

'I Want to be Protected': Experiences and Perspectives of Informal Workers on Social Security in Thailand

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Home-based worker Viboonsri Wongsangiyim in Bangkok. Credit: Paula Bronstein/Getty Images/Images of Empowerment

Key Points

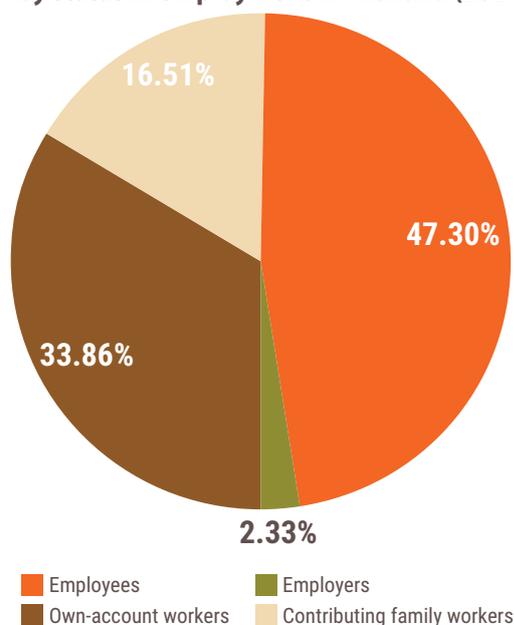
- 1 Article 40 of Thailand's Social Security Fund (SSF) enables self-employed workers to voluntarily contribute to social security and, depending on the level of their contributions, to access compensation for lack of income due to an accident, illness or disability, a funeral allowance, a lump-sum old-age benefit and a monthly child allowance.
- 2 This brief explores the experiences of self-employed workers with SSF Article 40 on the basis of focus group discussions with home-based workers, street vendors and motorcycle taxi drivers in Bangkok.
- 3 Most participants reported the compensation for lack of income when sick or injured as their primary motivation in joining SSF Article 40. This was the most common benefit claimed, and the respondents made it clear how relevant the benefit is for self-employed workers. Ensuring income security in older age also was regarded as important.
- 4 The most commonly cited reasons for not registering with the SSF were lack of affordability and limited awareness of processes and benefits. Another reason for workers not to contribute to SSF was the perceived inadequacy of benefits. The view that SSF benefits are important but inadequate was shared by most respondents.
- 5 Respondents appreciated the variety of registration channels, which they regarded as generally convenient. Some noted that they had little information on their contribution histories and how interrupted contributions can be remedied. Membership of a worker organization appears to be helpful for maintaining regular contributions. Respondents complained about difficulties in claiming benefits, especially the time it takes to receive them, and the documentation required.
- 6 Workers recommend that systems should be developed to regularly update SSF members' information about their contributions and entitlements. The processes of claiming and accessing benefits should be sped up and simplified. The adequacy of benefits should be improved, and maternity and child benefits should be expanded to all SSF members. Worker organizations should be empowered to conduct outreach and awareness raising on benefits and processes, and to help workers register.

Self-Employment and Informal Work in Thailand

There is a high level of informality and a high rate of workers in vulnerable forms of employment in the Thai labour market. Of the 36.2 million workers outside the civil service, 50 per cent work in the informal sector, 49 per cent work in the formal sector and 1 per cent in households. Across economic sectors, the majority of workers are in agriculture (25 per cent), wholesale and retail trade (17 per cent) and manufacturing (17 per cent) (ILO et al. 2022a).

Self-employed workers make up over half (roughly 53 per cent) of all workers in Thailand. As figure 1 shows, own-account work is the most common form of self-employment, comprising roughly 34 per cent of all employment, followed by contributing family workers (17 per cent) and employers (2 per cent). Roughly 47 per cent of workers are employees. Self-employed workers comprise roughly

Figure 1. Distribution of total employment by status in employment in Thailand (2021)



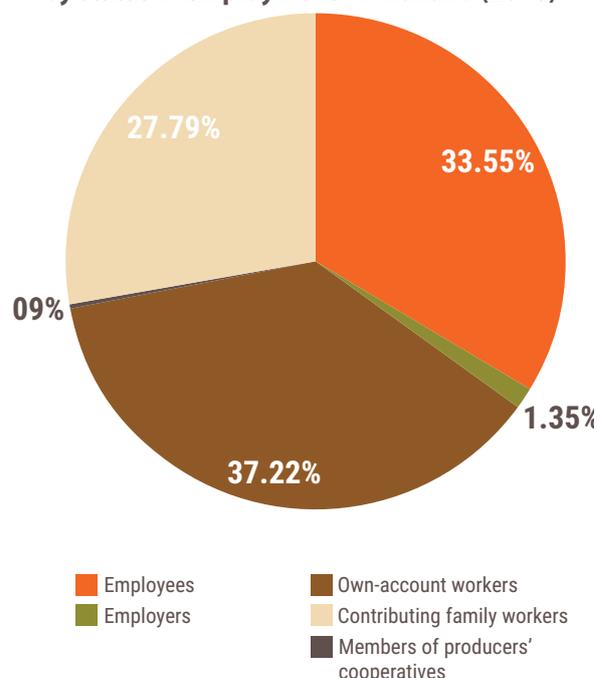
Source: ILOSTAT modelled estimates based on 2021 Labour Force Survey and ICSE-93 classifications.

