

10 FEB. 2014

Notification of the State Enterprise Labour Relations Committee
on Minimum Standards of Conditions of Employment in State Enterprises

By virtue of Section 13 (1) of the State Enterprise Labour Relations Act B.E. 2543, which contains certain provisions in relation to the restriction of rights and liberties of the individual which are allowed under Section 29 together with Section 35 and Section 45 of the Constitution of the Kingdom of Thailand, the State Enterprise Labour Relations Committee approved by the Cabinet hereby issues the Notification as follows in order to provide the minimum standards of conditions of employment to state enterprise employees:

Clause 1. This Notification shall be cited as "Notification of the State Enterprise Labour Relations Committee on Minimum Standards of Conditions of Employment in State Enterprises"

Clause 2. This Notification shall come into force on the day after the date of its publication in the Government Gazette.

Clause 3. The followings shall be repealed:

(1) Notification of the State Enterprise Labour Relations Committee on Minimum Standards of Conditions of Employment regarding Work Rule, the Employment of Female Employee, Deduction of Wage, Overtime Pay and Holiday Work Pay, and Bonus dated 13th May B.E. 2545; and

(2) Notification of the State Enterprise Labour Relations Committee on Minimum Standards of Conditions of Employment regarding Minimum Wage of State Enterprise Employee dated 20th April B.E.2549

Clause 4. In this Notification:

"Working Day" means a day scheduled for an employee to work regularly.

"Holiday" means a day scheduled for an employee to take a weekly rest, traditional Holiday or annual leave;

"Leave" means a day on which an employee takes sick leave, leave for sterilisation, maternity leave, leave for necessary business, leave for training or capacity development and leave for military service through conscription in order to undertake, to train in military course or to test physical fitness;

"Wages" means all kinds of money to be paid by an employer to an employee in return for work done during normal working time and day whether it is calculated on the basis of period of time or the basis of piecework done; and includes money to be paid by an employer to an employee on Holiday and on Leave during a period which the employee does not work regardless of the method of calculation, the type of payment, or the way of payment and regardless of the way it is cited;

"Overtime Work" means working beyond or in excess of the normal working time on a Working Day or a Holiday;

"Overtime Pay" means money to be paid by an employer to an employee in return for working Overtime on a Working Day;

"Holiday Pay" means money to be paid by an employer to an employee in return for working on a Holiday;

"Holiday Overtime Pay" means money to be paid by an employer to an employee in return for Overtime Work on a Holiday;

"Suffering from Injury" means physical harm, mental effect or death suffered by an employee as the result of performing work or in the course of protecting interest of an employer or according to the commands of an employer;

"Sickness" means physical disorder, mental disorder or death of an employee as the result of nature or condition of work or caused by performing any work as provided by the law governing workman's compensation;

"Disappearance" means disappearance of an employee in the course of work or action under the command of an employer with a reasonable cause to believe that the employee is dead because of Suffering from Injury during working or acting under the command of the employer, including disappearance of an employee in the period of commuting by vehicle on land, water or air to work for an employer with a reasonable cause to believe that an accident occurs to the vehicle and the employee is dead provided that the disappearance shall be happened at least of not less than one hundred and twenty days from the date of accident;

"Loss of the Capability" means to the loss of organ or of ability of the body or the mentality in working after the medical treatment comes to an end;

"Compensation" means money to be paid as indemnity, medical expense, rehabilitation expense and funeral expense;

"Indemnity" means money to be paid to an employee or an entitled person under Clause 49 for Suffering from Injury, Sickness or Disappearance of an employee as provided by this Notification;

"Medical Expense" means expense concerning medical examination, medical treatment, nursing or other necessary expense in order to relieve or end the result of Injury or Sickness, including expense concerning equipment, tool, or material used in substitute as injured organ or used in place of injured organ;

"Expense of Occupational Rehabilitation" means necessary expense for occupational rehabilitation;

"Occupational Rehabilitation" means the physical or mental rehabilitation or rehabilitation in occupation provided to an employee who is Suffering from Injury, sick or being Loss of Capability in order to be capable to perform work suitable to his/her physical condition;

"Funeral Expense" means expense concerning funeral procession according to religion or local tradition of a deceased employee in the case of the employee is dead as a result of Suffering from Injury or Sickness, or being Disappearance;

"Invalidity" means the loss of organ or ability in working of organ or body or the loss of normal mental condition at a degree of unable to work as stipulated by the Committee;

"Welfare" means facility served to an employee in order to provide the well-being or the comfort in performing work;

"Severance Pay" means money to be paid to an employee by an employer upon termination of employment in addition to any other kind of money agreed by the employer to pay to the employee;

"Director-General" means the Director-General of Department of Labour Protection and Welfare.

