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# **Labor Laws: United Arab Emirates (UAE)**

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# Overview

## Labor Laws in UAE

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## Labor Laws

2022 is a revolutionary year in the UAE's history of labour laws for foreign expatriates. With pragmatic pressure from the international bodies (ILO, UN Human Rights Watch ) of activism the **Federal Decree-Law No. 33 of 2021**, replacing Federal Law No. 8 of 1980, which came into force on 02nd Feb 2022 paved the way for the protection of labour against exploitative scenarios.

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# Employment & Recruitment Contract

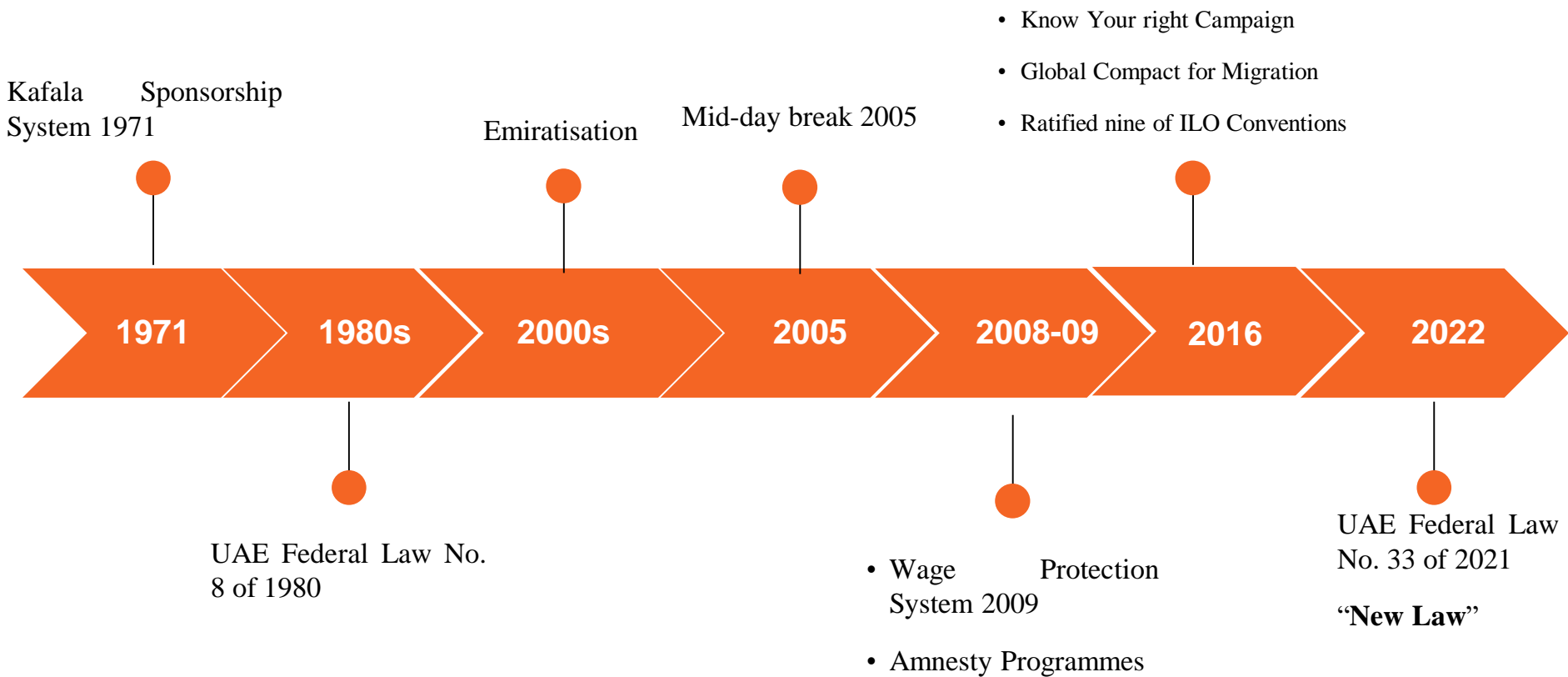
Topic	Previous Position	New labor Law
<b>Employment Contracts</b>	<p>Employees could be employed under either permanent or fixed-term employment contracts.</p> <p>Employees must sign a registered MoHRE (or relevant free zone) standard contract.</p>	<p>The new labour code has brought new options of flexible working, and part-time working which gives the employees the right to work too many employers to earn a living. This definitely empowers the labourers.</p>
<b>Models of work</b>	<p>Only One full time employment was possible, Part-time working introduced in 2019</p>	<p>With many options of work declining their full dependence on one employer, they now have options to change employers and cannot be legally bound into forced contracts.</p> <p>All employees have a fixed contract not exceeding three years alongside the cancellation of all unlimited contracts</p>
<b>Probationary period</b>	<p>6 Months Probation Period, no notice period from either party</p>	<p>Employers may terminate employment during the probationary period by giving 14 days written notice.</p> <p>Vice versa employer needs to serve a month's notice in case they want to change new employer.</p> <p>Employees leaving UAE, also need to serve 14 days' written notice and in case of return with a new job, the employee's new employer should compensate the old employer for recruitment cost.</p>