66 per cent of the informally employed population in Thailand, as shown in figure 2. Around 37 per cent of informal workers are own-account workers and 28 per cent are contributing family workers. Just over a third of those in informal work are employees.

Overall, nearly two-thirds (65 per cent) of all workers are informally employed in Thailand, with the rate of informality marginally higher among female workers. Roughly 82 per cent of workers in self-employment are working informally. The gender gap in informality is more marked among the self-employed population, with 79 per cent of self-employed men working informally compared with 86 per cent of women. In contrast, roughly 46 per cent of employees work informally, with more male employees working informally compared to female employees.

Research conducted in Bangkok between June and October 2023 by HomeNet Thailand and WIEGO highlights the enduring negative impacts of the

Figure 2. Distribution of informal employment by status in employment in Thailand (2018)



Source: ILOSTAT modelled estimates based on 2018 Informal Employment Survey and ICSE-93 classifications.

COVID-19 pandemic and the ensuing cost of living crisis on domestic workers, home-based workers, motorcycle taxi drivers, and street vendors. Workers reported they have yet to fully recover from the economic consequences of COVID-19. The cost-of-living crisis that followed the pandemic has further prevented them from rebuilding and securing their livelihoods. Workers were particularly concerned with increases in their household food expenses, electricity and water bills, education expenses for children, and transportation costs. To handle these challenges, workers resort to coping strategies. They are primarily reducing individual or household food consumption. Workers also confirmed asset depletion strategies such as drawing down on their savings, taking out loans from formal and informal lenders, and incurring further debt (Valdivia, Ogando and Tulaphan, 2024).

Thailand's Social Protection System

Thailand's Constitution explicitly provides for numerous aspects of social protection, and social protection is firmly embedded in national development plans. This steady commitment has resulted in the achievement of near-universal health coverage and the implementation of a wide range of contributory and non-contributory social protection programmes. The Thai social protection system further benefits from mature public institutions and high organizational capacity within the various parts of government involved in social protection, as well as robust infrastructure across the delivery chain. However, the multitude of programmes, operated under a number of different ministries and involving numerous stakeholders in design and delivery, results in a lack of coherence and integration. Benefits from the main non-contributory programmes – the Child

Support Grant, the State Welfare Card, the Disability Grant and the Old-Age Allowance – tend to be modest (ILO et al. 2022a).

While Thailand has made significant progress in expanding social protection coverage in recent years, coverage gaps remain, in particular regarding risks faced by working-age adults and in relation to work and employment risks. Coverage rates for most sickness income compensation, unemployment insurance, maternity benefits and housing subsidies are around 30–40 per cent of the population and are heavily concentrated among government employees and formal sector workers. Slightly more than one in four (27.3 per cent) active-age persons are covered by unemployment insurance, meaning almost three quarters of the workforce are not insured against unemployment. Fewer than half of women giving birth receive maternity benefits. Around 41 per cent of active-age persons contribute to a pension plan, but these are again heavily concentrated in the formal sector and among higher earners. This means almost 60 per cent of those of active age are not contributing towards a pension (ILO et al. 2022a).

For those not covered by social security, the State Welfare Card (SWC) is the largest social protection programme, covering 22.1 per cent of the active-age population. However, because registration for the SWC is only conducted periodically, people falling into poverty as a result of dynamic conditions are systematically excluded. This was the case for active-age informal workers who lost their jobs and/or became poor due to the COVID-19 pandemic. Challenges associated with the SWC include significant targeting errors and low levels of benefits. Those not covered by any kind of social protection tend to be concentrated in lower consumption quintiles and among informal workers in the agriculture and services sectors (ILO et al. 2022a).

Social Security for Thailand's Self-Employed Workers

Thailand's main contributory social insurance scheme providing protection against a range of work-related and life-cycle risks is the Social Security Fund (SSF) under the Social Security Act. Introduced in 1990, the Act includes Articles 33, 39, and 40, which, respectively, provide protection for employees in the formal private sector, those previously employed in the formal private sector, as well as self-employed workers.

- **Article 33** is mandatory for all private employees, though with some exceptions defined by law.¹
- **Article 39** is voluntary and designed for ex-employees who used to be covered under Article 33.
- **Article 40** is voluntary and designed for self-employed and informal workers.

Articles 33 and 39 provide more comprehensive benefits than Article 40, the scheme for self-employed workers. Two key differences are that Article 40 does not provide health-care coverage or access to a guaranteed monthly pension.

It should be noted here that basic health-care and old-age benefits are effectively universal for Thai citizens. In 2019, 99.9 per cent of people were covered by at least one health-care benefit. For civil servants, formal private-sector employees and ex-employees, health care is provided under the contributory and government employees' social protection schemes. For those without such coverage, a majority of around 47.5 million people are registered with the non-contributory Universal Health-care Coverage Scheme (UCS) (ILO et al. 2022a).

