

Expo City Dubai Authority – Summary of Federal Law 33 of 2021- The “Labor Law”

This document summarises the new employment law, Federal Law 33 of 2021 – Regarding the Regulation of Employment Relationship. This document is provided for ease of reference purposes and is not to be used as legal advice. ECD bears no responsibility in connection with the representations made in this summary document and bears no responsibility for how the information in this summary is understood or interpreted.

Any provisions contrary to the provisions of this Decree-Law shall be deemed void even if they preceded its effective date unless it is more beneficial to the employee. If any of the employee's rights arising under this Decree-Law are not complied with, any discharge, conciliation, or waiver will be deemed void.

This Decree-Law requires the use of the Gregorian calendar to calculate the dates and periods of time specified. In the application of the provisions of this Decree-Law, a calendar year shall comprise three hundred sixty-five (365) days, and a calendar month shall comprise thirty (30) days.

Please refer to the full Federal Law 33 of 2021 – Regarding the Regulation of Employment Relationship, for definitions of terminology used across this summary document.

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Employment Contracts	
Limited Contract	<ul style="list-style-type: none"> ▪ A Limited Contract is a term-limited contract with the duration reflected in the Employment Contract in accordance with the agreed term between both parties. The contract's term may be extended or renewed, one or more times, for a similar or a shorter period. ▪ In case of extending or renewing the contracts term, the new term(s) shall be deemed as extension(s) of the original term and shall be added to it when calculating the term of the Employees' continuous service. ▪ If the parties continue to perform the contract after the expiration of its original term, or after the completion of the work agreed upon without any explicit agreement, the original contract shall be deemed as implicitly extended with the same terms and conditions.

General Provisions	
Probation	<ul style="list-style-type: none"> ▪ A period not exceeding six (6) months starting from the Employment commencement date as set out in the Employment Contract. ▪ The probation period occurs only once for each Employment and may not be renewed.
Notice During Probation	<ul style="list-style-type: none"> ▪ Fourteen (14) Days minimum if terminated by the company or Employee. ▪ Thirty (30) Days minimum if terminated by Employee in the case of transfer.
Compensation Duration Probation	<p>Applicable to a transfer or a new work permit within three (3) months from date of exit:</p> <ul style="list-style-type: none"> ▪ New Employer to compensate the original Employer on the recruitment expenses (unless otherwise agreed between the original Employer & Employee)

<p>Notice Period</p>	<ul style="list-style-type: none"> ▪ For a minimum of thirty (30) days and not exceeding ninety (90) days for any legal reason, where the other party must be notified in written on the notice period. ▪ In the case of termination by the Employer, while the Employee serves the Notice Period, the Employee is entitled to one (1) unpaid day, weekly, to search for another job. The Employee must notify the Employer three (3) days prior from date of absence.
<p>Disciplinary Rules</p>	<p>Type of Disciplinary action:</p> <ol style="list-style-type: none"> 1. Serving a non-disciplinary written notice. 2. Serving a written warning letter. 3. Deducting no more than five (5) days per month from the Employees' Wage. 4. Suspension from work for a period not exceeding fourteen (14) days, along with deducting the Wage of those days of suspension. 5. Depriving the Employee from the periodic increments for a maximum period of one (1) year. This type of disciplinary action is applicable to those Establishments following aperiodic increment scheme, where the Employee was entitled to such periodic increments pursuant to the terms of the Employees' Employment Contract or pursuant to the Establishment's bylaws. 6. Depriving the Employee from getting promoted for a maximum of two (2) years. This disciplinary action is applicable to those Establishments following a promotion scheme. 7. Dismissing the Employee while reserving the Employees' right in receiving the end of service gratuity.
	<p>The Employer may dismiss the Employee without prior notice, after conducting a written investigation with the Employee. The dismissal decision shall be in writing and reasoned, and shall be handed by the Employer; or the Employers' representative; to the Employee in any of the following cases:</p> <ol style="list-style-type: none"> 1. In case the Employee assumed a false identity or submitted forged certificates or documents. 2. In case the Employee commits an error that results in gross material loss to the Employer, or purposely

Immediate Termination
cases
(Article 44)

- damages the Employer's property along with admitting the same, provided that the Employer notifies the Ministry of such incident within seven (7) working days from becoming aware of the occurrence thereof.
3. In case the Employee violates the Establishment's bylaws related to the work safety, Employees' safety, or the safety of the workplace, provided that such safety instructions are in writing and affixed in conspicuous places, and that the Employee is made aware of the same.
 4. In case the Employee fails to perform the main duties as set out in the Employment Contract, and such failure continued despite conducting a written investigation with the Employee for such reason, and after being served with two (2) warnings of dismissal where such failure is repeated.
 5. In case the Employee discloses any of the trade secrets related to the industrial or intellectual property and such disclosure resulted in losses to the Employer, loss of opportunity or in case the Employee achieved a personal benefit therefrom.
 6. In case the Employee is found in an intoxicated state or under the influence of a narcotic or psychotropic substance or commits any act of moral turpitude at the workplace during the working hours.
 7. In case the Employee commits a verbal or physical assault or any other form of assault; that is punishable under the laws applicable inside the State; against the Employer, the manager-in-charge, any of his supervisors or co-employees.
 8. In case the Employee absents himself from work for more than twenty (20) inconsecutive days in one (1) year, or for more than seven (7) consecutive days without a legitimate reason or a justification that is acceptable to the Employer.
 9. In case the Employee misuses their position for private gain.
 10. In case the Employee joins another Establishment without complying with the controls and procedures prescribed in this respect.

