

FEDERAL LAW NO: 8 OF 1980
(As amended by Federal Law No. 12 of 1986)
THE REGULATION OF
LABOUR RELATIONS

United Arab Emirates
the General Authority for
Pensions and Social Insurance
P.O. Box 47000, Abu Dhabi

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We, Zayed Bin Sultan Al Nahyan, President of the UAE, in cognisance of the provisional constitution and Law No: 1 of 1972 re. Defining the Jurisdictions of Ministries and Capacities of Ministries and the amendment laws thereof, and in accordance with the proposal submitted by the Minister of Labour and Social Affairs and the approval of the Council of Ministers and the Federal National Council and the sanction of the Supreme Council, have passed the following Law:

SECTION 1

DEFINITIONS AND GENERAL PROVISIONS

Part 1 - Definitions

Article 1.

1. - In the application of this Law, unless the context requires otherwise, the following terms and expressions shall have the meanings as set forth below:

‘Employer’: is any natural or legal person who employs one or more workers in return for a wage, whatever type it may be.

‘Worker’: is any person, male or female, who works in return for a wage whatever type it may

be in the service of an employer and under his direction and control, even if not within his immediate presence. Included in this definition are officials and employees who work for the employer and are subject to this Law.

‘Establishment’: is any economic unit, whether technical, industrial or commercial in which workers are employed and which aims at the manufacture of a commodity or the marketing thereof or provision of services of any sort.

‘Work contract’: is any agreement of a specified or unspecified duration which is concluded between an employer and worker in which the latter undertakes to work for the employer under his direction and control in return for a wage promised by the employer.

‘Work’: is any human effort made, be it mental, technical or physical, in return for a wage whether this be permanent or temporary.

‘Temporary work’: is work, the nature of implementation or completion thereof, requires a defined period of time.

‘Agricultural work’: is work involving the ploughing of land and the cultivation thereof, the harvesting of crops of whatever type, the breeding and raising of cattle, domestic animals, silk worms, bees and the like.

‘Continuous Service’: is unbroken service with the employer himself or his lawful deputy from the date of commencement of service.

‘Wage’: (As amended by Federal Law No. 12 of

1986) is anything given to a worker in consideration for his work pursuant to a contract of employment, whether it is in cash or in kind, and payable annually, monthly, weekly, daily or at an hourly rate, or on the basis of piecework or the amount of production, or in the form of commissions.

The wage shall include the cost of living allowance and shall also cover any gratuity given to a worker as a reward for his reliability or efficiency if such sums are prescribed in contracts of employment or in the internal employment regulations of an establishment, or it is customary or business practice grants such sums so that the workers of the establishment consider them to be part of the wage and not a donation.

‘Basic wage’: is the wage prescribed in the contract of employment during its period of validity between the two parties. Allowances of any kind shall not be included in such wage.

‘Industrial accident’: is an injury caused to a worker by any of the industrial disease set out in the Schedule* attached to this Law or any other injury arising from his work which occurs during his performance of such work and by reason thereof. Any accident which occurs to the worker

while he is travelling to and from work shall be considered to be the same as an industrial accident, provided that the outward and return journey are made without a halt, delay or deviation from the normal route.

‘Employment department’: means branches

belonging to the Ministry of Labour concerned with employment matters in member states of the Federation.

Part 2.
General Provisions

Article 2.

- The Arabic language is the language to be used for all records, contracts, files, notices and such like prescribed under this Law or in any device or ordinance issued in application of the provisions thereof. Arabic shall also be used in instructions and circulars issued by an employer to his workers. In the event of an employer using a foreign language besides Arabic, the Arabic text shall be the authorized version.

*Translator's notes: No schedule was attached to the text.

Article 3.

(As amended by Federal Law No. 12 of 1986). The provisions of this Law shall not apply to the following categories.

- (a) Public servants, employers and workers of the Federal Government and government departments in member Emirates of the UAE, public servants, employees and workers of municipal offices and other

- public servants,
 employees and workers employed in public
 bodies,
 Federal Government and local government
 public
 establishments, and also public servants,
 employees
 and workers appointed to Federal
 Government and
 local government projects;
- (b) personnel of the armed forces and
 members of the
 police and security organization;
- (c) domestic servants and the like;
- (d) workers employed in agriculture or
 pasturing, save for
 persons working in agricultural organizations
 which
 manufacture agricultural products, or persons
 engaged
 permanently in the operation or repair of
 mechanized
 equipment required for agriculture.

Article 4

All sums of money due in accordance with the provisions of this Law to a worker or his beneficiaries shall have periorbital right over the whole property, both movable and real estate, of the employer. Such sums shall be paid after the settlement of legal expenses, monies due to the Public Treasury and lawful maintenance award to a wife and children.

Article 5.

- (1) Claims made by workers or their beneficiaries pursuant to the provisions of this Law shall be exempt from legal fees at all stages of litigation and legal execution and shall have prompt attention.
- (2) If it is ruled that the claim is not to be accepted or it is refused, the court may order that the total cost or part thereof be paid by the claimant.

Article 6.

- (1) (As amended by Federal Law No. 12 of 1986).
Without prejudice to the provisions concerning collective labour disputes prescribed in this Law, if an employer and worker, or any of their respective beneficiaries, are in dispute over any right accruing to them under the provisions of this Law, they shall submit an application to the competent employment department which shall summon both of the disputing parties and take whatever actions it deems necessary to settle the dispute amicably between them. In the absence of an amicable settlement,

the said department shall, within two weeks of the date of submission of the application, refer the dispute to the appropriate court. The referral shall be accompanied by a memorandum setting out a summary of the dispute, the arguments of both parties and the observations of the department.

- (2) The court shall, within three days of receiving the application, set a date for a hearing to consider the legal action and give due notice to the two parties to the dispute. The court may request the attendance of a representative of the employment department to question him about the contents of the memorandum submitted thereto.
- (3) In all cases, actions for claims to any right accruing under the provisions of this Law shall be prescribed after one year from the date that such right becomes due. No legal actions shall be accepted unless the procedures prescribed in this Article have been complied with.

Article 7.

Any condition which contravenes the provisions of this Law, even when prior to the implementation of the said Law, shall be invalid unless it is more beneficial to the worker.

Article 8.

The calculation of periods of time and dates prescribed under this Law shall be in accordance with the Georgian Calendar. In the application of this Law, the Christian year shall be considered to consist of 365 days and the month to have 30 days unless a work contract stipulates otherwise.

SECTION 2

THE EMPLOYMENT OF WORKERS AND THE OCCUPATION OF JUVENILES AND WOMEN

Part 1 - The Employment of Workers

Article 9.