Similarly, all Thai citizens who are not receiving a civil service pension are eligible to receive a tax-financed social pension (Old Age Allowance, OAA), which provides benefits of between THB 600 and THB 1,000 per month, depending on the age of the recipient. Older persons can receive both the OAA and pensions from SSF, the National Savings Fund (NSF) or other sources. The benefit level is significantly below Thailand's national poverty line (THB 2,763 per month in 2019) and the international poverty line (US\$ 5.50 per day, THB 2,046 per month). It is one of the lowest in the world when compared to GDP per capita, at just 3 per cent. The lack of benefit indexation also means that the value has significantly eroded since 2011 (ILO et al. 2022b). The low level of benefits provided by the OAA makes it crucial for workers to acquire pension entitlements to achieve adequate income security in older age.

Thailand's social security system also includes a defined-contribution scheme called the National Saving Fund for those who do not yet have a government-contributed pension benefit (namely those that do not already benefit from civil servants' pension, private teachers' pension or SSF Articles 33, 39, 40(2) or 40(3)) (NSF, 2017). As Article 40(1) members receive no pension contribution from the government, they are eligible to voluntarily register to the NSF to gain either a lump sum or an annuity pension. It should be noted, provident funds like the NSF function mainly as individual savings schemes and are distinguished from social insurance schemes in that they have no or limited pooling of risk.

Within Article 40, self-employed workers can choose three options, which have different contribution requirements and benefits (see **Table 1**). With a monthly

¹ SSF Article 33 is required by law for all employees who are not employed by the Thai government, state enterprises, international organizations. A limited number of further exemptions exist. Workers in temporary/seasonal, seasonal agricultural, household non-business employment or employees of street vendors are also exempt.

Table 1. Overview of Thai social security schemes

	Article 33 / Workman's Compensation Fund	Article 39	Article 40(1) / NSF	Article 40(2)	Article 40(3)
Number of members	11,686,393 (2019)	1,648,118 (2019)	Registered with any SSF Article 40 scheme: 10,890,783 (Jan 2023) Monthly active contributors in all SSF Article 40 schemes: Approx. 1.7 million (Jan 2023) ²		
			Article 40: 57,812 (2020) ³ NSF: 2,335,085 (2019) ⁴	3,006,7404 (2020)	420,2424 (2020)
Monthly contribution	Employee: 5% of salary Employer: 5% Government: 2.75% (up to THB 15,000) WCF employer contribution: 0.2-1% depending on risk level of activity	Member: 9% of salary Government: 2.5% (up to THB 15,000)	Member: THB 70, Government: THB 30 (+ voluntary contribution for NSF)	Member: THB 100 Government: THB 50	Member: THB 300 Government: THB 150
Health care	Yes	Yes	No	No	No
Child benefits	Child Allowance of THB 600/month	Child Allowance of THB 600/month	No	No	Child Allowance of THB 200/month
Active-age benefits	Maternity Sickness income compensation Disability insurance Unemployment insurance Industrial rehab service Survivors' benefit	Maternity Sickness income compensation Disability insurance Survivors' benefit	Sickness income compensation Disability insurance Survivors' benefit	Sickness income compensation Disability insurance Survivors' benefit	Sickness income compensation Disability insurance Survivors' benefit
Old-age benefits	Lump sum Annuity pension ⁵	Lump sum Annuity pension	Only voluntary lump sum or Annuity pension via NSF ⁶	Lump sum	Lump sum

Source: ILO, UNICEF, IOM, and UN Women 2022a.

contribution of THB 70, **Article 40(1)** is the cheapest option and provides sickness, disability and survivors' benefits. **Article 40(2)** requires a monthly contribution of THB 100 and provides a lump-sum old-age benefit in addition to benefits provided by Article 40(1). A self-employed worker that contributes THB 300 a month through **Article 40(3)** is additionally entitled to a child allowance worth THB 200 a month.

For all options within Article 40, the government contributes a set amount, which increases with workers' contributions. A worker contributing THB 70 a month under Article 40(1) receives a monthly contribution of THB 30 from the

government. Members of Article 40(2) that contribute THB 100 receive a contribution of THB 50, and those that pay in THB 300 (Article 40(3)) receive THB 150 per month (**table 2**).

Overall, there are high levels of inequity in the distribution of government financing across different schemes in Thailand's contributory system. For example, the government contribution per member for the Government Pension Fund (GPF) is over four times larger than it is for members of SSF Articles 33 and 39 and over 78 times larger than it is for SSF Article 40 members (ILO et al. 2022a).

² Information on active monthly contributors shared by the Social Security Office.

³ Note that the 2020 figures for specific SSF Article 40 schemes do not include the substantive increases in coverage as a result of the COVID-19 relief grant implemented in 2021.

⁴ NSF members include both active and inactive contributors. NSF members may or may not be SSF A40 members.

⁵ Workers must work or pay contributions longer than a certain period to receive these benefits. This is the case for all annuity pensions.

⁶ NSF can be registered independently from SSF.

Benefits Provided under SSF Article 40

Article 40 provides up to five types of benefits, depending on the level of contributions. These include: (1) Compensation for lack of income due

to an accident or illness; (2) Income compensation due to disability; (3) Death or funeral allowance; (4) Old-age benefit; (5) Monthly child allowance.

