

July 2014

Employment law developments across the GCC

Written by Sara Khoja and Marcus George.

In this update, we provide a summary of the key employment law developments across the GCC.

Bahrain

The Labour Market Regulatory Authority has introduced work and residency authorisations of 1 or 2 years duration, making it easier to resource on a short term basis (particularly on renewal of existing authorisations).

Kuwait

A Government body known as the Manpower Authority is being created to take over certain functions of the Ministry of Social Affairs and Labour. This new body will have responsibility to:

- Supervise manpower in the private and oil sectors; the inspectors employed by the Manpower Authority shall have judicial police powers.
- Develop the procedures for establishing trade unions and business owner associations and indicate the necessary requirements in accordance with the provisions set forth in the Private Sector Labour Law.
- Issue the rules and procedures for granting employment permits, assessment of labour requirements and labour transfer from one employer to another.
- Supervise labour attachés abroad subject to the provisions of Kuwait Law No. (21) of 1962.

- Determine and collect fees and charges for services provided by the Manpower Authority.
- Collect the additional fees of national manpower in accordance with Kuwait Law No. (19) of 2000.
- Register manpower employed in the private and oil sectors and prepare database for counting the foreign manpower.

The Manpower Authority is solely empowered to recruit foreign manpower in the private and oil sectors based on the employer's application indicating the manpower required to be recruited. The Minister of Ministry of Labour and Social Affairs and Labour will, however, continue to issue resolutions on procedures, documents and prescribed fees.

Oman

The Ministry of Manpower issued Ministerial Decision 75/2014 in April 2014 ruling that starting from April 2014, construction companies cannot hire foreign workers. This Ministerial Decision has some exceptions for:

- companies graded as 'Excellent';
- international companies;
- consultancy companies; and
- companies working on construction projects for the Omani government; and companies registered with the Public Authority for SME.

Further information

If you would like further information on any issue raised in this update please contact:

Sara Khoja, Partner
E: sara.khoja@clydeco.com

Marcus George, Trainee
E: marcus.george@clydeco.com

Clyde & Co LLP
PO Box 7001
Level 15, Rolex Tower
Sheikh Zayed Road
Dubai, United Arab Emirates

T: +971 4 384 4000
F: +971 4 384 4004

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Kingdom of Saudi Arabia

The Ministry of Interior is continuing to move to an electronic system whereby visas and various sponsorship applications are granted electronically. The financial levy on employers with ratios in excess of 1:1 KSA national to non national employees will not apply to employers with 4 employees or less. The Ministry of Labour is continuing to consult on a number of initiatives through its on line 'Maan' portal.

Qatar

- Qatari Law No.(5) of 2014 introduced mandatory military service for Qatari men between the ages of 18 and 35 years old who are now required to train with the country's armed forces for 3 to 4 months. It is thought that military service for Qatari women will be optional.
- Qatar Foundation commissioned report calls for foreign workers' employment contracts to be copied in their native language and for a ban on making changes after the employee has left their home country unless such changes are advantageous to the employee.
- "The Law of Entry and Residence of Expatriates in Qatar" is being considered in the context of the sponsorship system, the cancellation of the current exit visa system, the withholding of passports and the legal relationship between the worker and the employer.

- Qatari Law No.(3) of 2014 amending the Qatari Labour Law No.(14) of 2004 has recently come into force. The principle amendments are:
 - A widened definition as to which professions are exempt from the Labour Law.
 - The introduction of a further ministerial fee that requires a resolution by the Council of Ministers, that being, where a person changes his or her profession.
- Advisory council considering a number to the Qatari Labour Law including a "Wage Protection Scheme".
- Tightening of the exit permit requirements for spouses and children on family residency will require all expatriates to hold valid exit permits to leave Qatar.

United Arab Emirates

The UAE introduced military service for all male nationals between the ages of 18 and 30. The Ministry of Labour is increasingly moving to an entirely electronic based system with an announcement this month that labour cards will be electronic and not issued in hard copy.