Part 1

General Provisions

Clause 5. A claim for or the acquisition of right or benefits under this Notification shall not deprive an employee's right or benefits entitled under other law.

Clause 6. An employer shall be prohibited from demanding or receiving security money for work or security money for damage to work from an employee, unless the nature or condition of work requires the employee to be responsible for money or property of the employer which may cause damage to the employer. The nature or condition of work which the employer is allowed to demand or receive the security money from the employee as well as an amount and means in keeping the security money shall be in accordance with the terms and procedures as stipulated by the Committee.

Where the employer demands or receives the security money or makes a guarantee contract with the employee to compensate for damage done by the employee, when an employment is terminated by the employer or the resignation is made by the employee or the guarantee contract is expired, the employer shall pay back the security money thereof plus interests, if any, to the employee within seven days from the date of termination of employment, or from the date of resignation, or from the expiry date of the guarantee contract, as the case may be.

Clause 7. Where an employer fails to pay back the security money under Clause 6 Paragraph 2, or fails to pay Wages, Overtime Pay, Holiday Pay and Holiday Overtime Pay within the period prescribed under Clause 44, or severance pay under Clause 59, the employer shall pay interests during the default period to an employee.

Where the employer is ready to return or to pay the security money under paragraph one and remits the money to the Director-General or to a person entrusted by the Director-General in order to pay to the employee, the employer shall not pay any interest as from the date of remission of such money.

Clause 8. A debt of unpaid Wages, Overtime pay, Holiday pay, Holiday Overtime pay, or severance pay, as a case may be, an employee shall have a preferential right over all properties of an employer who is a debtor in the same rank as the preferential right of taxes and duties under the Civil and Commercial Code.

Clause 9. An employer shall treat male and female employees equally in employment unless the nature or description of work prevents such treatment or there is any other legitimate reason.

Clause 10. An employer, a chief, a supervisor, or a work inspector shall be prohibited from committing harassment, menace or sexual nuisance against an employee.

Clause 11. For the purpose of calculating the period of employment of an employee under this Notification, Holidays, Leave, day-off permitted by an employer for

his/her benefit, and day-off permitted by the employer for the benefit of the employer shall also be counted in the period of employment of the employee.

Where an employee performs work in an area with hazardous communicable disease as stipulated by the Ministry of Public Health, an employer shall allow the employee to take a leave for quarantine in duration as prescribed by the Ministry of Public Health. The Leave shall be regarded as the Working Day.

Clause 12. Where an employee has not worked continuously on account of an intention of an employer to deprive such employee from any right under this Notification, irrespective of which duty assigned by the employer to the employee and of how lengthy a lapse between each period of employment is, each period of employment shall be counted together for the purpose of the acquisition of any right by the employee.

Part 2

Employment of Labour in General

Clause 13. An employer shall specify a normal working hour of not exceed 48 hours per week.

Clause 14. On a Working Day, an employer shall arrange a rest period during work for an employee of not less than one hour per day after the employee has worked for not more than 5 consecutive hours.

An employer and an employee may agree to specify each rest period during work in otherwise. Such agreement shall be applicable only if it is more favorable to the employee.

The provisions in Paragraph 1 and Paragraph 2 shall not apply where an employee is required to perform work of a continuous nature with the prior consent of the employee, or in case of the emergency work.

Clause 15. An employer shall provide a Weekly Holiday of not less than one day per week for an employee, and the interval between Weekly Holidays shall be not more than 6 days.

Where the nature of work requires it to be performed continuously and a Weekly Holiday may not be provided as referred in Paragraph 1, an employer and the employees in whole or in part may agree in advance to accumulate and postpone weekly

Holidays to be taken at any time, but they must be taken within a period of 4 consecutive weeks.

