

Thailand's Independent Workers Protection Act (Draft): Protection for Ride-Hailing Riders

The ride-hailing business is rapidly growing in Thailand. Currently there is no specific legislation governing the relationship between the ride-hailing riders and the delivery / ride-hailing platform service operators (“**Operators**”). The Operators treat their riders as freelance workers and not as their employees. Thus, the riders are not protected by the Labour Protection Act B.E. 2541 (1998), which governs the employment relationship between the employer and the employee.

The Thai Government recently approved in principle the draft Independent Workers Protection Act (“**Draft Act**”) as drafted and proposed to the Cabinet by the Ministry of Labour. The key objective of the Draft Act is to protect the basic rights and provide the work safety and the minimum statutory benefits to the ride-hailing riders. The Draft Act is now (May 2023) being reviewed by the Council of State. It is subject to changes before its reading and approving by the Parliament (the House of Representatives and the Senate) before the royal endorsement and the publication in the Government Gazette.

We summarized the key provisions of the Draft Act as follows:

1. Each rider in the ride hailing business must be registered as a “Semi-Independent Worker” to be recognized and eligible to the benefits and protection under the Draft Act.
2. To be valid and enforceable, the service terms and conditions agreed in the agreement between each Operator and each rider must be fair and compliant with the electronic transaction law.
3. The Operators must pay remuneration to the riders pursuant to the rates and the terms as agreed between them. Otherwise, the Operators must pay a default interest at 3% per annum and a surcharge at 2% per annum. The Operators may not deduct any sum from the remuneration payable to the riders except where permitted under the Draft Act.
4. Five riders or more can establish an independent labour group to act as their representative in negotiating the terms and conditions of services with the Operators.
5. Fifteen independent labour groups or more can establish an independent labour organization to file a complaint against the Operators and take other actions as permitted under the Draft Act.
6. An Independent Workers Promotion and Protection Fund (“**Fund**”) will be set up. The Operators and the riders are required to contribute funds to the Fund at a pre-determined rate.
7. Other rights and benefits for the riders include the rights to obtain loans from the Fund, request the Operator to issue a work certificate, be covered by health and accident insurances, and

to receive the remuneration payment from the Fund in case the Operator has failed to pay it to the rider.



To see the archive of our past newsletters and articles please click [here](#).

AUTHOR



Kowit Somwaiya
Managing Partner & | Bangkok
kowit.somwaiya@lawplusltd.com



Kulkanya Vorawanichar
Senior Associate & | Bangkok
kulkanya.vorawanichar@lawplusltd.com

LawPlus Ltd.
Unit 1401, 14th Floor, Abdulrahim Place 990
Rama IV Road, Bangkok 10500, Thailand
Tel: +662 636 0662
Fax: +662 636 0663

LawPlus Myanmar Ltd.
Unit No. 520, 5th Floor, Hledan Centre
Corner of Pyay Road and Hledan Road, Kamayut Township,
Yangon, Myanmar
Tel: +95 (0)92 6111 7006
and +95 (0)92 6098 9752