Work is the right of citizens of the UAE and it is not permissible for others to engage in work with- in the UAE on the conditions provided for in this Law and the decrees issued in implementation thereof.

Article 10.

In the event of nationals being unavailable for work, priority shall be given as under for the employment of workers:

- (a) to Arab workers who by reasons of nationality belong to any of the Arab states,

- (b) to workers of other nationalities

Article 11.

(1) A section shall be established in the employment department for the employment of nationals

and shall be concerned with:

- (a) creating suitable work opportunities for nationals;
- (b) assisting employers in meeting their requirements for indigenous workers, as necessary;
- (c) registering unemployed indigenous workers and persons seeking better work in a special register. Registration shall be made in accordance with their requests and the applicant shall be given a certificate without payment attesting to the registration having been made on the day of application.
- (2) The certificate of registration shall be given a serial number and the name and age of applicant, his place of residence, profession, qualifications and previous experience shall be recorded

Article 12.

Employees may engage any unemployed indigenous worker and in such case shall inform the

employment department in writing accordingly within 15 days of the date of employment. This notification shall include the name of the worker, the year and date on which he started work, the wage laid down for him, the type of work which he has assumed and the number of the certificates of registration.

Article 13.

- (1) It is not permissible to employ non-nationals for the purpose of work in the UAE except with the agreement of the employment department and after obtaining a work permit in accordance with the procedures and regulations stipulated by the Ministry of Labour and Social Affairs.
- (2) The said permit shall only be granted when the following conditions exist:
 - (a) the worker has the professional skill or academic qualifications required by the country;
 - (b) the worker had entered the country legally in fulfillment of the conditions prescribed in the Residence Regulations in force in the UAE.

Article 14.

The employment department shall not agree to the

employment of non-nationals except after con- firming from its records that there exists no nationals registered in the section for the engagement of unemployed workers who are capable of performing the required work.

Article 15.

The Ministry of Labour and Social Affairs may cancel the work permit granted to non-nationals in the following cases:

- (a) If the worker continues out of work for a period of more than three successive months;
- (b) If he fails to fulfill one or more of the conditions on the basis of which the permit was granted;
- (c) if the Ministry finds a suitable indigenous worker to take his place, in such event the worker shall continue in his employment until the expiry of the contract or the work permit granted to him, whichever is soonest.

Article 16.

A section for the employment of non-nationals shall be established in the Ministry of Labour and Social Affairs and the work therein shall be regulated by decree from the Minister.

Article 17.

- (1) It is not permissible for any natural or juristic person to

act as an agent for the employment or provision of non-national workers unless he has been authorized accordingly,

- (2) Such authorization shall not be issued except for nationals and in compelling circumstances which require that it be issued and on the decision of the Minister of Labour.
- (3) The authorization shall be for one-year renewable and the person authorized shall be subject to the supervision and control of the Ministry. The said authorization shall not be granted if there is an employment office belonging to the Ministry or an organization authorized by it operating in the area and able to act as an intermediary for the provision of manpower.

Article 18.

- (1) it shall not be permitted for any authorized agent or supplier of workers to ask for or receive from any worker, either before his acceptance for employment or thereafter, any commission or material reward in return for the worker obtaining work, or to

exact from
a worker any payments excepts in
accordance with
what is decreed and sanctioned by the
Ministry of
Labour and Social Affairs.

- (2) Immediately upon commencing work,
workers who
are provided by an employment agent or supplier
or
workers shall be considered to be employees of the
employer with all the rights belonging to
the workers
employed therein. The relationship between
them and
the employer shall be direct without any
interference
from the employment agent whose function
and connection
with them ceases as soon as they are sent
to the employer
and commence their service.

Article 19.

The regulations, procedures and forms to be used
by public and private employment offices and
ways of co-operation and coordinating the various
activities of such offices, and the conditions whereby
authorization is granted to establish special
employment offices or for work as an agent or supplier
of workers shall be laid down by decrees from the
Minister of Labour and Social Affairs;

likewise schedules of professional categorization
which are used basically in employment operations
shall be determined by decrees issued by the said Minister.

Part 2
The Employment of Juveniles

Article 20.

Juveniles of either sex shall not be employed under the age of 15 years.

Article 21.

Before employing any juvenile, an employer must obtain the following documents from him and keep them in the private file of the juvenile.

- (a) his birth certificate or an official copy thereof, or an age estimate issued by a competent doctor and authorized by the appropriate health authorities;
- (b) a certificate of medical fitness for the required work issued by a competent doctor and authorized;
- (c) written agreement from whoever has tutelage or guardianship over the juvenile.

Article 22.

Any employer shall keep at the place of work a register or juveniles recording therein the name and age of the juvenile, the full name of the person who has tutelage and guardianship over him, his place of residence, the date of his employment and the work he was engaged to do.

Article 23.

It is not permissible to employ juveniles at night on industrial projects. The word 'night' means a period of not less than 12 consecutive hours including the period between 8pm and 6am.

Article 24.

It is forbidden to employ juveniles for dangerous or tiring work, or work injurious to the health; a decree defining such work shall be issued by the Minister of Labour and Social Affairs after he asked for the opinion of the appropriate authorities.

Article 25.

- (1) The maximum hours of actual work for juveniles shall be six hours daily; working hours must be broken up with one or more periods for rest, food or prayer, the total of which shall not be less than one hour. The said period or periods shall be fixed in such a way that the juvenile does not work more than four consecutive hours.
- (2) A juvenile shall not be kept at the place of work for more than seven continuous hours.

Article 26.

It is not permissible to order juveniles to work overtime under any circumstances, or to keep them at the place of work after the times laid down for them or to make them work on rest days.

Part 3

The Employment of Women

Article 27.

Women shall not be employed at night. The word 'night' means a period of not less than 11 consecutive hours including the period between 10pm and 7am

Article 28.

- The following circumstances are not included in the ban on women's employment at night:
- (a) cases where work in an establishment is stopped for compelling reasons;
 - (b) work in administrative and technical centres with a specific responsibility;
 - (c) work in medical services and other employment to be defined by a decree from the Minister of Labour and Social Affairs if the working woman does not usually in manual work.

Article 29.

It is forbidden to employ women for dangerous, fatiguing or medically or morally hazardous work,

and also on other work to be defined by a decree from the Minister of Labour and Social Affairs after he has consulted the opinion of the competent authorities.

Article 30.