Clause 16. An employer shall provide traditional Holidays of not less than 13 days per year to an employee.

Where a traditional Holiday falls on a Weekly Holiday of the employee, the employee shall take a day off to substitute for the traditional Holiday on the following Working Day.

Where the substitute days off as referred in Paragraph 2 are excess 1 day consecutively, only one substitute day off shall be provided by the employer to the employee. Remaining substitute day(s) off shall be provided in other day(s) by the employer to the employee

Clause 17. An employee who has worked for an uninterrupted period of 1 year shall be entitled to annual Holidays of not less than 6 Working Days per year. An employer is obliged to specify the annual Holiday in advance for the employee or as agreed by the employer and the employee.

The employer and the employee may agree in advance to accumulate and postpone any annual Holiday that has not yet been taken in a year to be included in the following year.

Clause 18. An employee shall be entitled to sick leave as long as he or she is actually sick. For the sick leave of 3 days or more, an employer may require the employee to produce a certificate from a first class physician or an official medical service. If the employee is unable to produce a certificate from the first class physician or the official medical service, the employee shall give an explanation to the employer.

Where a physician is provided by the employer, the certificate shall be issued by such physician except the employee is unable to be examined by the physician.

A day on which an employee is unable to work on account of Suffering from Injury or Sickness arising out of employment or on maternity leave under Clause 25 shall not be regarded as sick leave under this Clause.

Clause 19. An employer may require an employee to work Overtime or to work on a Holiday as necessary with the employee's written consent in prior on each occasion.

Where the nature or description of work requires it to be performed continuously and stoppage may cause damage to the work, or it is emergency work, or other

work as stipulated by the Committee, an employer may require an employee to work Overtime or work in a Holiday.

Clause 20. An employer may require an employee to lift, carry on his or her back, carry on a shoulder pole, carry on his or her shoulder, carry on his or her head, pull or push a load of not excess the average weights as the followings.

- (1) 25 kilograms for female employee.
- (2) 50 kilograms for male employee.

Where an employee is engaged in the transport of a load of excess weight as prescribed in Paragraph 1, an employer shall provide a labour-saving device as appropriate to the employee and which is not harmful to health and safety of the employee.

Part 3

The Employment of Female Employee

Clause 21. An employer shall be prohibited to require a female employee to perform any of the following work:

- (1) cleaning of an engine or machine while it is operating;
- (2) work on a scaffold of ten metres or more above the ground;
- (3) operating of a circular saw;
- (4) producing or transporting of an explosive material or inflammable material, except professional or technical work concerning exploration, drilling, refinery and production of petroleum or petrochemical product where the condition of work is not harmful to health and safety of the female employee;
- (5) work of mining or construction in underground, underwater, a cave, a tunnel or mountain shaft, except where the condition of work is not harmful to health and safety of the female employee;
- (6) performing of any other work as stipulated by the Committee.

Clause 22. An employer shall be prohibited to require a female employee to work between 12.00 a.m. and 06.00 a.m. unless the nature of work requires it to be performed continuously, or it is shift work, or the nature and description of work requires it to be performed during the said period of time, and which is not harmful to health and safety of the female employee.

Clause 23. An employer shall be prohibited to require a female employee who is pregnant to perform any of the following work:

- (1) work involving vibrating machine or engine;
- (2) work of driving or going on a vehicle;
- (3) work of lifting, carrying on his or her back, carrying on a shoulder pole, carrying on his or her shoulder, carrying on his or her head, pulling or pushing a load in exceeding of fifteen kilograms;
- (4) work on a vessel; or
- (5) any other work as stipulated by the Committee.

Clause 24. An employer shall be prohibited to require a female employee who is pregnant to work between 10.00 a.m. and 06.00 a.m., to work Overtime, or to work on a Holiday, except the pregnant employee working in an executive position, academic work, clerical work or work relating to finance or accounting whose may be required by the employer to work Overtime in Working Day(s) with prior consent in writing of the pregnant employee.

Clause 25. A female employee who is pregnant shall be entitled to maternity leave with pay equivalent to present rate as receiving of not more than 90 days including Holidays during the period of maternity leave.