# Employee Benefit

Topic	Previous Position	New labor Law
<b>Internal Policies</b>	The law was silent on employee policies	Employers with 50+ employees must have in place: A grievances policy; A disciplinary sanctions policy. Any other policies - It is the discretion of the company.
<b>Over time</b>	Employees could work for an additional 2 hours a day. Ordinary Working Day - 125% of the normal pay Night Between 9 PM to 4 AM - 150 of the normal pay. On non-working days/holidays- 150% of the normal pay.	2 hours of overtime continue to be in place with a cap of 144 total working hours over three week period. Rate of over time pay remains unaffected.
<b>Payment of Salary</b>	All salary to be paid in UAE Dirham	Employees may be paid in any currency other than AED as agreed by the employer and the employee.
<b>Annual Leave</b>	2 days per month for the 1st year of Employment. 30 Calendar days from the 2nd year of employment. Leave Carry forward in the next calender or paid in lieu of any unused leaves.	The entitlement remains the same, The automatic leave carry forward or payment in lieu no longer exists unless an agreement between employer and employee.
<b>Compassionate leave</b>	No Previous Entitlement	All employees are entitled to compassionate leave in an event of a death of a family member. Death of Spouse - 05 days Leave Death of a parent, child, sibling, grandchild or grandparent - three days' leave.
<b>Passport</b>	An employee with consent (in writing) handing over the passport wasn't unlawful provided that the employer may give it back upon request.	Confiscation of official documents is prohibited, and it is illegal to hold an employee's passport as per the new law.

# Potential Liability

<b>Topic</b>	<b>Previous Position</b>	<b>New labor Law</b>
<b>Harassment</b>	Little to no anti harassment provisions existed under the old Law	Provisions like Protection against sexual harassment, bullying and any other verbal, physical, or psychological violence against employee have been introduced
<b>Fines</b>	The Old labour law had limited right for the UAE courts to fine the employers	UAE Courts now may levy fines, AED 20k-100k for providing false information to recruit an expatriate employee. 50k to 200k for illegally employing an individual or recruiting an employee without having work to provide. 5k to 1 million AED for violation of the UAE labor law.
<b>Discrimination</b>	Limited provisions in the law for discrimination existed for employees	Specific Protections have been introduced for employees, they cannot be discriminated on the basis of - Color, Race, sex, religion,national origin, social origin or disability