- (1) A working woman may obtain maternity leave on full pay of 45 days covering the period preceding and following the confinement, provided that her duration of continuous service with the employer is not less than one year. Maternity leave shall be on half pay if the working woman has not completed the 45 days referred to.
- (2) After using up her maternity leave, working woman may absent herself from work without pay for a maximum of 100 continuous days, or intermittent, if such intervals are caused by illness preventing her from returning to her employment. The illness shall be verified by a medical certificate issued by the medical doctor appointed by the competent health authority or certified by the said authority that the illness is the result of work or childbirth.
- (3) The leave provided for in the aforementioned

two

paragraphs shall not be deducted from other leave.

Article 31.

- (1) During the 18 months following the date of confinement a working woman who is breast-feeding her child, apart from the rest period prescribed, shall be entitled to two further periods daily for this purpose of not more than a half hour each.
- (2) These two additional periods shall be deducted from the hours of work and shall not result in any reduction in wages.

Article 32.

A woman shall be given the same wage as a man if she performs the same work.

Part 4

Joint Provision for the Employment of Juveniles and Women

Article 33.

The Minister of Labour and Social Affairs may by decree exclude charitable and educational organizations from all or part of the provisions prescribed in the preceding two parts of this section if such organizations aim at the qualification or professional training of juveniles or women. It

being provided that in the internal regulations of these organizations stipulation is made of the nature of the work to be carried out by juveniles and women and the hours and conditions of work therein so that they do not conflict with the time capability of juveniles and women.

Article 34.

The following shall be penally responsible for implementing the provisions of parts 2 and 3 of this section.

- (a) employees or their representatives;
- (b) persons who have legal guardianship or tutelage over juvenile, and the husbands or wives of their legal guardians or tutors if they are minors if they have agreed to the employment of juveniles and women in contravention of this Law.

SECTION 3
WORK CONTRACTS. REGISTERS AND
WAGES

Part 1
Individual Work Contract

Article 35.

In compliance with the provisions of Article 2, a work contract shall be in writing and consisting of two copies, one of which shall be handed to the worker and the other to the employer. If no written contract exists, all of the conditions thereof

may be proved by any legal method of proof.

Article 36.

Within the contract, in particular the date of conclusions shall be stated and also the date of commencement of work, its type, place and duration if of a specific term and the amount of the wage.

Article 37.

(As amended by Federal Law No. 12 of 1986). A worker may be appointed on probation for a period of not more than six months and an employer may dispense with the services of the worker during such period without notice and an end of service gratuity. A worker shall not be appointed on probation more than once with the same employer, and if he passes the period of probation successfully and continues working, such period service shall be reckoned as part of his period of service.

Article 38.

- (1) A work contract shall be for an unspecified or specified period. If it is specified it must not exceed four years but such contract may be renewed by the agreement of the two parties for a further similar period or for a lesser period on one or more occasions.
- (2) If the contract is renewed, the new period or periods shall be considered an extension of the original period and shall be added thereto in calculating the total period

of service of the worker.

Article 39.

A work contract shall be considered of unspecified duration from its initiation in any of the following circumstances:

- (a) If it was unwritten;
- (b) If it was concluded for an unspecified period;
- (c) if it was written and concluded for a specified period
and the two parties continued executing it after its term elapsed without a written agreement between them;
- (d) if it was concluded for certain work of unspecified duration to be performed or by its nature was renewable
and the contract continued after the end of the work agreed upon.

Article 40.

If the two parties continue discharging the contract after the expiration of its original term or the end of the work agreed upon without an explicit agreement the original contract shall be considered to have been tacitly extended on the same terms contained therein, except for the condition of duration.

Article 41.

If an employer entrusts another with carrying out a job of his basic work or part thereof, the latter

shall alone be responsible for the rights of his workers performing such works and accruing to them in according with the provisions of this Law.

Part 2
Vocational Training Contract

Article 42.

A vocational training contract is a contract whereby the owner of an establishment undertakes to give full vocational training in accordance with the principles of the vocation to another person who is at least 18 years of age. He in turn undertakes to work during the period of training for the employer on the basis of the conditions and period which they have agreed upon. The training contract must be in writing otherwise it shall be invalid and the employer or the person carrying out the training must be in possession of sufficient qualifications and experience in the profession or trade in which it is wished to train the worker. The necessary conditions and technical resources must also exist in the establishment
itself for learning the profession or trade.

Article 43.

A trainee worker who has reached the legal age shall himself assume the responsibility for making a contract. A person who has not reached the age of 18 years shall not enter into a contract directly with an employer for training, but shall be represented by his natural or legal guardian or whoever has control over his affairs.

Article 44.

- (1) A training contract shall be drawn up in three copies at least, one of which shall be deposited with the relevant employment department for registration and authorization and the other certified copies to be retained by each of the two parties.
- (2) If a training contract which is required to be registered contains a condition in contravention of the Law, or the ordinances and executive decrees issued in application of the provisions thereof, the relevant employment department may ask the contracting parties to remove such contravention.
- (3) If the relevant employment department does not express any comments on opposition within a month of the training contract being deposited therein, the contract shall be considered to be legally authorized from the date of deposit.

Article 45.

A training contract must include details of the identity of the contracting parties or their representatives, as the case may be and the method of carrying out the training, together with its

duration and stages, and the profession which is the subject of such training.

Article 46.

An employer must give the person under training sufficient time to receive theoretical instruction and must train the worker in the principles of the profession and field of work for which he has been engaged during the period specified in the contract; he must give him a certificate at the end of each stage of training in accordance with the provisions stipulated in this part and must also provide him with a final certificate at the conclusion of the training period. The said certificate shall be certifiable by the relevant employment department in conformity with the rules and procedures laid down by decree from the Minister of Labor and Social Affairs.

Article 47.

A worker may undertake in the training contract to work after the end of his training with the employer or in the establishment in which he has been trained for a period not exceeding double that of the training period. The employer may also undertake in the training contract to employ the worker after the conclusion of his period of training.

Article 48.

The wage entitled at every stage shall be stipulated in the training contract. During the final stage of training, the wage must not be less than the minimum amount laid down for a similar worker and under no circumstances must be determined on the basis of piecework or production.

Article 49.

A trainee worker who is under the age of 18 years shall before the commencement of his training undergo a medical check of his state of health and ability to perform the work of the profession in which he wishes to train. If such profession requires special physical and health conditions, the medical report must stipulate that the said conditions are fulfilled in the training candidate, whether these conditions are physical or mental.

Article 50.

- (1) The Minister of Labour may regulate by decree the training in the profession and trades in which workers are required to be trained therein, and stipulate the period of training in such professions and trades, the theoretical and practical programmes, the conditions of the examination and the certificates awarded at the end of the period of training.
- (2) The decrees of the Minister in this respect shall be issued after finding out the opinions of the general organizations concerned. In all circumstances, the Minister may designate one or more experts in the affairs of the profession or trade in which it is desired to organize training to take his opinions

into account
on such matters of organization.

