



## **Thai Cabinet approved the draft amendment to Social Security Act B.E. 2533 regarding early pension plan**

As there are certain provisions on the current Social Security Act B.E. 2533 that are inappropriate and inconsistent with transforming economic and social conditions, on 10 May 2022, Thai Cabinet has passed its resolution on the draft amendment to Social Security Act B.E. 2533 (“Act”) as proposed by the Ministry of Labor which intends to provide more benefits for insured persons and offer financial relief to SSF members who are suffering from the economic downturn due to the COVID-19.

There are several issues which have been raised by the draft amendment to the Act which has the following significant matters:

1. Amending the type of compensation benefits in case of old age from 2 types into 3 types, namely superannuation, pension and superannuation gratuity by adding "advance pension"
2. Amended Social Security Fund (“SSF”) in case of old age benefits which allows an insured person to receive superannuation pension, superannuation gratuity, or to get an advance on their pension or use the pension as collateral for bank loans. The examples are as follows:
  - The insured person who has contributed to SSF for a period of not less than 180 months and when the person reaches the age of 55 can choose between receiving superannuation pension or superannuation gratuity from the following month attaining the age of 55;
  - The insured person can get a partial advance on the pension to be used before reaching the age of 55; or
  - The insured person can use part of his pension as collateral for loans with banks or financial institutions.
3. Extension of the advanced age of the insured who is employed from 60 years of age to 65 years of age in order for an elderly worker to receive protection in the social security system.
4. Other additional benefits including the following:

- Increasing disability benefits and disability compensation from 50 percent of wages to 70 percent of wages;
- Increasing the length of time for maternity leave allowance by paying at the rate of 50 percent of the wages, for a period of 98 days, or the period specified in the Ministerial Regulation; and
- Extending benefits relating to child benefits by giving the insured person who has terminated his status as an employee and after the termination of the insured person who receives payment of benefits relating to child for another 6 months.

Should you have any question, please do not hesitate to contact us via [info@bglolaw.com](mailto:info@bglolaw.com)

