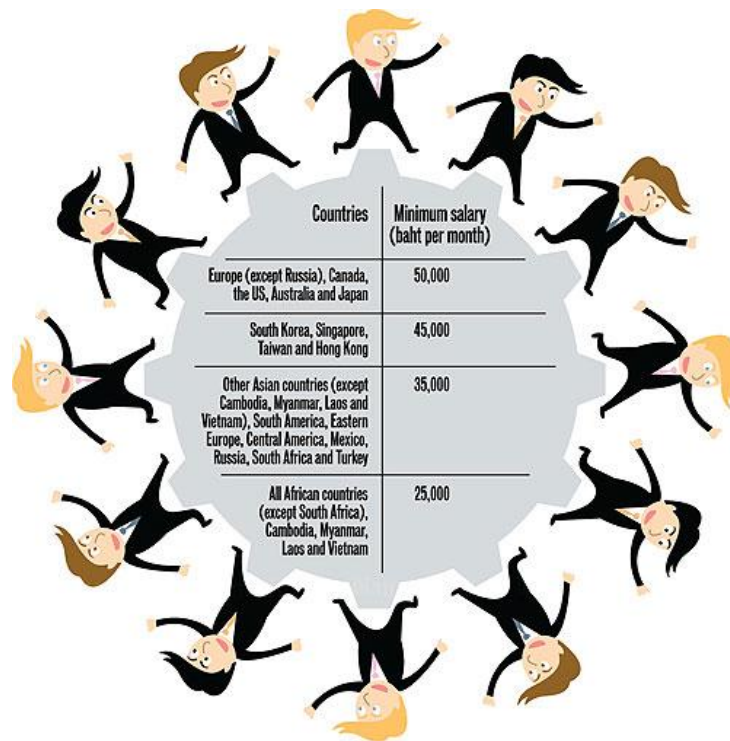


## Aliens have Landed: Part 1

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Thailand is one of the most desirable countries in the world in which to live, in part because the cost of living is relatively low. Yet unless they are with an employed partner or are drawing upon savings, pensions, lottery winnings or the largesse of indulgent parents, any foreigner that wants to stay in Thailand needs to work to sustain their lifestyle.



With a low unemployment rate, work should be easy to find, but between desire and opportunity there stands an obstacle: a work permit. Over the next couple weeks, we'll look at the numerous regulations governing the employment of foreigners.

The employment of foreigners is regulated by a number of pieces of legislation, foremost of which is the Alien Working Act B.E. 2551 (2008) and associated rules such as the Order of the Royal Thai Police Headquarters No. 606/2549 regarding Alien Applications for Temporary Stay in the Kingdom of Thailand. In order to employ a foreigner, a company must among other things have the following:

Fully paid-up registered capital of the company of at least 2 million baht per foreign employee;

The ratio between Thai employees and foreign employees must be at least 4:1

There are some exceptions to these two key requirements, including for Regional Operating Headquarters (ROH) companies under the Board of Investment, Regional Offices (RO) and Representative Offices. As Thailand is increasingly pushing itself as an alternative to Singapore as a choice for a regional headquarters, expect to see more ROHs established here.

In order to be eligible for a work permit, you must first acquire a non-immigrant Type B visa from the Immigration Department. Unlike your visa, which you must apply for in person, your employer will file the work permit application on your behalf. This application must be accompanied by your passport containing a valid visa along with the employee’s education credentials (diploma), a description of previous working experience, the duration, and place of employment of the applicant, and finally a medical certificate from a Thai doctor.

The work permit application fee, which will likely be paid by your employer, is 3,100 baht (one year work permit) or 6,100 baht (two year work permit), and the validity of the work permit can be for up to 2 years. You must still renew your visa during this time, but, unlike under the previous legislation, you do not have to simultaneously renew your work permit as well because it remains valid for the duration proscribed by the Employment Department of the Ministry of Labour.

One point of note for when you are renewing your visa while in possession of a work permit is that the Immigration Department has a schedule of minimum salaries for foreigners with work permits who want to extend their one year non-immigrant visa. The effect is that the employer must declare this minimum salary on their tax return; they needn’t actually pay this amount. You as an employee will have to pay social security and personal income tax based on this minimum salary in order to qualify for a visa extension irrespective of your actual salary. The minimum salary list is summarized in the accompanying table.

Countries	Minimum Salary
Europe (except Russia), Canada, the United States of America, Australia, Japan	50,000 THB per month
South Korea, Singapore, Taiwan, and Hong Kong	45,000 THB per month
Asian Countries (except Japan, South Korea, Singapore, Taiwan, Hong Kong, Cambodia, Myanmar, Laos, and Vietnam) South America, Eastern Europe, Central America, Mexico, Russia, South Africa, Turkey	35,000 THB per month
All African Countries (except South Africa), Cambodia, Myanmar, Laos, and Vietnam	25,000 THB per month

After completing the application process for a work permit, the foreigner is able to work in Thailand until a decision as to their employment eligibility is made.

The general rule as to whether or not the work permit application is going to be accepted is if the position for which the foreigner is applying is one for which there are no available qualified Thai citizens; in effect this requires that the foreigners have a specialized skill set, such that importing foreign labor is necessary in order to fulfill the requirements of the position.

Foreigners are often welcomed in Thailand in a number of sectors to the extent that they provide skills and knowledge from around the world that the Thai workforce does not currently offer. Obtaining a valid work permit, and being sure that you remain compliant with that permit, ensures that you will be able to put pad thai on the table and save for that house in the mountains or on the beach with less worry.

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