Article 51.

The Minister of Labour may decide to establish centres for vocational training either individually or in co-operation with professional or charitable bodies, whether national, foreign or international. The decree issued for the establishment of a Centre shall define the profession in which training is to be carried out, the conditions of acceptance at the Centre, the theoretical and practical study programmes, the system of examinations and professional certificates and other requisite provisions for the efficient running of the Centre.

Article 52.

- (1) The Minister of Labour and Social Affairs may compel establishments, companies, industrialists, professions and trades designated by him to accept for employment therein a certain number or proportion of trained nationals in accordance with the conditions, circumstances and periods which he stipulates.
- (2) The Minister may also compel establishments, companies, industrialists, professions and trades designated by him to accept for purposes of training and to complete their practical experience therein a certain number or

proportion of students from industrial and vocational institutes and centres in accordance with the conditions, circumstances and periods which are agreed with the management of the establishment concerned.

Parts 3
Registers and Files

Article 53.

(As amended by Federal Law No. 12 of 1986) An employer who employs five or more m\workers shall ensure:

- (a) That he keeps a special file for each worker containing his name, trade or profession, age, nationality, address, social status. date of commencement of service, wage and any changes made to the wage, fines imposed on him, industrial injuries and diseases suffered by him and the date of termination of service and the reasons thereof;
- (b) That he maintains for each worker a leave card to be deposited in his file. The card shall be divided into

three parts: the first for annual leave; the second for sick leave and the third for other leave.

The employer
or the person acting for him shall record
on such card
all leave taken by the worker for reference
thereto
when he applies for leave.

Article 54.

(As amended by Federal Law no. 12 of 1986). an employer who employs 15 or more workers shall maintain the following registers and documents in all premises and branches in which work is carried on:

- (a) Wages Register: To contain a record of the names of workers according to the date of their commencement of service with the amount of the daily, weekly or monthly wage together with supplementary payments, or the piecework wage or commission for each worker, and the days on which he worked and the date that he finally terminates his employment.
- (b) Industrial Injuries Register: To contain a record of all industrial injuries and diseases which occur to workers immediately upon the employer having knowledge

thereof.

- (c) Standing Employment Regulations: To contain, in particular, daily hours of work, weekly holiday, public holidays, essential procedures and precautions to be observed to avoid accidents at work and fire risks. These regulations shall be displayed in a prominent spot at the place of work. In order that such regulations and any amendments made thereto be effective, they shall be required to be approved by the employment department within 30 days of submission to the said department.
- (d) Schedule of Penalties: To be displayed a prominent place at the place of work and to contain the penalties which may be imposed on offending workers and the conditions and circumstances in which they may be applied. In order that such schedule and any amendments made thereto be effective, it shall be required to be approved by the employment department within 30 days of submission to the said department.

Part 4
Wages

Article 55.

Wages shall be paid on a working day and at the place of work in the national currency in circulation legally.

Article 56.

Workers appointed on an annual or monthly wage shall have their wages paid at least once every month. All other workers shall be paid every two weeks at least.

Article 57.

The daily wage for workers who receive their wages by piecework shall be calculated on an average basis of what a worker has received on actual working days during the six months prior to the end of service.

Article 58.

Proof of a promise to workers of wages due to them, whatever their value or nature, shall not be allowed except by a statement in writing, affirmation of oath. Any agreement contrary to that, even if concluded prior to the application of this Law, shall be considered invalid.

Article 59.

A worker shall not be compelled to purchase food, or a commercial article from specific shops or anything produced by an employer.

Article 60.

No sum of money shall be deducted from the wage of a worker in return for certain rights

except in the following circumstances:

- (a) to recover a loan or sum of money paid to a worker in excess of his entitlement, provided that the sum deducted from the wage in such cases is no more than 10 percent regular wage of the worker;
- (b) amounts which a worker must legally pay from his wages, such as social security and insurance;
- (c) contributions of a worker to a savings fund or loans due to such fund;
- (d) installments to any social plan or any privileges or other services provided by an employer and which are sanctioned by the employment department;
- (e) fines which are imposed on a worker as a result of any offences committed by him;
- (f) any debt shall be paid in execution of a legal award, provided that the amount deducted in execution of the said award shall not exceed one quarter of the wage due to the worker. If there exist several debts or several creditors, the upper limit thereof shall be

reckoned to
be one half of the wage and the sums to be
impounded
shall be divided among those entitled in
equal parts,
after payment of the legal debt of
maintenance of one
quarter of the salary.

Article 61.

(As amended by Federal Law No. 12 of 1986). of a
worker causes loss, damage or destruction to
appliances, equipment, products or materials belonging to
an employer or in the latter's custody, and such action is
the result of a wrong by the worker or his
contravention of the employer's
instructions, the employer may deduct from the wage of the
worker the sum required to repair them or restore them to
their former state. It
being provided that the amount deducted for such purposes
shall not exceed five days' wages for any month. The employer
may apply to the competent court by way of the appropriate
employment
department for leave to deduct more than the said
sum if the sum work has funds or other resources.

Article 62.

An employer shall not transfer a worker on a
monthly wage without written consent from him
to a cadre of workers hired by the day or workers
who receive their wages on a weekly, hourly or
piecework basis.

Article 63.

- (1) The minimum wage and the cost of living
index in
general or with regard to a certain area or

specific profession
shall be determined by a federal decree in
accordance
with the proposal of the Minister of Labour
and Social
Affairs and the approval of the Council of Ministers.

- (2) The Minister shall submit his proposal
either to determine
or reconsider the minimum wage after finding
out the
opinions of the appropriate authorities and the
professional
bodies of both employers and workers of they exist
and
in accordance with the studies and schedules of
charges in the prices of the cost of living made by
the
competent authorities in the UAE so that such
minimums
are sufficient to meet the basic requirements of a
worker
and ensure his means of subsistence.

Article 64.

Minimum wages of the amendments thereof shall come into
effect from the date of publication of
the decree determining them in the official Gazette.

SECTION 4

HOURS OF WORK AND LEAVE

Part 1

Hours of Work

Article 65.

- (1) The maximum normal hours of work for mature workers shall be eight hours a day or 48 hours a week. Hours of work may be increased to nine hours a day for commercial business or hotel, restaurant or guard work and other activity which may be added by decree from the Minister of Labour. The daily hours of work may also be reduced for tiring work or work injurious to health by decree from the Minister of Labour and Social Affairs.
- (2) Normal hours of work shall be reduced by two hours during the month of Ramadan.
- (3) Periods spent by the worker travelling between his home and place of work shall not be calculated as part of his hours of work.