The maternity leave may be taken on an actual date, prenatal date or postnatal date of delivery but the total leave must not more than 90 days.

Where a female employee who is taking maternity leave under Clause 1 intends to take further leave for nursing her infant, the female employee is entitled to take the further leave of not more than 150 days consecutively without pay.

Clause 26. Where a female employee who is pregnant presents a certificate from a first class physician certifying that she is unable to continue her previous duties, the female employee shall be entitled to request an employer to temporarily change her duties before or after delivery, and the employer shall consider changing the female employee to suitable work.

Clause 27. An employer shall be prohibited to terminate the employment of a female employee on the grounds of her pregnancy.

Part 4

Wages, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay

Clause 28. An employer shall pay Wages to an employee in an amount of not less than the highest rate of minimum wage rate as prescribed by a law governing labour protection.

Clause 29. Where the work is of the same nature, quality and quantity, an employer shall fix equal Wages, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay to be paid notwithstanding that the employee is male or female.

Clause 30. An employer shall pay Wages, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay to an employee at the place of work of the employee. If the payment is to be made elsewhere or by other means, the consent of the employee must be obtained.

Clause 31. An Employer shall be prohibited to make any deductions from Wages, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay of an employee except the deductions made for:

(1) payment of income tax in an amount shall be paid by the employee or other payments provided by law;

(2) payment of state enterprise labour union fee according to the rules of state enterprise labour union, or other payment of welfare provided by state enterprise labour union for the sole benefits of the employee with the prior consent of the employee;

(3) payment of debt owed to the saving cooperatives or other cooperatives with the same description as the saving cooperatives, or of debt for the sole benefits of the employee with the prior consent of the employee;

(4) security money for damage to work or damages for the employer as a result of an intentional cause or gross negligence of the employee, provided that the consent of the employee shall be obtained;

(5) payment of contributions under an agreement relating to a contribution fund or a provident fund.

The deductions under (2), (3), (4), and (5) in each case shall not be made in excess of 10 per cent, and in aggregate shall not exceed one in fifths of the money to which the employee is entitled to receive, except with the prior consent of the employee.

Clause 32. An employer shall pay Wages to an employee in equivalent to Wages of a Working Day for the following Holidays:

(1) a Weekly Holiday, except for an employee who receives Wages calculated on a daily, hourly or piece rate basis;

(2) a traditional Holiday; and

(3) an annual Holiday.

Clause 33. Where an employer terminates the employment of an employee who has no guilty as provided in Clause 60, the employer shall pay Wages to the employee for annual Holiday in the year of termination in proportion which the employee is entitled under Clause 17 and Clause 32.

Clause 34. Where an employer requires an employee to do duty in other area, except the area for normal work on Holiday, the employer shall pay Wages for the commuting time to the employee in the rate of not less than Wages of Working Day.

Clause 35. An employer shall pay Wages to an employee for sick leave under Clause 18 in equivalent to Wages of a Working Day throughout the leave period, but not exceeding 30 Working Days per year.

Clause 36. An employer shall pay Wages to an employee for the Leave taking for military service through conscription in order to undertake, to train in military courses or to test physical fitness in equivalent to Wages of a Working Day throughout the Leave period.

Clause 37. Where an employer requires an employee to work Overtime on a Working Day, the employer shall pay Overtime Pay to the employee at a rate of not less than one and a half times of the hourly wage rate of a Working Day for the number of hours of work done, or at a rate of not less than one and a half times of the piece rate of Wages of a Working Day for work done in case of an employee who receives Wages on a piece rate basis.

Clause 38. Where an employer requires an employee to work Overtime on a Holiday, the employer shall pay Holiday Overtime Pay to the employee at the rate of not less than three times of the hourly wage rate of a Working Day for the number of hours of work done, or at a rate of not less than three times of the piece rate of Wages of a Working Day for work done in case of the employee who receives Wages on a piece rate basis.

Clause 39. For the purpose of calculating the numbers of Overtime working hours, the traditional Holiday, annual Holidays, and leave shall be counted as Working Days whereas an employer fixes normal working time on a weekly basis.