Provisions	Private sector Employees	Domestic Workers
<p><b>Sponsorship and Change of Employment</b></p>	<p><i>With permission of employer</i></p> <p>Anytime, except for some lower-skilled migrant workers, who will need to have performed at least six months of service to avoid a labor ban.</p> <p>No minimum service requirements apply for skilled migrant worker employees.</p>	<p><i>With permission of employer</i></p> <p>Anytime.</p>
	<p><i>Without the permission of the employer</i></p> <p>Workers on unlimited-term contracts or renewed fixed-term contracts may terminate their contract with notice.</p> <p>Workers on an initial fixed-term contract (ie. Their first contract with the employer, which has not been renewed) do not have a statutory right to terminate early, and so risk incurring a labor ban of 12 months if they terminate without permission of the employer (this does not apply if they renewed the contract once already).</p>	<p><i>Without the permission of the employer.</i></p> <p>A domestic worker can terminate the contract if the employer violates their legal obligations.</p> <p>However, the MOHRE will decide whether the domestic worker can change their employer or has to leave the country</p>

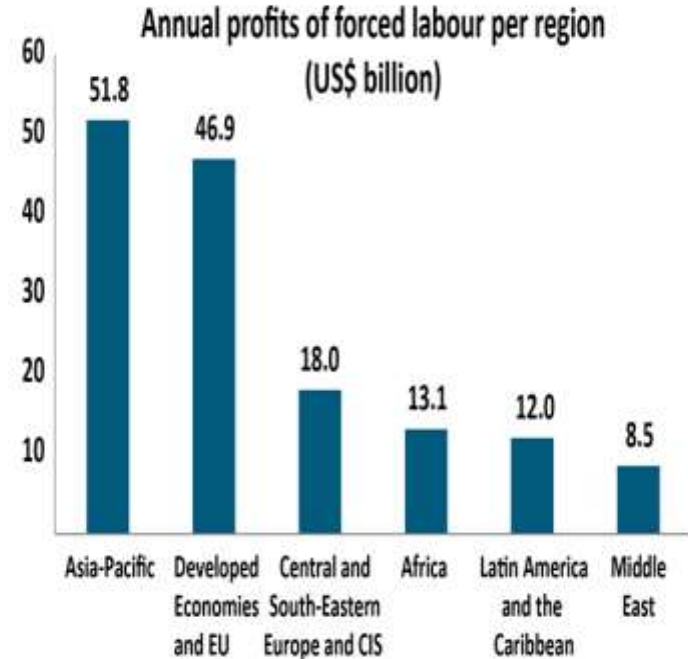


<b>Provisions</b>	<b>Private sector Employees</b>	<b>Domestic Workers</b>
<b>Recruitment Fees</b>	It is illegal to charge recruitment fees to workers. 4	It is illegal to charge recruitment fees to domestic workers whether prior to or after employment. 5
<b>Minimum Wage</b>	<p>No minimum wage</p> <p>Female workers are entitled to a wage equal to that of a male worker provided they are performing the same work or other work of equal value.</p>	No minimum wage.
<b>Working Hours</b>	<p>Eight hours per day, and 48 hours per week.</p> <p>“Working hours will be reduced by two hours during the month of Ramadan.</p> <p>Working hours may be increased to nine hours per day for persons employed in trade, hotels, cafeterias and security. Working hours in other jobs may be extended by virtue of a decision of the MOHRE. Employees are entitled to a daily break for rest, meals and prayer after five consecutive hours of work per day.”</p>	<p>A maximum of 12 hours per day, and up to 72 hours per week.</p> <p>Domestic workers are entitled to at least eight consecutive hours of rest per day.</p>
<b>Payment of Wages</b>	Employers must pay workers via the Wage Protection System at least once a month, or on the dates specified in the work contract if the frequency of payment is more than monthly. During the period of COVID-19, certain changes can be made to migrant workers’ wages as noted under ‘Contracts’ above.	Employers have to pay domestic workers on a monthly basis no later than ten days after the due date. A written receipt must be provided.