Article 66.

- (1) Daily hours of work shall be organized so that a worker does not work for more than five consecutive hours without

breaks for rest, food and prayer, the total of which shall not be less than one hour. Such periods shall not be reckoned as part of working hours.

- (2) In factories the plants where work is organized in shifts during the day and night, or in other occupations where for technical and economic reasons work has to continue without stoppage, the Minister shall regulate by decree the method of granting worker's periods for rest, food and prayer.

Article 67.

If the circumstances of work require that a worker by employed for more than the normal hours of work, the extra period shall be considered as overtime for which the worker shall receive a wage equal to the wage for normal hours of work with an increase of not less than 25 per cent of the said wage.

Article 68.

If the circumstances of work require that workers be employed on overtime between the hours of 9pm and 4am, a worker shall for this additional time be entitled to the wage laid down for normal hours of work with an increase of not less than 50 per cent of the said wage.

Article 69.

Additional actual hours of work shall not be more than two hours per day unless the work is

necessary to prevent the occurrence of physical damage, or a dangerous accident, or to remove or alleviate the effects thereof.

Article 70.

Friday is the normal weekly holiday for all workers except those engaged on a daily basis. If circumstances require that a worker be employed on this day, he must be compensated with another rest day or paid the basic wage for normal hours of work with an increase of 50 per cent at least of the said wage.

Article 71.

A worker shall not be employed for two consecutive Fridays, except those who are engaged on a daily basis.

Article 72.

The provisions of this part shall not be applicable to the following categories:

- (a) A person who occupies senior positions of responsibility in management and control if such positions mean that those holding them enjoy the authority of an employer over workers. A decree shall be issued by the Minister of Labour and Social Affairs defining such group;
- (b) workers who form part of the crew of maritime ships, and workers who are employed at sea and have special conditions of service by reason of the

nature of them
work, except for port workers engaged in loading
and
unloading, and any other work connected therewith.

Article 73.

- (1) An employer must display on the main doors used for entry by workers and also in a prominent position at the place of work a schedule setting out the weekly day of closure, hours of work and rest periods for all groups of workers; he shall also send a copy of such schedule to the relevant employment department.
- (2) if the establishment does not adopt the system of weekly closure, the employer must display in the positions referred to in the preceding paragraph, a schedule setting out the weekly day of rest for all groups of workers.

Part 2
Leave

Article 74.

A worker is entitled to official leave on full pay on the following occasions:

- (a) The Muslim New Year - one day
- (b) The Christian New Year - one day
- (c) Feast of Breaking the Ramadan Fast - two days
- (d) Feast of Immolation - three days
- (e) The Prophet's Birthday - one day
- (f) The Prophet's ascension to the Seven Heavens - one day
- (g) The National Holiday - one day

Article 75.

- (1) During each year of his service, a worker shall be granted annual leave which must not be less than the following periods:
 - (a) two days for every month if the period of service of a worker is more than six months and less than one year;
 - (b) thirty days per year if the period of service of a worker is more than one year.
- (2) In the event of worker's service ending, he is entitled to annual leave for the fractions of the last year.

Article 76.

An employer may determine the date of commencement of annual leave and may, if necessary, divide it into two parts at the most, but such pro-

visions of division shall not apply to the leave specified for juveniles.

Article 77.

- (1) (As amended by Federal Law No. 12 of 1986).
Holidays prescribed by law or agreement or any other periods by reasons of sickness when broken up through the leave period shall be reckoned as part of the annual leave period.

Article 78.

- (1) (As amended by Federal Law No. 12 of 1986). A worker shall receive his basic wage together with accommodation allowance, if applicable, for days of annual leave. If conditions of work require that a worker be employed during all or part of his annual leave and the leave during which he has worked has not been carried over to the following years, the employer shall be required to pay him his wage in addition to wages in lieu of leave for the days worked, equal to his basic wage.
- (2) In all cases it is not permitted to employ a worker during his annual leave more than once in any two consecutive years.

Article 79.

A worker has the right to receive his wage for days of annual leave which he has not received, if he was dismissed from work or left it after the period of notice laid down by law. Such compensation shall be calculated on the basis of the wage received by the worker at the time of his entitlement to the said leave.

Article 80.

Before a worker takes his annual leave, an employer must pay him the full wage to which he is entitled, in addition to the leave pay prescribed under this Law.

Article 81

If conditions of work require that a worker be employed during public or other holidays for which he is entitled to receive a full wage or part thereof, he shall be compensated for them with other leave and the payment of extra pay at the rate of 50 per cent of his wage. If he is not compensated accordingly with leave, the employer is required to pay the worker an increase in the basic wage at the rate of 150 per cent for the days of work.

Article 82.

If a worker suffers sickness not arising from an industrial accident, he shall notify his sickness within a maximum of two days. The employer must proceed to take the necessary action to sign the medical report on him immediately to verify his sickness.

Article 83

(As amended by Federal Law No. 12 of 1986).

- (1) A worker shall not be entitled to pay sick leave during the probation period.

- (2) A worker who has spent more than three months following the end of the probation period in continuous service with his employer and suffers illness shall be entitled to sick leave of not more than 90 days, either unbroken or broken, for each of his service. Such leave shall be calculated as follows:
 - (a) The first 15 days on full pay.
 - (b) The next 30 days on half pay
 - (c) The subsequent periods without pay.

Article 84.

A worker shall not be entitled to wages during sick leave if the sickness has resulted directly from his misconduct, such as taking alcohol or drugs.

Article 85.

An employer may end the service of a worker after he has used up his sick leave provided for in Articles 82, 83 and 84 of this Law if he is unable therein to return to his work. In such case, the worker shall be paid compensation prescribed under this Law.

Article 86.

If a worker resigns from service by reason of sickness before the end of the 45 days of sick leave and the government doctor or doctor appointed by an employer agrees with the reason for such resignation, the employer must pay the worker resigning the wages for which he would have been entitled for the remaining period of the first 45 days referred to.

Article 87.

A worker shall once during the period of his service be granted special leave without pay to perform the pilgrimage; it shall not be deducted from his other leave and shall not be permitted to exceed 30 days.

Article 88.

(As amended by Federal Law No, 12 of 1986). A worker while on annual or sick leave prescribed in this part shall not be permitted to work for another employer. If the employer proves such act, he shall have the right to terminate the service of the worker without notice and to deprive
of his wage for the period of leave.

Article 89.

