Summary

In conclusions, Thai economy in 2025 expanded by 2.4 percent, compared with 2.9 percent in 2024. The 2026 forecast is projected to grow within the range of 1.5 – 2.5 percent, with a midpoint estimate of 2.0 percent.

Thailand’s population stood at 65,809,011 as of 31 December 2025 and has been slightly down continuously caused by low new born rate. Life expectancy is 77.1 years. Labour Force is 40.45 million while the unemployment rate is low at 0.8%. New minimum wage was announced and effective from July 1, 2025.

Key changes of new labour laws effective from 7 December 2025 are: extending maternity leave to 120 days (previously 98 days), introducing 15 days of paid spousal-support leave, and extending protections to government-supervised contract workers.

Legislative Developments for platform workers are ongoing debate regarding the Draft Independent Workers Promotion and Protection Bill.

ECOT works with the ILO on “In Business” program and TPQI on training and certification on some projects and support on other Workplace Baseline Learning program.

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