Table 2. Benefits provided under SSF Article 40

Benefits	Eligibility	Article 40(1) (70 THB/month)	Article 40(2) (100 THB/month)	Article 40(3) (300 THB/month)
1. Accident/illness income compensation				
Hospitalized for 1+ days	Paid contribution for 3 out of 4 months before the month of accident or sickness	THB 300 per day	THB 300 per day	THB 300 per day
Not hospitalized but prescribed rest for 3+ days		THB 200 per day	THB 200 per day	THB 200 per day
Within 1 year and not hospitalized and nor outpatient		Not exceeding 30 days per year	Not exceeding 30 days per year	Not exceeding 30 days per year
Receiving outpatient care		THB 50 per time	THB 50 per time	Not included
2. Disability income compensation				
Monthly compensation	Paid contribution for 6/10 months before disability, entitled to THB 500/month	THB 500-1,000	THB 500-1,000	THB 500-1,000
Benefit period		15 years	15 years	Lifelong
Passing away while receiving compensation, a funeral subsidy is granted		Paid contribution for 12/20 months before disability, entitled to THB 650/month	THB 25,000	THB 25,000
	Paid contribution for 24/40 months before disability, entitled to THB 800/month			
	Paid contribution for 36/60 months before disability, entitled to THB 1,000/month			
3. Death and funeral allowance				
Funeral subsidy	Paid contribution for 6 in 12 months before death. Exception for accidents if contribution is paid for less than 6 in 12 months but is paid 1 in 6 months before month of death	THB 25,000	THB 25,000	THB 50,000
If contribution paid for 60 months before death, death allowance is granted		THB 8,000	THB 8,000	Not included
4. Old-age benefit				
Lump-sum old-age benefit depending on number of months contributed (plus interest)	60 years	Not included	THB 50	THB 150
Contributed for 180+ months		Not included	Not included	THB 10,000
Option to pay an additional amount of not more than 1,000 THB per month		Not included	Option to contribute extra THB 1,000	Option to contribute extra THB 1,000
5. Monthly child allowance				
Monthly allowance from birth to 6 years, up to 2 children at a time.	Paid contribution for 24/36 months and when receiving the allowance, contribution must be paid every month.	Not included	Not included	THB 200 per child

Source: ILO, UNICEF, IOM, and UN Women 2022a.

Coverage of Self-Employed Workers through SFF Article 40

Despite its existence since 1990, and contribution subsidies having been introduced in 2011, coverage under SSF Article 40 – as well as Articles 33 and 39 – remains low. Overall, nearly all (96 per cent) of self-employed workers in Thailand remain uninsured (ILO et al. 2022a). The 19.3 million uninsured self-employed workers also make up roughly three-quarters of the 25.8 million uninsured total workers overall. The most prevalent form of self-employment, which also represents the greatest number of uninsured self-employed workers, is own-account work, with 12.2 million own-account workers in Thailand and 96 per cent of them uninsured. Roughly 97 per cent of the 6.9 million contributing family workers in Thailand are uninsured. Among the 16.1 million employees, 40 per cent remain uninsured (despite legal coverage) (ILO et al. 2022a).

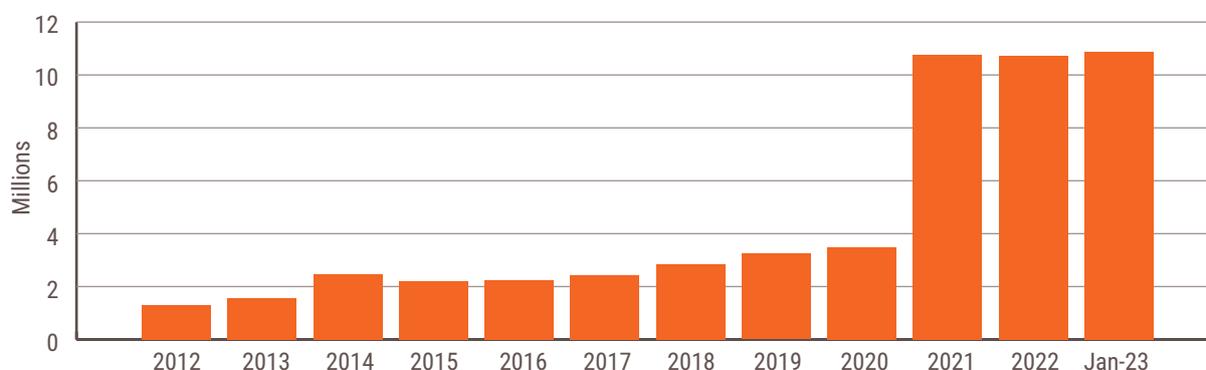
Registration with SSF Article 40 has gradually increased from around 1.3 million in 2012 to about 3.5 million in 2020. As a result of a THB 5,000 COVID-19 relief given to all SSF Article 40 members together with a 60 per cent reduction in the monthly contribution, the number of

registrants jumped to about 10.6 million in 2020 (**figure 3**) (SSO, 2022). Of those, 2.76 million people have opted for Article 40(1), 7.03 million for Article 40(2) and 1.08 million for Article 40(3).⁷

However, this increase in registered members may not result in a substantive expansion of effective social protection coverage, as many new members appear to have primarily signed up to receive the COVID-19 relief grant and are not regularly contributing. According to ILO analysis, in the first three months of 2023 only approximately 1.7 million members are regularly contributing, compared to 10.8 million registrants.⁸ This suggests that just above 15 per cent of members are active contributors, which is a lower percentage than in 2020, when around 33 per cent of all members contributed regularly (1,071,996 out of 3,224,579) (ILO et al. 2022a).

