

## **LABOR LAW IN THAILAND: PART 3 – The Labor Protection Act: pay**

The major legislation governing labor protection law in Thailand is the Labor Protection Act (the “LPA”). The LPA prescribes labor protection standards applicable to both employers and employees working in Thailand. However, the LPA does not apply to Government and State Enterprise employees.

Wages must be paid only in money and must not be at less than the minimum wage rate. With regard to pay, employees can be divided into two types as follows:

(1) “salaried employees” who already receive wages on holidays (weekly holiday, official holiday and annual leave) when they do not actually work on such holidays, e.g. employees who receive a monthly salary. These employees must be and are already (by being on salary) paid “holiday wages” at a rate of not less than one time of their average hourly wage rate on a normal work day; and

(2) “non-salaried employees” who are not entitled to receive wages on holidays if they do not work on such a holiday, e.g. employees whose wages are calculated on a daily or hourly basis. These employees, must be paid “holiday wages” if they work on a holiday at a rate of not less than two times their normal non-holiday wage.

When any employee works more than eight hours in a day, such an employee must be paid for overtime work beyond this at a rate of not less than one and half times their normal hourly wage rate average. On holidays employees must be paid overtime wages must at a rate of not less than three times their normal hourly wage rate average.

Note: any employer who violates or fails to comply with the LPA may be punished according to the level of his or her offence with a fine of Thai Baht 5,000 to Thai Baht 200,000, or imprisonment of up to one year, or both.

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