Subject to the provisions of this Law, any worker who fails to return directly to his work after the end of his leave shall be deprived of his wage from the period of his absence with effect from the day after the leave ended.

Article 90.

Without prejudice to the circumstances in which an employer is entitled to dismiss a worker without notice or compensation prescribed under this Law, an employer may not dismiss a worker or

warn him of dismissal while he is taking such leave provided in this part.

SECTION 5
THE HEALTH AND SOCIAL SECURITY,
PROTECTION AND CARE OF WORKERS

Article 91.

Every employer must provide the appropriate means of protection to the safeguard workers from dangers, injuries and industrial diseases which may occur during work and also fire hazards and any other dangers which may result from the use of machinery and other work equipment. He must likewise adopt all other methods of protection stipulated by the Ministry of Labour and Social Affairs. A worker is required to use all protective implements and clothing with which he is provided for his purpose, implement all instructions issued by the employer aimed at protecting him from dangers and not do anything which might impede the implementation of such instructions.

Article 92.

Every employer must hang a prominent position at the place of work detailed instructions concerning means of fire prevention and the protection of workers from the dangers to which they may be subjected while they are performing their work. Such instructions shall be in Arabic and in another language understood by the worker when necessary

Article 93.

Every employer must organize a first-aid box or boxes supplied with medicines, bandages, antiseptics and other items of first aid stipulated by the Ministry of Labour and Social Affairs. One first-aid box shall be allocated for every 100 workers and shall be placed in a prominent position and at the disposal of the workers. It's us shall be entrusted to a person qualified to give first aid.

Article 94.

Without prejudice to the provisions of ordinance and decrees issued by the competent governmental authorities, an employer shall provide proper means of sanitation and ventilation at every place of work and supply such places with suitable light, drinking water and lavatories.

Article 95.

- (1) An employer is required to empower one or more doctors to examine his workers at risk from suffering any of the industrial diseases specified in the schedule appended to this Law fully and periodically every six months at most. The result of such examination shall be entered in his records and in the files of the said workers.
- (2) Doctors shall notify the employer and the employment

department immediately of any cases of industrial diseases which appear among workers and any instances of death resulting therefrom after verification by conducting the necessary medical and practical tests; the employer in turn shall notify this to the employment department.

- (3) A doctor who carries out the periodic examination may request the re-examination of any worker who has been at risk from an industrial disease after a lesser period than the periodic interval prescribed in the first paragraph of this Article, if he finds that his condition requires this.

Article 96.

An employer must provide workers with means of medical care in accordance with the standards laid down by the Minister of Labour and Social Affairs in co-operation with the Minister of Health.

Article 97.

After seeking the advice of the Ministry of Health, the Minister of Labour and Social Affairs may determine by decrees issued by him, the general measures and health protection to be applied to all establishments which employ workers, particularly concerning safety measures, lighting, ventilation, canteens, provisions of drinking water and sanitation, extraction of dust and smoke from

the atmosphere and the electricity and fire precautions to be laid down.

Article 98.

An employer or his representative must advise a worker when he employs him of the dangers of his trade and the means of protection to be used, and must post detailed written instructions to this effect at places of work.

Article 99.

It is not permitted for employers or their agents or any person with authority over worker to bring in or allow any type of alcoholic drink to be brought into places of work for consumption therein. They shall also not allow any person who is in a state of intoxication to enter the establishment or to remain therein.

Article 100.

- (1) A worker shall comply with orders and instructions concerned with work security and safety precautions and shall use protective devices and undertake to take care of those in his possession. It is forbidden for a worker to do anything resulting in the said instructions not being implemented or the misuse of the means laid down to protect the health and safety of workers, or to damage or destroy such means.
- (2) An employer may include in the Schedule of Penalties,

the penalties for any worker who contravenes the provisions laid down in the preceding paragraph.

Article 101.

- (1) Any employer who employs workers in areas remote from the towns and not served by normal means of communication shall be required to provide them with the following services:
- (a) Suitable means of transportation.
 - (b) Proper housing
 - (c) Drinking water
 - (d) Suitable foodstuffs
 - (e) Medical first aid
 - (f) Means of recreation and sports activity.
- (2) The Minister of Labour and Social Affairs shall by decree determine the areas to which the provisions of the Article in total or part thereof shall be applicable.
- (3) With the exception of foodstuffs, the services referred to in this Article shall be at the expense of the employer and shall in no way be borne by the worker.

SECTION 6
DISCIPLINE REGULATIONS

Article 102.

- (1) The penalties which an employer or his deputy is permitted to impose on his workers are as follows:
- (a) Caution
 - (b) Fine
 - (c) Suspension from work on reduced pay for a period not exceeding 10 days.
 - (d) Withdrawal of the periodic allowances or deferment thereof in establishments in which there exists such system of allowances.
 - (e) Stoppage of promotion in establishments in which a promotion system operates.
 - (f) Dismissal from service and retention of the right to an end-of-service gratuity.
 - (g) Dismissal from service and deprivation of the whole gratuity or part thereof.
- (2) Such punishment may not be awarded for reasons other than those listed in Article 120 of this Law.

Article 103.

- (1) The Schedule of Penalties shall stipulate the cases in which any disciplinary punishment set out in the preceding Article shall be imposed.

- (2) The Minister of Labour and Social Affairs
may issue by
decree a specimen Schedule of Penalties and
awards
by which employers may be guided in preparing
them
schedules accordingly.

Article 104.

A fine may be a specified sum or an amount equal to the
pay of the worker for a prescribed period.
The fine stipulated for one contravention shall not exceed five
days' wages, and no more than five
days wages shall be deducted from the pay of a worker in any
one month in implementation of a fine awarded against him.

Article 105.

Fines imposed on workers shall be recorded in a
special register with details of the reason that
they were imposed or the occasion thereof, the
name of the worker and the amount of his wage. A
special account shall be kept separately for such
fines and the monthly proceeds thereof shall be
used for expenditure on social welfare matters for
workers in accordance with the decree issued by
the Minister of Labour and Social Affairs in this
respect.

Article 106.

It is not permitted to award the punishment of
withdrawal of periodic allowance more than once a
year and such allowance shall not be deferred
for more than six months.

Article 107.

It is not permitted to award the punishment of stoppage of promotion for more than one promotion review. The penalized worker shall be promoted in the subsequent first review when the conditions necessary for promotion are present.

Article 108.

The monetary forfeits whose benefit accrues to an employer from the punishment of stoppage of promotion or withdrawal of allowances or deferments thereof shall be recorded in a special register with details of the reason that they were imposed or the occasion thereof, together with the name of the worker and the amount of his wage. They shall be kept in a separate account and the monthly proceeds of such monetary forfeits shall be allocated for expenditure on matters of social welfare for workers in accordance with the decree issued by the Minister of Labour and Social Affairs in this respect.