# Migrant Labor Laws

- **UAE Federal Law, Amendment bill in 2022 -**
  - Extension of Maternity benefits ,
  - Introduction of Compassionate leave,
  - Introduction of Grievance Policy, Disciplinary sanctions Policy
  - Policy against Harassment & Discrimination
- Mid-day break Law 2005
- Amendments in Federal Law No. 1 of 2015 Criminalized labor trafficking
- Wage Protection System 2009
- Ministerial Resolution No.44 of 2022 Regarding Occupational Health and Safety and Labour Accommodation

Forced labour generates annual profits of US\$ 150 billion



<b>Country Programmes</b>	<b>Outcomes</b>	<b>SDG</b>
<b>Article 91 &amp; 92 of the Labour Law</b>	Comprehensive social protection to all.. Includes accidental protection to all workers and equal treatment to all.	10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard
<b>UAE New Federal Law No. 33 of 2021</b>	Provisions like Protection against sexual harassment, bullying and any other verbal, physical, or psychological violence against the employee has been introduced	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
<b>UAE New Federal Law No. 33 of 2021</b>	International labour standards and authoritative and effective supervision	16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all

<b>Country Programmes</b>	<b>Outcomes</b>	<b>SDG</b>
<p><b>Ministerial Resolution No.44 of 2022 Regarding Occupational Health and Safety and Labour Accommodation</b></p>	<p>Decent accommodation enhanced the health and safety of the workforce deployed.</p>	<p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p> <p>Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies</p>
<p><b>Mid-day Break’ Law 2005 &amp; Wage Protection System 2009</b></p>	<p>Adequate and effective protection at work for all, No Work in the afternoon between 12:30 to 3 PM, Ensure water, cooling system, first aid etc in case, work cannot be stopped due to technical reasons</p>	<p>16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children</p>

<b>Country Programmes</b>	<b>Outcomes</b>
Federal Law No. (51), passed in 2006, amended in 2015	A strategy based on the '5 Ps' - prevention, prosecution, punishment, protection and promotion, guides the UAE in combatting human trafficking. It aims to improve guarantees for victims of human trafficking.
Know your Rights Campaign 2016	The campaign is oriented to empower foreign workers their rights and obligations under their new work contracts. Pamphlets composing the information in English, Arabic, Hindi, Urdu and Malayalam are distributed to all emigrants in the airport.
UAE Domestic Workers Rights Bills, 2017	A revolutionary bill for protection of migrant domestic workers' rights to provide labor protections as other workers in the UAE. It ensures employers must provide domestic workers with accommodation, food, 30 days of annual paid leave and daily rest of at least 12 hours along with 15 days of paid and unpaid sick leaves when necessary.
Global Compact for Migration 2018	Improving the transparency of job terms and employment contracts. Clearly defining contract terms and how contracts may be broken, making it easier for workers to switch employers. Guaranteeing that relations between workers and employers be governed solely by government-monitored work contracts and the labor law.

<b>Country Programmes</b>	<b>Key Changes In</b>	<b>Outcomes</b>
Federal Decree Law No. 33 of 2021	Fixed-Term Contract Requirements Probationary Period and Contract Termination	Employers must place all employees on fixed-term employment contracts with a maximum term of three years. The maximum probationary period under the new labor law remains at six months during which if the employee decides to work for another employee in UAE has to give a month's notice and fourteen days' of notice if he wants to leave the country.
Replacing Federal Law No. 8 of 1980, came into force from Feb, 2022	Flexible Working Arrangements  Maternity Leave, Parental Leave, and Additional Leave Provisions Concerning Workplace Policies • Discrimination and Equal Pay • Bullying and Sexual Harassment • Retention of Employment Records	The new law expressly recognizes flexible work arrangements of full-time, part-time and hourwise as a type of employment relationship. This will strengthen employee power which can now earn from multiple sources.  Increase in maternity leave entitlements to sixty calendar days with the first forty-five days to be paid in full and the remaining fifteen days at one-half pay.  The new law prohibits any discrimination or reduction in payment against an employee if she has not completed one full year of employment. Protection for employees from discrimination in the workplace on the grounds of race, colour, sex, religion, national origin, social origin, parenthood and disability. Protection for employees against bullying and sexual harassment in the workplace. Specifically, Article 14 prohibits "sexual harassment, bullying or any verbal, physical or psychological violence" towards an employee. All employment records must be kept for at least two years after termination of employment