Clause 40. An employee who is assigned by an employer to perform any of the following work shall not be entitled to Overtime pay under Clause 37 and Holiday Overtime pay under Clause 38, but shall be entitled to remuneration in money in equivalent to the hourly wage rate of a Working Day for the number of hours of work done:

- (1) work of railway management which is to be performed on train carriage, and to facilitate a rail transportation;
- (2) work of transport;
- (3) work of opening or closing of watergate or sluice gate;
- (4) work of indicating of water levels and measuring of water volume;
- (5) work of watch keeping of the premise or property which is not a regular duty of the employee;
- (6) work to be performed outside the premise which definite working time may not be fixed due to its nature;
- (7) work of stationing for providing service in emergency and necessary case;
- (8) any other work as stipulated by the Committee.

The exception for the aforementioned is where the employer agrees to pay Overtime or Holiday Overtime Pay to the employee.

Clause 41. Where an employer requires an employee to do duty in a place other than normal working place, the employee shall not be entitled to Overtime Pay under Clause 37 and Overtime Pay for the time of commuting under Clause 38, except the employer agrees to pay Overtime Pay or Holiday Overtime Pay to the employee.

Clause 42. Where an employer requires an employee to work on a Holiday which the employee is entitled to Wages on a Holiday, the employer shall pay Wages on Holiday work to the employee at the following rates:

- (1) for the employee who receives hourly wage rate, the payment shall be made in addition at a rate of not less than one time of the hourly wage rate in Holiday work;
- (2) for the employee who receives Wages on a piece rate basis, the payment shall be made in addition at a rate of not less than onetime of Wages on the piece rate basis.

Clause 43. Where an employer requires an employee to work on a Holiday which the employee is not entitled to Wages on a Holiday, the employer shall pay Wages on Holiday work to the employee at the following rates:

(1) for the employee who receives hourly wage rate or other rate based on period of time, the payment shall be made in addition at a rate of not less than two times of the hourly wage rate in Holiday work;

(2) for the employee who receives Wages on a piece rate basis, the payment shall be made in addition at a rate of not less than two times of Wages on the piece rate basis.

Clause 44. An employer shall pay Wages, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay correctly and in accordance with the following time:

(1) where Wages are calculated on a monthly, daily or hourly basis, or on the basis of another period of not more than 1 month, or on a piece rate basis, payment shall be made of not less than once a month, unless otherwise agreed upon in favour of an employee;

(2) where Wages are calculated other than prescribed in (1), payment shall be made at a time agreed between the employer and an employee;

(3) Overtime pay, Holiday Work Pay and Holiday Overtime Pay shall be paid of not less than once a month.

Where the employer terminates the employment of the employee, the employer shall pay the employee all Wages, Overtime Pay, Holiday Work Pay, and Holiday Overtime Pay of which the employee is entitled to within 3 days from the date of termination.

Part 5

Compensation

Clause 45. Where an employee suffers from injury or sickness, an employer shall provide immediately medical treatment for the employee in appropriate to the injury or sickness, and shall pay necessary medical expenses of which actually paid but of not excess the rate as stipulated by the Committee with an approval of the Cabinet.

Clause 46. Where an employee has to obtain an Occupational Rehabilitation after suffering from injury or sickness, an employer shall pay rehabilitation expense to the employee in accordance with terms, procedures and rate as stipulated by the Committee with an approval of the Cabinet.

Clause 47. When an employee suffers from injury or Sickness causing death or Disappearance, an employer shall pay funeral expense in accordance with the rate as stipulated by the Committee with an approval of the Cabinet.

Clause 48. When an employee suffers from injury or Sickness or Disappearance, an employer shall pay the monthly compensation to the employee or person who is entitled under Clause 49 in accordance with terms and procedures as stipulated by the Committee with an approval of the Cabinet.

Clause 49. When an employee is Suffering from Injury, dead as the result of Sickness, or disappeared, the following persons shall be entitled to the compensation from an employer:

- (1) parents,
- (2) husband or wife;
- (3) son or daughter aged under eighteen years old, or over eighteen years old who is studying at a level of not higher than bachelor degree provided that he/she shall be entitled until the age of not over twenty years old;
- (4) son or daughter who aged eighteen years old or over with invalidity or mental infirmity dependent who has been the employee before the employee is dead or disappeared.