Article 109.

It is not permitted to impose any disciplinary penalty on a worker for an offence outside the place of work unless it is connected with work, his employer or his responsible manager. It is also not permitted to impose more than one penalty or combine any disciplinary punishment with the deduction of part of the wage of a worker in accordance with the provision of Article 61 of this Law.

Article 110.

- (1) It is not permitted to impose any penalty prescribed in

Article 102 on a worker until he has been notified in writing of what he is charged with, his statement has been listened to and his defense investigated, and then recorded in a report deposited in his special file and the end of the report endorsed with the penalty.

- (2) The worker must be informed in writing of the penalties and the type and amount thereof awarded, also the reason for awarding the penalty and the penalty to which he will be liable if he again commits a contravention.

Article 111.

A worker shall not be charged with a disciplinary offence when more than 30 days have elapsed following the discovery thereof, and a disciplinary penalty shall not be imposed after more than 60 days following the date of the conclusion of the inquiry into the offence and it being proven against the worker.

Article 112.

- (1) (As amended by Federal Law No. 12 of 1986). A worker may be suspended temporarily from employment when accused of committing a premeditated offence of assault against the person or property, or

an offence
involving dishonor and dishonesty or going on
strike.

- (2) The period of suspension shall commence
from the
date notifying the incident to the relevant
authorities
until a decision is made by them on the
matter. The
worker shall not be entitled to his wage for
the said
period of suspension. If a decree is issued
not to send
him for trial, or it judges him to be innocent, he
must
be returned to his work and his wage paid in
full for
the period of suspension if such suspension from
work
was a stratagem on the part of the employer?

SECTION 7
CONCERNING THE TERMINATION OF A
WORK CONTRACT AND END OF
SERVICE GRATUITY

Part 1
Termination of a Work Contract

Article 113.

A work contract shall be terminated in any of the following
circumstances:

- (a) if both parties agree to terminate it, pro-
vided that the

agreement of the worker is in writing;

- (b) if the period specified in the contract ends unless the contract has been extended either explicitly or tacitly in accordance with the revisions of this Law;
- (c) at the wish of either party in work contracts of unlimited duration, provided that the provisions of this Law concerning notice and acceptable reason for the non-arbitrary termination of a contract is complied with.

Article 114.

- (1) A work contract shall not end with the death of an employer unless the subject of such contract was connected with his person. But the contract shall terminate with the death of the worker or his total inability to carry out his work, in accordance with a medical certificate certified by the competent health authorities in the UAE.
- (2) However, if a worker's partial inability to carry out his work would enable him to perform other work in accordance with his state of health, the

employer must,
if such work exists, move the worker and at
his request
to another job and give him the wage which he
would
normally pay for such work, without prejudice to
what
rights and compensation may be due to the
worker
pursuant to this Law.

Article 115.

(As amended by Federal Law No. 12 of 1986). In the absence of a clause in the contract stipulating otherwise, if a contract of employment is of fixed duration and an employer terminates it for reasons other than those prescribed in Article 120, he shall be obliged to compensate the worker for any damage incurred by him, provided that the amount of compensation shall under no circumstances be more than the total wage due for a period of three months or the remaining term of the contract, whichever is less.

Article 116.

(As amended by Federal Law No. 12 of 1986). In the absence of a clause in the contract stipulating otherwise, if a contract is terminated by the worker for reasons other than those prescribed in Article 121, the worker shall be obliged to compensate the employer for any loss incurred by him as a result of termination of the contract, provided that the amount of compensation shall not be more than half a month's wage for a period of three months or the remaining term of the contract, whichever is less.

Article 117.

- (1) An employer or a worker may terminate a work contract of unspecified duration for a lawful cause at any time subsequent to the conclusion of the contract after giving written notice to the other party at least 30 days before its termination.
- (2) With regard to workers engaged on a daily basis notice shall be given for the following periods:
- (a) one week if the worker has been employed for more than six months and less than one year;
 - (b) two weeks if the worker has been employed for a period of not less than one year;
 - (c) one month if the worker has been employed for a period of not less than five years.

Article 118.

- (1) The contract shall be valid throughout the period of notice referred to in the preceding Article and shall terminate when it expires. The worker shall be entitled to his wage in full for such period on the basis of the last wage he received and must perform his

work during
this period if the employer duly requests.

- (2) It is not permitted to agree to dispense
with the conditions
of notice or reduce the period thereof, but agreement
may be made to increase the said period.

Article 119.

If an employer or worker ignore the notice given by
the party to terminate the contract or the period of
notice is reduced, the person responsible for giving
the notice must pay the other party compensation
called 'the compensation of notice' even if no
damage is done to the other party as a result of notice
being ignored or its period being
reduced. The compensation shall be the equivalent
of the worker 's wage for the whole of the period
of notice or the reduced part thereof.

Compensation of notice shall be calculated on the basis of the
latest wage received by the worker for those paid by the month,
week, day or hour and
on the basis of the average daily wage provided
for in Article 57 of this Law for those paid by
piecework.

Article 120.

An employer may dismiss a worker without notice in
any of the following circumstances:

- (a) if the worker assumed a false identity or
nationality or presented forged certificates
or documents;
- (b) If the worker was appointed on probation
and the

- dismissal occurs during or at the end of
the probation
period;
- (c) if the worker has made a mistake which
results in a
huge material loss for the employer, provided that
he
notifies the incident to the employment
department
with 48 hours of his learning of the occurrence
thereof;
- (d) if the worker has contravened instructions
concerning
the safety of work or the place of work, provided
that
such instructions are in writing and hung
in a prominent
position and, if he is illiterate, would have
been
informed of them verbally;
- (e) if the worker has failed to carry out his
basic duties in
accordance with the work contract and has continued
in such dereliction, despite a written
investigation
having been carried out concerning him for
this purpose
and a warning given to him of dismissal if there is a
repetition of such conduct by him;
- (f) if he discloses any of the secrets of the
establishment in
which he works;
- (g) if he is finally convicted of an offence
against honour,
honesty or public decency by a competent

- court;
- (h) if during the hours of work, he is found to be in a state of obvious drunkenness or under the influence of drugs;
 - (i) if while at work he commits an assault on the employer, responsible a manger or one of his work colleagues;
 - (j) if the worker is absent without lawful cause for more than 20 days discontinuously during one year or more than seven consecutive days.

Article 121.