There is limited data to examine the relationship between income and coverage for all self-employed workers. However, analysis conducted by the ILO et al (2022a) of the 2019 Socio-Economic Survey (SES) shows that, for own-account workers specifically, poorer workers are much less likely to be insured than those higher up

Figure 3. Number of people registered with Social Security Fund Article 40 (2012 – 2023 (in millions))



Source: Social Security Office (SSO) 2022

⁷ Key informant interview with a representative of the SSO.

⁸ Key informant interview with a representative of the ILO.

the income distribution.⁹ Just 2.7 per cent of own-account workers aged 18–64 years in the poorest income decile are estimated to be covered by social security compared to 20.1 per cent of own-account workers in the wealthiest income decile.

Despite this relationship between income and social security coverage, further analysis suggests that the ability to contribute may not necessarily be the chief barrier to access for most people (ILO et al. 2022b). According to SES (2018) data, the average amount of monthly cash income a household in Thailand can save is THB 6,261, equivalent to THB 2,258 per month per adult aged 15+ years. According to this measure, 67.3 per cent of the active-age population with no civil servant/state enterprise benefits or SSF Article 33 and Article 39 could potentially afford the monthly contribution of THB 70 required under SSF Article 40. This suggests that factors beyond an inability to afford contributions are influencing workers' decisions to not enrol in the SSF. An additional factor cited by the ILO et al (2022b) study as potentially influencing enrolment is a perception that the value of affiliation does not justify the cost of enrolment, which may be determined by a lack of knowledge about the benefits, a lack of trust in the system and whether the benefits are aligned to the needs and priorities of potential registrants. Further, there is some indication that the administrative performance of the SSO can be a factor influencing some workers' decision to participate (ILO et al. 2022a). There is some evidence to suggest that the administrative burden of registering for SSF – namely having to navigate complex and slow administrative procedures – may pose particular challenges for migrant workers in accessing benefits (ILO et al. 2022b).

Experiences and Perspectives of Self-Employed Workers with Social Security

This section explores the experiences of self-employed workers with SSF Article 40, based on in-depth interviews and focus group discussions conducted in January 2023 in Bangkok by researchers from Chulalongkorn University in collaboration with WIEGO. The research included 16 in-depth interviewees and six focus group discussions with 67 participants. Respondents included 46 female workers and 21 male workers from three different occupational groups: home-based workers (self-employed and sub-contractor), street vendors and motorcycle taxi drivers. For home-based workers, nearly all respondents (23 out of 24) were women, as were most street vendors (18 out of 22). However, the majority of motorcycle taxi drivers were men (17 out of 21). The majority of respondents were members of Article 40, including workers who continually contributed and those who had not made contributions for more than three months. Interviews also were conducted with some workers who had never been part of any SSF scheme. The average age of interviewed workers was 55 years. The average ages were 58 for home-based workers; 54 for street vendors; and 54 for motorcycle taxi drivers. Most respondents were the primary income earners of their families.

⁹ Social security programmes included in the SES data reported here are government and state enterprises' health-care benefits, SSF health-care benefits, other employer health-care benefits, and SSF Article 40.

Occupational Groups Included in the Qualitative Research

Home-based workers

According to the 2017 Labour Force Survey, Thailand has an estimated 3.7 million home-based workers. A majority (56%) are women workers and over half (54%) are based in the urban areas. While most (56%) of home-based workers are self-employed, 11 per cent are employees, 11 per cent employers, and 22 per cent work as contributing family workers (Poonsab, Vanek and Carré, 2019). It should be noted that due to the long and complicated supply chains in their work, employers are often difficult to identify and hold accountable.

Street vendors

The 2017 Labour Force Survey estimates that there are 805,008 street vendors in Thailand, with over half (54%) working in urban areas. Fifty-six per cent of street vendors are women. The majority (78%) of street vendors in Bangkok are self-employed, with 22 per cent working as contributing family workers (Poonsab, Vanek and Carré, 2019). Most street vendors included in this study have been working in this occupation since they were young, and most of their family members also work in this sector. Since 2016, national and many municipal authorities have banned street vendors from selling their goods on the roadside. As a result, many street vendors have moved off the roadside, which often results in lower earnings. During the COVID-19 pandemic, street vendors were told to stop selling products completely. During the time of the research in January 2023, street vendors faced evictions by the Bangkok Metropolitan Administration and were limited to a few temporary permitted trading areas.

Motorcycle taxi drivers

Most motorcycle taxi drivers in Bangkok are own-account workers (58%), although a significant number of drivers are employed (42%). All those interviewed for this study are self-employed. In 2017, there were an estimated 307,304 drivers in Thailand – 95 per cent of which are men (Poonsab, Vanek and Carré, 2019). Motorcycle taxi drivers have to comply with several laws, such as the Land Transport Act, the Land Traffic Act, the Road Accident Victim Protection Act, as well as adhering to the announcement by the Bangkok Metropolitan Administration determining the location of the motorcycle taxi stations and criteria for the issue of a certificate for the use of motorcycles.