Son or daughter who was born within three hundreds and ten days from the date of the death or disappearance of the employee shall be entitled to compensation from the date of his/her confinement.

Where there is no entitled person under Paragraph 1 and Paragraph 2, the employer shall pay compensation to a person who has been dependent on the deceased or disappeared employee during the time before the employee is suffering from injury, dead as a result of sickness, or disappeared provided that such person must be in trouble by lacking of support from the deceased or disappeared employee.

An entitled person under Paragraph 1 and Paragraph 2 shall receive a share of compensation equally. Where the entitlement for compensation is exhausted due to the death of any entitled person, the remarriage of the husband or the wife, cohabiting without remarriage, or the son or daughter does not have the nature as prescribed in (3) or (4), the share of a person whose right is exhausted due to any cause as mentioned shall be contributed equally to the remaining entitled person.

When the share of compensation under this Clause has not been paid in lump sum, the share shall be paid of not more than 8 years from the date of the death or disappearance of the employee.

Clause 50. An employer shall not pay compensation on the suffering from injury or sickness to an employee in the following cases:

- (1) the employee loses self-control as the result of taking alcohol or using narcotic;
- (2) the employee willfully causes himself injured or allows other person to cause himself/herself injured.

Clause 51. Where an employee is Suffering form Injury or sick, or disappeared, the employee or an entitled person may claim compensation from an employer within 110 days from the date of the death, Sickness or disappearance of the employee.

Where sickness occurred when an employment is terminated, an employee or an entitleed person may claim compensation from an employer within 2 years from the date of acknowledged of Sickness.

When the employer receives the claim under Paragraph 1 or Paragraph 2, the employer shall carry out an inquiry immediately and notify the employee or the entitled person without delay that whether he/she is entitled to the compensation or not, how much compensation will be paid, and how long to get paid. In case of the entitlement to compensation, the employer shall pay compensation to the employee or the entitled person from the date of the death, Sickness or disappearance of the employee.

Where it is appeared to the employer thereafter that the consequence of injury or sickness of the employee has changed and it results in the change of compensation entitlement, the employer shall notify the change in writing to the employee or the entitled person, and shall pay the compensation that has been changed at the next due date.

Where the employee or the entitled person is dissatisfied with the result as notified in writing by the employer, the employee or the entitled person has the right to bring the case to the Labour Court within 30 days from the date of being notified.

Clause 52. An employer shall not deduct compensation for any matter.

Part 6

Welfare

Clause 53. An employer shall provide welfare regarding medical expense resulting from an injury or Sickness, compensation for loss of income resulting from invalidity, funeral expense for non-occupational fatality, child living subsidy, child tuition fee subsidy, or other welfare to an employee under the term as stipulated by the Committee with an approval of the Cabinet.

Clause 54. An employer shall post the announcement on welfare provision under Clause 53 at the work place of employees.

Part 7

Occupational Safety, Health and Environment

Clause 55. An employer shall operate and manage an occupational safety, health and environment in according to the laws governing labour protection unless the Committee stipulates otherwise with an approval of the Cabinet.

Clause 56. An employer shall provide health check-up for an employee and submit the health check-up result to a competent officer in according to the terms and procedures as prescribed by laws governing labour protection unless the Committee stipulates otherwise with an approval of the Cabinet.

Clause 57. Where an employee suffers from physical injury or Sickness arising in the course of work or in workplace of the employee, an employer shall provide the first aid to the employee or take the employee to a place of medical service rapidly.

Part 8

Supervision

Clause 58. An employer shall provide the work rule of which contains at least the following particulars:

- (1) Working Days, normal working time and rest period;
- (2) Holidays and terms of taking Holidays;
- (3) terms on Overtime Work and Holiday Work;

- (4) date and place of payment of Wags, Overtime Pay, Holiday Work Pay and Holiday Overtime Pay;
- (5) Leave and rules of taking Leave;
- (6) discipline and disciplinary measures;
- (7) lodging of grievances;
- (8) termination of employment and severance pay.

Where the employer has provided rules, requirements, ordinances or orders containing the particulars (1) to (8) separately in several volumes, the employer shall compile and arrange all those particulars into the sole work rule announced under Paragraph 1.

