

Daily Thai New Summary: 3 August 2015

1. Inflation rate continued to slide in July

Source: **Bangkok Post** ([Link](#))

The consumer price index, which gauges inflation, continues to slide, falling 1.05% year-on-year in July and contracting for the seventh month this year, according to the Commerce Ministry. The consumer price index, which gauges inflation, continues to slide, falling 1.05% year-on-year in July and contracting for the seventh month this year, according to the Commerce Ministry.

Somkiat Triratpan, Director of the Office of Trade Policy and Strategy, said the index of consumer prices based on 450 products and services stood at 106.57 points at the end of July, down 0.07% from June.

2. Property tax gets tweaked

Source: **Bangkok Post** ([Link](#))

The Finance Ministry has decided to exempt the value of buildings from the controversial land and buildings tax bill in a fresh bid to reduce public outcry, a source familiar with the issue says. The move will lower the burden on home and building owners as only land will be levied, the source said. Even though the government's tax revenue will be reduced from the recently estimated 200 billion baht a year if the new property tax comes into force, it will still exceed the 25 billion baht a year currently generated by the house and land tax, and local development tax, the source said.

The land and buildings tax has been floated to replace the house and land tax, and local development tax, which have criticized as regressive since they are based on outdated appraisal prices and have many waivers.

3. BoT to slash growth, export outlook

Source: **Bangkok Post** ([Link](#))

Thailand's central bank has again cut the country's economic growth and export projections based on the domestic market's fragile recovery and chronic depression in the global economy.

"The central bank's GDP growth forecast might be slightly lower than 3%," said Roong Mallikamas, a senior director of the macroeconomic and monetary policy department. Greater downside risks to growth in the second half were indicated by the central bank's downward fan chart, she said, with growth recovery prospects projected to gradually increase.

A slow economic recovery in China and other Asian economies, a shift in global trade affecting Thai exports, and lower than expected public expenditures are key downside risks, noted the central bank's Monetary Policy Report published in June. Its new forecast will be announced Sept 25 when the next report is published.

4. Culinary school grooms quality Thai chefs to meet rising demand

Source: **The Nation** ([Link](#))

Every day, five new Thai restaurants open for business somewhere around the world, adding to the estimated 20,000 Thai eateries already operating globally, according to the Thai Chefs Association.

"There is a huge demand for Thai chefs," said Chumpol Jangprai, vice president of the association and managing director of MSC Thai Culinary School. *"All students here can be assured that they will get a job,"* he said. Well-paid jobs are one of the selling points of the school, the brainchild of Chumpol, Minor International and S&P Syndicate.

5. Australia seeks further trade liberalization in agriculture

Source: **The Nation** ([Link](#))

Australia has urged Thailand to liberalize the trade in its agricultural products, particularly the dairy sector, and its professional services after a recent revision of the Thailand-Australia Free-Trade Agreement (TAFTA). Thailand, meanwhile, urged Australia to review its sanitary and phytosanitary practices and allow some Thai products, including fruits, to be exported to that country, while extending the visas for Thais working or vacationing in the country.

A senior source from the Commerce Ministry said Thailand needed to review carefully some trade regulations and agreements under TAFTA to promote more trade and cooperation between the two countries. TAFTA has been implemented for 10 years, with the two nations showing strong progress in promoting trade growth. However, Australia wants Thailand to review regulations that serve as safeguard measures protecting the Kingdom's beef and dairy industries.

Australia said that with regional integration, Thailand would be considered a centre for trade and investment in Asean, and the Kingdom should adapt by liberalizing its market more fully. Australia claims that the liberalization of agricultural products would enhance business growth between the countries, while Thailand could be a centre for Australian investment in those industries under regional integration.

Meanwhile, Thailand urged Australia to increase the quota for the number of Thais allowed to work and holiday in the country.

By Harsha Hazarika