Perceptions of Benefits and Motivations for Registering with SSF Article 40

Most participants reported the compensation for lack of income when sick or injured as their primary motivation in joining SSF Article 40. Respondents stressed that treatment and rehabilitation from an illness or injury takes time, and that any day without work is a day without an income. Such abrupt losses of income

could result in deprivation not just for them but also their dependents: with an average age of 55, many respondents have financial and care responsibilities for both parents and children. Reflecting on the importance of the protection that SSF provides against loss of income, a female motorcycle taxi driver expressed her relief that “if anything happens, my child will not face any difficulty.” Motorcycle taxi drivers in particular were keenly aware that their trade entails a high level of risk of injury

and therefore extended or permanent loss of their ability to earn an income. Therefore, respondents valued short-term support during periods of injury or illness, as well as the availability of longer-term disability benefits.

Motorcycle taxi drivers are at risk of having an accident on the road. Rehabilitation takes a long time, 15–30 days. The benefits of SSF Article 40 regarding compensation for lack of income due to sickness, accidents, and disability helps us a lot. (Female motorcycle taxi driver)

Ensuring income security in older age was also important for self-employed workers who join the SSF. Reflecting the overarching theme of workers being worried about their income-earning abilities should they lose their ability to work, respondents highlighted the importance of the pension element of the SSF. They stated their expectations that the contributions would ensure their financial security and “being protected” (street vendor) in older age. With an average age of 55 it is perhaps not surprising that interviewed informal workers valued the prospect of having a guaranteed income in older age.

An important benefit is the old-age pension. If I have this pension, I will still have money to spend, even if I am too old and have no energy to work. The pension is among the most important benefits for us informal workers. (Male street vendor)

More generally, interviewed workers regard participation in the SSF as a way to manage financial risks inherent in volatile self-employment. A street vendor stated that her fellow self-employed workers “want sustainability and security” and if there are “any channels where they feel they will be more stable, they will apply.”

A substantive number of SSF members applied during the COVID-19 pandemic – motivated by the emergency payment of 5,000 baht offered during that time. Some of those who joined to receive the 5,000 baht COVID-19 payment did not fully understand the SSF scheme. For instance, a street vendor acknowledged that when she and her parents applied to join SSF in order to receive the relief payment, she did not know much about the benefits provided by SSF membership.

I confess that THB 5,000 from the government as a subsidy during the COVID-19 pandemic to every member of the SSF caused me to decide to apply for SSF Article 40. (Female home-based worker)

The COVID-19 subsidy was effective in encouraging workers to register with the SSF, but not all new members are still contributing. Some respondents stated in clear terms that when they applied, they were not “not interested in social security” (street vendor) and stopped their contributions after receiving the relief payment. This is in line with SSO statistics that show that only around 15 per cent of the 10.8 million people who joined the SSF during COVID-19 were making regular contributions in the first quarter of 2023. For others, however, the relief payment has been a first experience with receiving any social security benefits, which has motivated them to continue making their contributions.

I haven't had access to any social security benefits and neither have my friends. Therefore, I was not enthusiastic about paying contributions until the Social Security Office gave me a 5,000-baht subsidy. I was eager to pay it then and started to pay my contribution continuously. (Female street vendor)

Self-Employed Workers' Awareness and Understanding of SSF Article 40

Some members lack a sufficient level of understanding of the scheme's benefits and their rights, which has resulted in not receiving benefits for some and caused others to cease contributions. A motorcycle taxi driver who had to stay five days in a hospital and pay 7,000 baht in medical expenses gave the following explanation for not claiming compensation: "I did not know my rights."

A central challenge appears to be insufficient or inadequate communication between the SSO and SSF members on their contributions and entitlements. For example, a street vendor reported that he started making monthly 100-baht contributions after registering and receiving the COVID-19 relief payment but has since stopped doing so because he does not know how being an SSF member actually benefits him. Interviewed workers commonly recommended that the SSO should develop an accessible system to keep workers updated on their contributions.

The co-existence of the National Savings Fund and the SSF system appears to cause confusion among some members, at times resulting in a perceived loss of entitlements. A motorcycle taxi driver explained how he used to be a member of the NSF and was later asked to apply for SSF, which he thinks resulted in him losing his entitlements under the NSF.

Targeted outreach by the SSO, information sharing within worker organizations and personal relationships were key to making informal workers aware of SSF Article 40. Several respondents had learned about the SSF from attending training sessions organised by HomeNet Thailand. Some self-employed workers were aware of the

SSF from previous formal employment. Recommendations made by friends to join SSF also were common. The COVID-19 relief payment that was linked to SSF registration also helped introduce some to the SSF system. A number of respondents obtained information from SSO staff and community volunteers, who implemented awareness-raising campaigns outside markets. In these cases, workers appreciated that SSO staff clearly explained to them the costs and benefits of joining the SSF.

