

# Leave Policy Guides

## A simple leave policy template for Thai companies



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What follows is a simple leave policy guide with explanations covering representative types of employee leave for Thai companies. The document is brief and is annotated where considered useful. The document can be printed out, marked up to reflect your company's requirements and then reprinted (in Thai) as part of your company's **Work Rules**.

Well-prepared work rules provide a good guideline for HR management and help minimise risks associated with employers' liabilities, including employment termination.

This document is provided to assist companies making decisions about their leave requirements and so what is covered is for guidance purposes only. If expert assistance is required the services of a competent HR professional should be sought.

For up to date information on leave management visit our website at Totem Leave Find out how you can move your leave management headaches behind when you move it all to the cloud on a simple annual charge, complete with reports, reminders and a smart phone app!

## Leave Policy

### Annual Leave

- All employees are eligible for annual leave.
- Annual leave accrues from the time an employee joins the Company.
- An employee may not take annual leave whilst undergoing probation.
- An employee is eligible for < 7 > days annual leave per annum for the first < 5 > years of their employment (the initial amount to be pro rated if not employed for the full year).
- For the calculation of length of employment, the employee's commencement date will be used as the starting base. If a change of entitlement occurs during a particular year, then the leave calculation will pro rate the length of service by using the

commencement date to reflect the entitlement for that year.

- An employee who works between < 6 > and < 10 > years with the company is eligible for < 12 > days annual leave.
- An employee who works for more than < 11 > years with the company is eligible for < 15 > days annual leave.
- An employee may request to carry over a portion of their leave to the following year. The employee's manager may approve carry over of not more than < 30% > of the employee's annual leave. Carry over leave must be used within the first < 3 > months of the following year.
- If an employee does not utilise their leave, management may decide to enforce the taking of leave or pay the employee for the unused leave.<sup>1</sup>
- The calculation for annual leave is calculated for the full year at the start of the year<sup>2</sup>.

## Sick Leave

- All employees are eligible for sick leave.
- Sick leave accrues from when an employee joins the company.
- An employee is eligible for 30 days sick leave per annum.
- If an employee takes sick leave they are required to provide a reason for the sick leave.
- If the sick leave absence is for < 2 > consecutive days or more, an employee is required to provide a Medical Certificate from an approved hospital.
- The calculation for sick leave is recalculated at the start of the year.
- Unused sick leave is not carried over.
- Sick Leave is available to staff on probation

## Maternity Leave

- Any pregnant female employee is eligible for maternity leave.
- Maternity leave is available when an employee joins the company.
- An employee is eligible for 98<sup>3</sup> days maternity leave per pregnancy.
- Only < 45 > days of the maternity leave are paid.
- The 98 days of Maternity Leave period is inclusive of any public holidays and all weekends.
- Maternity leave also covers leave for pre-natal examinations.
- An employee taking maternity leave is required to provide a Medical Certificate from an approved hospital.
- Unused maternity leave is not carried over to the following year.

## Personal Business Leave<sup>4</sup>

- All staff are eligible for < 3 > days personal paid business leave per annum, although the leave period may be extended at the discretion of management.
- Personal Business Leave is meant to cover situations where employees need to take time off to attend to Government related activities and where it is not possible for these requirements to be satisfied on weekends or public holidays. Examples of Personal Business Leave could include, but are not restricted to:
  1. Renewal of Driving Licence
  2. Renewal of ID card or passport
  3. Land registration matters
- The decision of the Company in deciding what is permitted as Personal Business Leave

will be final.

- Unused Personal Business leave is not carried over to the following year.
- Personal Business Leave is available to staff on probation

## **Training Leave<sup>5</sup>**

- Any employee is eligible for to apply for < 5 > days Training Leave after completion of < 6 > months of employment.
- An application must be submitted and approved by management prior to any such leave.
- Training Leave is paid leave.
- Training Leave may be extended at the discretion of management.
- Training Leave does not carry over beyond the Calendar year

## **Military Service Leave<sup>6</sup>**

- Male employees are eligible for up to 60 days Military Service leave per calendar year.
- The leave entitlement commences in full on the employee's date of commencement with the company.
- An employee must provide a certificate from the Military to support his leave request prior to any period of leave.
- Leave does not carry over beyond the Calendar year
- Military Service Leave is available to staff on probation

## **Sterilisation Leave<sup>7</sup>**

- Any employee is eligible for to apply for Sterilisation Leave.
- An application must be supported by an acceptable medical certificate indicating the number of days leave recommended.
- This leave may only be taken once during the employee's employment period.
- Sterilisation Leave is not available to staff on probation

<sup>1</sup> The Supreme Court of Thailand has ruled that the employer is in violation of Section 30 of the LPA if the employer indicates in its work rules that annual leave cannot be carried forward to following years. Thus, despite any work rules to the contrary, the employee has the right to claim holiday wages for unused annual leave carried forward from previous years. In addition, the employer has no right to deduct or reduce such entitlement for any reason whatsoever.

<sup>2</sup> Alternatively you can set it to accrue on a monthly basis.

<sup>3</sup> Increased from 90 days by the Labour Protection Act (No 7) 2019.

<sup>4</sup> Personal business leave is different from annual leave and must be addressed separately in the work rules. The Labour Protection Act stipulates 3 days paid personal business leave. This means that the employer can freely stipulate the requirements for personal business leave in its work

rules. The employer should set the criteria, the number of days per year, the procedures for approval, and whether the employee is entitled to wages when taking personal business leave. After granting personal business leave, the employer cannot deduct such leave days from annual leave. (Article by Chitchai Punsan of Tilleke & Gibbins International Ltd)

<sup>5</sup> Employers should consider providing Training leave as part of their leave policy and encourage any training provided to staff to be applied for under this category. Then an accurate record of staff training is maintained and it also provides an employment benefit which can be advertised when recruiting staff.

<sup>6</sup> Required by Thai Labour Protection Act

<sup>7</sup> Required by Thai Labour Protection Act