Country Programmes	Key Changes In	Outcomes
<p>Federal Decree Law No. 33 of 2021</p> <p>replacing Federal Law No. 8 of 1980,</p> <p>came into force from Feb. 2022</p>	<p><b><u>Article 27 of the Federal Decree Law No. 33 of 2021.</u></b></p> <p>Construction Workers</p> <p>In line with SDG 8.8 and 10.3, the decree aims to enhance worker safety in construction sites and provide accommodation to the employees.</p>	<p>To protect low-skilled and semi-skilled workers from exploitative grounds the new decree set a minimum wage for all labourers directing an authentic approach to the rights of the labourers.</p> <p>Establishments with more than 50 workers earning less than 5000 Dirhams have to be provided with a suitable accommodation facility.</p> <p>Workers should be provided with safety gear and suitable clothing to protect them from any injuries on site. First aid kits and fire extinguishers shall be placed on construction premises, along with a specialist on-site to deliver first aid when needed.</p> <p>The decree provides that employers must take all necessary measures to ensure the safety protection of employees against injuries, diseases or any hazards in the workplace. The employees should be briefed about the potential threats in the workplace (sharp objects, explosive or inflammable materials, electric circuits and compressed gases) prior to engagement</p>

Aim of the Policies	Countries			
	UAE	Saudi Arabia	Qatar	Kuwait
Minimum wage	Yes amount not stipulated yet	40% higher than domestic workers. Mobility Saving Accounts to streamline monthly salary contribution	The minimum wage of QAR 1000 is applicable to all sectors of migrants including domestic workers.	Not Specified
Labour Mobility	Different sources of employment are allowed. Exit visas required	Freely change employers one year into their first contract. Foreign workers have the choice to pick their employer and information about their options	No exit visas required. Only aNOC from the employer to change their job or leave the country from 2020.	Type 20' visa for domestic servants issued to full time female employees while the Type I8 Visa is Issued to those who work under employers from the private sector
Heat Protection	Yes, midday breaks in the month of May, June, July & August	Yes Allowed	Mid-day breaks from 1 June to 15 September, between 10:00 to 15:30 to safeguard the health labourers	Nothing Specified
Protection from Discrimination	Yes, equal pay for all along with extended maternity leaves upto 60 days	Yes	Yes, an evidenced-based minimum wage system to avoid any discriminations	Lagging behind compared to other countries of GCC
Accommodation	Workers Earning less than 5000 Dirhams has to be provided with suitable accommodation	Yes	The employer must additionally provide QAR 500 per month for food unless provided by their employer.	Not Specified Yet



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# Implications of the New Labor Laws

- No exit Permission is required to leave the country.
  - However, there are very less specified provisions for the low-skilled migrant workers in the laws. Apart from the new addition of providing accommodation, minimum wages, and barring from working in the scorching heat between 12 to 3 pm in summer months outside (designed for construction and domestic workers) nothing is exclusively specified for the rest of the lot
  - It is interesting to note the new law implemented in 2022 provides workers with a higher power to exercise their freedom of movement, better work-life balance, and access to safer and healthier work conditions is designed mostly to attract high-skilled labourers in the private sector.
  - The laws are ambiguously stated for the low-skilled migrant workers. They are systematically oppressed by higher authorities under the veil of financial dependency.
  - Labour laws in UAE do not provide labourers with any freedom of association to voice their opinions at a wide level. Trade unions are not permitted; there is no prohibition on committees at the company level, which can include worker representatives.
  - Under these circumstances, they are seldom aware of their own rights and subjected to severe oppression.
  - The countries of GCC have a long way in trickling down the benefits of these new laws to masses and low-skilled migrants in the real scenario.
  - As part of labor reforms, the Kafala system has also been eased.
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