I did it for the first time when social security officers set up a booth at the market. They invited us and told us that the contribution was only a little money. During that time, we had no insurance, so we decided to apply. (Female street vendor)

Reasons for Not Registering and Contributing to SSF Article 40

The most commonly cited reason for not registering with the SSF was lack of affordability. A number of respondents shared that, given their low incomes, they could not afford the premiums on a monthly basis. A male home-based worker reported that more than half of his group of workers lack the earnings to join SSF. In some cases, workers are not interested in even learning more about the benefits that the SSF provides as they "do not want to have more monthly expenditures" (home-based worker). Others, however, understand and value the benefits of the SSF and lament the fact that they cannot afford to enrol due to their "low incomes and need to spend on a day-to-day basis" (motorcycle taxi driver).

Limited awareness and appreciation of the full range of benefits are also undermining registration. One street vendor clearly spelled it out: "The main reason for not applying to join SSF Article 40 was not knowing about its benefits. I had never

heard about SSF Article 40. Nobody told me about this.”

Experiences with Registering and Contributing to SSF Article 40

Respondents appreciated the variety of registration channels, which they regarded as generally convenient. Routes include online registration, counter service in a convenience or department store, by visiting a Social Security Office and government banks. They also reported that there are several convenient routes to make their contributions, including via service units of the SSO, counter service in a store, bank counter, direct debit and mobile applications. Some workers registered with the help of leaders of their workers’ organization.

Participants stressed the important role of SSO staff in explaining and facilitating the registration process. Those that applied when SSF Article 40 was first introduced explained how helpful it was that social security officers came to their communities to promote the scheme and provide support to applicants. While registering at convenience stores was considered easy, workers noted that they do not provide the same level of support as SSO staff would. Some respondents shared their scepticism whether applications to SSF made through convenience stores are as successful as those made through SSO offices.

Some respondents noted that they had little information on their contribution histories, how interrupted contributions can be remedied, and what irregular contributions mean for their entitlements. This is a problem as eligibility for benefits are closely linked to past contributions dating back 4 to 60 months ago. Forgetting to make contributions on a regular basis and not knowing their contribution histories were highlighted as a key challenge in discussions. A motorcycle taxi

driver, for instance, reported how one of her friends did not receive the support she thought she was entitled to as she lacked one month of contributions.

Membership of a workers-led organization appears to be helpful for maintaining regular contributions. A home-based worker explained how she collects contributions from her group members to deposit them with the SSF. In some cases, she pays the contributions for members of her group who are temporarily unable to contribute. Groups also help members navigate the application processes.

In the beginning, especially those who do not belong to any group, it is difficult to apply due to the document and filling the application form as well as travelling to SSO. (Female home-based worker)

Experiences in Accessing SSF Article 40 Benefits

Respondents complained about difficulties in claiming benefits, especially the time it takes to receive them, and the documentation required. One particular challenge appears to be the requirement to see a doctor at a hospital and get a medical certificate in order for injured workers to receive their compensation. This can take a long time, especially as a doctor’s assessment from a clinic is not accepted.

The problem is taking time to claim the benefit. Sometimes we are in urgent need of money, especially after a surgery. Still, we have to take time to ask for the certificate from a doctor, submit the documents, wait for approval and a money transfer. It takes about 45 days, which is too long. (Female street vendor)

Perspectives of Impacts of SSF Membership

Compensation for income lost due to illnesses or injuries was the most common

benefit claimed, and the respondents made it clear how relevant the benefit is for self-employed workers. Respondents are very aware of the precariousness of their livelihoods, and especially those that have care responsibilities stress how SSF membership helps them maintain at least some income in case they are temporarily or permanently unable to work. A female motorcycle taxi driver put it plainly: “I am the only earner in the family. If I get sick, my children will be in trouble. The compensation for lack of income is very necessary in this case.”

In case of an injury or illness, SSF membership provides a lifeline. A street vendor recounted how she had to stay in a hospital for six days and received 300 baht a day plus an extra 1,800 baht as compensation for lost income. Another street vendor shared the story about a member of her group who needed numerous hospital visits over a period of several months. As a regularly contributing SSF member, she received the daily 300-baht reimbursement for hospital stays, as well as days she was unable to work but rested at home. Workers also recounted how the funeral allowance included in SSF Article 40 helped family members of deceased colleagues to pay for important funeral ceremonies.

We, her street vendor friends, had organized her funeral ceremony. Due to her being a member of SSF Article 40, her sister had received the funeral allowance. These experiences help me to realize the helpfulness of being a member of SSF Article 40. She got the benefits while she was sick and after she died, her relatives had enough money to arrange her funeral ceremony. I will continue to pay for my contribution so that I will not lose my benefits. (Female street vendor)

Perspectives on Adequacy of SSF Article 40 Benefits

In addition to affordability challenges, a key reason for workers to not contribute to SSF was the perceived inadequacy of benefits. Several respondents considered the compensation for income loss as a result of an injury or illness, compensation for transport to a hospital, and the lump-sum old-age benefit to be too low. Workers stated that the payments were too low to even meet their food needs. This perception of inadequate benefits affects workers’ willingness to make regular contributions. As one female street vendor put it: “few benefits do not attract people to continue their membership.” Others, however, argued that benefits provided by SSF are better than nothing.

