



## **Temporary cessation of employer's business in the COVID-19 situation**

### **COVID-19 Updates**

During this hard time, there might be a number of questions raised by the employer whether or not the employer can exercise the temporary cessation rights under Thai law.

Thai laws allow that in case where it is necessary for an employer to temporarily cease the business operation, wholly or partly, for whatever cause, the employer may exercise the temporary cessation rights right away. However, it shall follow the conditions set forth under the laws.

During the period that the employee exercises the right, the employee may go to work for another employer. However, after the temporary cessation period set by the employer has passed, the employee must return to work for the employer, otherwise the employer may terminate an employment contract.

On the other hand, in relation to a force majeure affecting the employer's business operation, if an employer would like to temporarily cease the business operation where the employer may not pay wages to an employee, the employer shall give an advance written notice to the employee and the Labour Inspector prior to the date of business cessation or shall inform via Department of Labor Protection and Welfare website.