A worker may leave his work without notice in any of the following circumstances:

- (a) If the employer fails to fulfill his obligations to the worker prescribed in the contract or under the Law.
- (b) (As amended by federal Law No. 12 of 1986). If an assault is committed by the employer or his lawful representative against the worker.

Article 122.

The termination of service of a worker by an employer shall be considered to be arbitrary if the reason for such termination has no connection with work. In particularly, the termination shall be considered arbitrary if it is caused by the worker submitting a serious complaint to the competent authorities or making a claim against the

employer which is proved to be correct.

Article 123.

- (1) (As amended by Federal Law No. 12 of 1986). If a worker is dismissed arbitrarily, the competent court may order the employer to pay compensation to the worker. The court shall assess such compensation by taking into account the type of work, the amount of damage incurred to the worker and his length of service after verifying the circumstances of the work. In all cases, it shall be required that the amount of compensation shall not exceed the worker 's wage for three months to be calculated on the basis of the last wage payable to him.
- (2) The provisions of the preceding paragraph shall not prejudice the worker 's right to any gratuity due to him and wages in lieu of notice prescribed under this Law.

Article 124.

An employer shall not terminate the service of a worker for medical unfitness before he has used up the leave to which he is entitled by law. Any agreement to the contrary, even if such agreement was ratified before the effectiveness of this Law,

shall be considered null and void.

Article 125.

- (1) An employer shall give a worker at his request and at the end of his contract an end of service certificate without payment in which are set forth the date of commencement and termination of his service, the total period of his service, the type of work performed by him and the last wage and nay supplements received.
- (2) He shall also return to him any certificate documents and tools which may be belong to him.

Article 126.

If a change occurs in the form of the establishment or its legal position, work contracts which are valid at the time that the change occurs shall remain effective between the new employer and the workers of the establishment and service shall be jointly responsible for a period of six months for fulfilling the obligations arising from work contracts during the period prior to the occurrence of the change. After the said period expires, the new employer shall alone bear such responsibility.

Article 127.

If work entrusted to a worker allows him to know the clients of the employer or to be acquainted

with the secrets of his business, the employer may stipulate to the worker that he shall not after the end of the contract compete with him or participate in any project in competition with him. For such agreement to be valid the worker must have reached the full age of 21 years (Christian) at the time of the conclusion thereof and the agreement must be restricted with respect to the time, the place and type of work to the extent necessary to protect the lawful interests of the business.

Article 128.

If a non-national leaves his work for an unlawful reason before the end of a contract of fixed duration he shall not be permitted to be engaged for other work, even with the permission of the employer for other work even with the permission of the employer, for a period of a year from the date on which he left work. No other employer who has knowledge of this shall employ him or retain him in his service during the said period.

Article 129.

If a non-national worker wants his employer of his wish to terminate a contract of fixed duration and leaves before the expiry of the period of notice laid down by Law, he shall not take up other employment even with the permission of the employer for one year after the date that he left work, and no other employer who has knowledge of this may engage him or retain him in his service before the end of such period.

Article 130.

A non-national worker who before taking up other employment obtains the agreement of the Minister of Labour and Social Affairs or the approval of

the original employer shall be excluded from the provisions of Article 128 and 129 hereof.

Article 131.

(As amended by Federal Law No. 12 of 1986).

- (1) In the application of the provisions of the preceding Article the costs of the worker's return shall mean the cost of his travel ticket and also any other clauses contained in the contract of employment or the regulations of the establishment relating to the worker's right to the travel costs of his family and the shipment costs of his baggage.
- (2) In cases where employers provide accommodation for workers, the worker shall be obliged to vacate his accommodation within a period of not more than 30 days from the date of termination of his service.
- (3) A worker shall not default in vacating his accommodation after the said period for any reason whatsoever, provided that the employer pays the following to the worker:

- (a) the costs stated in paragraph (1) of this Article;
- (b) end of service entitlements and any other dues which the employer is obliged to pay pursuant to the contract of employment, or the regulations of the establishment, or by law.
- (4) A worker disputes the value of the afore-said costs and entitlements, the appropriate employment department shall determine such costs and entitlements as a matter of urgency within one week from the date of receiving notice of same and shall notify the worker accordingly as soon as they have been determined.
- (5) In such case the effective period of the 30 days referred to in paragraph (2) of this Article shall commence from the date on which the employer deposits in trust the costs and entitlements determined by the employment department in the safe of the Ministry of Labour. If the worker fails to vacate the accommodation after the expiry of the said 30 days, the employment department shall, in co-operation with the competent authorities in the

Emirate concerned, take the necessary administrative measures to vacate the property.

- (6) The provisions of this Article shall not prejudice the worker's right to bring a dispute to the competent court.

Part 2 **End of Service Gratuity**

Article 132.

(As amended by Federal Law No. 12 of 1986). A worker who has completed one year or more in continuous service shall be entitled to an end of service gratuity upon conclusion of his service.

Any days of absence from work without pay shall not be included in the period of service and the said gratuity shall be calculated as follows:

- (a) Twenty-one days' wage for each year of the initial five years of service.
- (b) Thirty days' wage for each year in excess of such period.

It being provided in the aforementioned that the total gratuity shall not be more than two years

wage.

Article 133.

A worker shall be entitled to a gratuity for parts of a year in proportion to what he has spent thereof in employment, provided that he has completed one year in continuous service.

Article 134.

- (1) The end of service gratuity shall be calculated on the basis of the last wage received by the worker for those who are paid by the month, week or day and on the basis of the average daily wage prescribed in Article 57 of this Law for workers paid by piece-work.
- (2) Allowances paid for transportation and travel, overtime, expense account, currency exchange (fund allowances), children's education, recreational or social services and any other allowances which may be provided for in the organization of the establishment to improve the situation of workers shall not be considered part of the wage to be taken as a basis for the calculation of the gratuity.

Article 135.

An employer may deduct from the end of service gratuity any sums owed him by a worker.

Article 136.

- (1) In fulfillment of the purposes intended in Article 132 cases of employment which preceded the date of the effectiveness of this Law shall not be considered to be cases whereby a worker is entitling to an end of service gratuity unless he is an indigenous worker. This being without prejudice to any rights which a worker might have acquired pursuant to repealed labour laws or in accordance with a work contract or any agreement, ordinance or the internal organization of an establishment.
- (2) the gratuity due to a worker shall in the event of his death be paid to his beneficiaries.

Article 137.

If a worker who is on a contract of unspecified duration leaves his work on his own volition after a period of continuous service of not less than one year and not more than three years, he shall be entitled to one third of the end of service gratuity provided for in the aforementioned Article. If his period of continuous service exceeds five years, he shall be entitled to the full gratuity.