If the medical care system was improved, processes sped-up, or benefits similar to SSF Article 33 were provided, and motorcycle taxi drivers can afford them, it would be interesting to apply for SSF Article 40. (Male motorcycle taxi driver)

While most respondents did not have young children, they shared their experiences of co-workers and stressed the need to provide maternity and child benefits for all SSF members.¹⁰ Respondents expressed their frustration that social security for formal employees includes maternity leave, while social security for self-employed workers does not. In the absence of any maternity leave, even those who are members of SSF Article 40 have to return to work immediately after giving birth and bring their infants along to work, often exposing them to unhealthy environments.

Those who are under SSF Article 33 and 39 receive maternity protection – they can take leave after giving birth, but for us street vendors, we have no such kind of

¹⁰ Currently only members of Articles 40(2) and 40(3) are eligible for a child allowance.

leave. Like one of the young street vendors who sells ice cream. Even though her child was only delivered 15 days ago, she had to continue driving the ice cream cart. She brought her child along with her. She took care of her child while selling ice cream, even though it was very hot, because she had no choice. (Female street vendor)

My friend, who is a street vendor, even while she was pregnant, she still had to come to sell stuff. Another street vendor, who sells fruit, also told me that she was going to give birth next week. I asked her why are you still selling stuff? She said that if I don't come to work, what will they eat? (Male street vendor)

Workers' Suggestions to Improve SSF Article 40

Workers made the following recommendations to improve the functioning and adequacy of SSF Article 40.

1. Develop systems to regularly share easy-to-understand information with SSF members about their contribution histories and ensuring entitlements. Such a system should include text-message notifications of contributions made, as well as simple and free ways to check contribution histories and entitlements. For those not able to use mobile phones, a similarly accessible analogue system should be developed.

If the SSO can notify about the status of contributions of each member via SMS or other communication channels, it will help them to know how many months contributions have been made continuously. They should also share information about our rights and benefits we can access. (Female street vendor)

2. Speed-up and simplify the claiming and receiving of benefits. With input from self-employed workers,

SSO should review the processes of claiming and paying benefits, which are currently considered by workers as too burdensome and lengthy. As the compensation for an illness or injury is the most commonly claimed benefit, streamlining processes related to that benefit should be a priority.

3. Improve the adequacy of benefits under SSF Article 40 and expand maternity and child benefits to all SSF members. Expanding maternity and child benefits, which are currently provided only to those able to contribute to the more expensive Article 40(2) and 40(3), to the lowest tier (Article 40(1)) would be a significant investment in the dignity, well-being, health and human capital of poorer self-employed workers and their children. Further, the SSO and government should review the monetary amounts of SSF benefits with a view to increase their adequacy. Without action, the rising cost of living will continue to erode the real value of benefits and therefore risks undermining the attractiveness and effectiveness of the SSF system. To safeguard the real value of benefits, amounts should be indexed to inflation. Finally, the SSO and government need to address the challenge that the SSF Article 40, due low contributions and the lump-sum design, currently does not ensure income security in older age. Options to improve self-employed workers' income security in older age may include higher levels of government subsidies to Article 40. Improving the non-contributory Old Age Allowance could also be considered as a form of subsidy, although this would not enhance incentives for workers to contribute. Alternatively, the government could consider integrating Article 40 with Articles 33 and 39 to

provide a guaranteed pension for all contributors and allow for some level of redistribution between higher- and lower-wage earners. Such integration also would facilitate the portability of contributions made during informal and formal employment, which may hinder transitions from informal to formal employment.¹¹

Compensation should be considered based on daily minimum wage. Nowadays, one meal is already 50-60 baht. (Female street vendor)

Those who are under social security Article 33, and 39, receive maternity protection – they can take leave after giving birth – but for us as street vendors, we have no such kind of leave. (Female street vendor)

4. Support and empower worker organizations and volunteers to conduct outreach and awareness-raising activities on SSF benefits and

processes, and help workers navigate the registration process. Giving worker organizations a recognized role in the implementation of the SSF should help improve some of the key challenges observed by workers, in particular low levels of information about benefits and processes. Integrating worker organizations into the SSF system could also be a step toward institutionalizing a social dialogue platform for workers organizations to engage with the SSO and government on their concerns and recommendations.

SSO might arrange trainings about SSF Article 40 for some motorcycle taxi drivers to become volunteers who can provide knowledge on this matter to others. These volunteers can then also convey our questions and suggestions to the SSO. (Male motorcycle taxi driver)

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¹¹ For a detailed discussion on the adequacy of the SSF pension, including reform options, see: ILO, UNICEF, IOM, and UN Women. 2022b. Thailand Social Protection Diagnostic Review: Review of the Pension System in Thailand.

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Acknowledgements

This brief is based on original qualitative research conducted by Wichaya Komin, Boonsom Namsomboon, Borvorn Subsing and Kanokporn Deeburee of the Social Research Institution at Chulalongkorn University. It further summarizes secondary research conducted by Shea McClanahan, Holly Seglah, Daisy Sibun and Anasuya Sengupta of Development Pathways for a forthcoming report on global experiences of expanding social security coverage to self-employed workers. The brief has benefitted from feedback from Laura Alfes (WIEGO) and Poonsap Tulaphan (HomeNet Thailand). The research summarized in this brief has been supported by funding from the Swedish International Development Cooperation Agency (Sida).



About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org