ABSTRACT

The late payment, withholding payment, or non-payment by the employer that there is causing the contractor does not receive any progress payment becomes due and payable because the Civil and Commercial Code: Hire of Work, Section 587 to 607, lacking specific provision to provide contractor’s right to claim based on documentary research, and the freedom of contract leads to unfair contract termed drafted by the party that has bargaining power to take advantage or allocate a lot more risk to the other party in particular as existing in construction industry.

Although, the Building and Construction Industry Security of Payment Act, in Singapore, is provided that the progress payment shall be secured in construction work. The contractors and subcontractors shall be granted the rights to be paid and it must be reducing the risks of the contractors and subcontractors while they encounter late payment, withholding payment, or non-payment. They will be granted the procedure to claim and entitlement to receive payment quickly to carry out the completion of work efficiency.

Based on the study of Singapore law, the result of the study found that Thailand should be introducing the Security of Payment Act to secure payments for contractors and subcontractors in construction contract including supply of goods and services or a contract for services. Therefore, the Security of Payment Act granted the right for payment claims, entitlement to make adjudication applications, and suspension of work. The late payment and non-payment may occur multiple times while the dispute resolution should be fast and effective in particular construction contract.