The employer shall publicise and post the work rule in a prominent location in the workplace of employees available to be known and read by employees.

The employer shall keep a copy of the work rule at his/her establishment or office and submit a copy of the work rule to the Director-General within 7 days from the date of its announcement of application.

Where there is an amendment to the work rule, Paragraph 3 and Paragraph 4 shall be applied mutatis mutandis.

Part 9

Severance Pay

Clause 59. An employer shall pay severance pay to an employee who is terminated as follows:

(1) if the employee has worked for an uninterrupted period of 120 days but less than 1 year, he or she shall be entitled to receive payment of not less than his or her last rate of Wages for 30 days, or of not less than his or her Wages for the last 30 days for the employee who receives Wages on a piece rate basis;

(2) if the employee has worked for an uninterrupted period of 1 year but less than 3 years, he or she shall be entitled to receive payment of not less than his or her last rate of Wages for 90 days, or of not less than his or her Wages for the last 90 days for the employee who receives Wages on a piece rate basis;

(3) if the employee has worked for an uninterrupted period of 3 years but less than 6 years, he or she shall be entitled to receive payment of not less than his or her last

rate of Wages for 180 days, or of not less than his or her Wages for the last 180 days for the employee who receives Wages on a piece rate basis;

(4) if the employee has worked for an uninterrupted period of 6 years but less than 10 years, he or she shall be entitled to receive payment of not less than his or her last rate of Wages for 240 days, or of not less than his or her Wages for the last 240 days for an employee who receives Wages on a piece rate basis; or

(5) if the employee has worked for an uninterrupted period of 10 years or more, he or she shall be entitled to receive payment of not less than his or her last rate of Wages for 300 days, or of not less than his or her Wages for the last 300 days for the employee who receives Wages on a piece rate basis.

Termination of employment under this Clause means any act where the employer refuses to allow the employee to work and to pay wage on expiry of contract of employment or any other cause, and includes where the employee does not work and receives no Wages on the grounds that the employer is unable to continue the undertaking excluding the retirement as provided by rule, regulation, ordinance or the employee's order.

The provisions of Paragraph 1 shall not apply to an employee whose employment is for a definite period and the employment is terminated at the end of that period.

Employment for a definite period under Paragraph 3 is allowed for employment in a specific project which is not the normal business or trade of the employer and requires a definite date to commence and end the work, or for work which is occasional with a definite ending or completion, or for work which is seasonal and the employment is made during the season. Such work shall be completed within a period of not exceed 2 years and the employer shall make a written contract with the employee at the beginning of the employment.

Clause 60. An employer may not pay severance pay to an employee when employment is terminated upon any of the following conditions:

(1) performing his/her duty dishonestly or intentionally committing a criminal offence against the employer;

(2) willfully causing damage to the employer;

(3) committing negligent acts causing serious damage to the employer;

(4) violating work rule, regulation, ordinance or order of the employer which is lawful and just, and after written warning having been given by the employer, except for a

serious case with no requirement for the employer to give warning. The written warning shall be valid of not exceeding one year from the date when the employee commits the offence;

(5) absenting himself/herself from duty without justifiable reason for three consecutive Working Days regardless of whether there is Holiday in between;

(6) being sentenced to imprisonment by a final court judgment, except the imprisonment is for offence committed by negligence of a petty offence.

Clause 61. An employee who retires as provided by rule, regulation, ordinance or the employee's order is not entitled to compensation under Clause 59. Where the employee has worked for an uninterrupted period before retirement, the employee shall be entitled to bonus at the rates as follows:

(1) the employee who has worked for 5 years or more uninterruptedly before retirement shall be entitled to bonus in equivalent to his or her Wages for the last 180 days;

(2) the employee who has worked for 15 years or more uninterruptedly before retirement shall be entitled to bonus in equivalent to his or her Wages for the last 240 days.

Where compensation for retirement has to be paid as provided by rule, regulation, ordinance or order of an employer, the compensation shall be deemed in whole or in part as the bonus under Paragraph 1.

Given on this 31st day of May B.E. 2549

Somsak Tepsutin

Minister for Labour

the Chair of State Enterprise Labour Relations Committee