WORKING HOURS	
Working Hours	Not to exceed forty-eight (48) hours a week, and not exceeding one hundred forty-four (144) working hours every three (3) weeks.
Overtime	<ul style="list-style-type: none"> ▪ Two (2) hours maximum daily, where the Employee shall be entitled to normal hours pay + at least twenty-five percent (25%) increase of basic remuneration. ▪ Between 10.00 p.m. and 4.00 a.m., where the Employee shall be entitled to normal working hours pay + an increase equal to at least fifty percent (50%) of the basic remuneration (Shifts Employees are exempted from this provision). ▪ If working on a rest day as indicated in the contract, the Employee shall be granted one (1) day off, or be paid for the normal working hours + an increase equal to at least fifty percent (50%) of the basic remuneration. ▪ Except for Employees on daily wage, an Employee may not work on more than two (2) rest days consecutively.
Weekly Rest Day	One (1) day minimum as determined in the Employment Contract or following the executive regulations.

GRATUITY ENTITLEMENT	
Gratuity (Based on Basic Wage)	<p>Applicable to Resignations and Terminations:</p> <ul style="list-style-type: none"> ▪ Twenty-one (21) days basic wage after one (1) year, to five (5) years. ▪ Thirty (30) days basic wage for each additional year above five (5) years
	<ul style="list-style-type: none"> ▪ The Gratuity entitlement is based on the basic salary. ▪ Unused annual leave balance entitlement is based on the basic salary.

	<ul style="list-style-type: none"> ▪ Gratuity is only applicable after completion of one (1) year service. ▪ The end of service gratuity is calculated on the last basic salary paid to the Employee.
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COMPENSATION (UNLAWFUL TERMINATION)	
<p>Compensation (Unlawful Termination)</p>	<ul style="list-style-type: none"> ▪ The Employer's termination of the Employee's service shall be deemed unlawful in case such termination was due to a complaint submitted by the Employee to the Ministry regarding the Employer, or due to filing a lawsuit against the Employer, and such lawsuit was proven to be valid. ▪ In case it is proven that the Employer's termination of the Employee's service is unlawful; pursuant to the provisions of Clause 1 of Article 47, the Employer shall be obligated to pay to the Employee a compensation to be determined by the competent Court. The compensation value shall be determined based on the type of work, volume of damage sustained by the Employee and the term of his service. In all cases, the compensation amount may not be more than the wage of three (3) months and shall be calculated based on the latest wage that the Employee was receiving.

LEAVE TYPE	
<p>Annual Leave</p>	<p>Without prejudice to the Employees' rights that have accrued to his benefit prior to the date this Decree-Law takes effect, the Employee shall be entitled to a fully paid annual leave that is not less than:</p> <ul style="list-style-type: none"> ○ Two (2) days per month in respect of any Employee with more than six (6) months and less than (1) year of service. ○ Thirty (30) days (or two and a half (2.5) days per month) per annum in respect of any Employee whose period of service exceeds (1) year.

	<ul style="list-style-type: none"> ▪ The Employer may approve the Employees' annual leave request during the probation period to be deducted from the Employees' annual leave balance. ▪ The Employee is entitled to receive cash in lieu (based on the basic salary) for annual leave days not availed, or if the Employee was dismissed, or if the Employee has left the service.
Official Holiday	<p>As determined by the Ministry Cabinet from time to time.</p> <p>If working on an official holiday for a day, the Employee shall be granted one (1) day off or be paid for the normal working hours + an increase equal to at least fifty percent (50%) of the basic remuneration.</p>
Sick Leave	<p>During the probationary period, the Employee is not entitled to any paid sick leave.</p> <p>If the Employee completes the probationary period, in the continuous service of the Employer, the Employee shall be entitled to a sick leave not more than ninety (90) days (either continuous or intermittent) for each year or per service, computed as follows:</p> <ul style="list-style-type: none"> A. The first fifteen (15) days with full pay. B. The next thirty (30) days, with half pay. C. The subsequent period, without pay.
Parenthood Leave	<p>Five (5) working days full pay entitlement from the child's birth, up to six (6) months.</p>
Compassionate Leave	<ul style="list-style-type: none"> ▪ Five (5) days in case of deceased Spouse. ▪ Three (3) Days in case of decease of parents, children, siblings, grandchildren, grandparents.
Study Leave	<ul style="list-style-type: none"> ▪ Ten (10) working days annually for students admitted in Higher education institutes in the UAE, to conduct exams. ▪ Employee to work no less than two (2) years to be eligible for the Study Leave entitlement.

Unpaid Leave	Subject to approval by the Employer, the Employee may take an unpaid leave which is not calculated as part of their service.
Maternity Leave	<p>An Employee shall be entitled to sixty (60) days of Maternity Leave should the birth be after six (6) months of Employment or more, or in cases where the child is born deceased or alive, or born alive then deceased:</p> <ul style="list-style-type: none"> ▪ Forty-five (45) days based on full pay. ▪ The following fifteen (15) days based on half pay. ▪ Then following consecutive or inconsecutive forty-five (45) days without pay based on a report from a Medical Authority. <p>Moreover, in case of giving birth to a sick child or Person of Determination where full-time attendance is required based on a report from a Medical Authority:</p> <ul style="list-style-type: none"> ▪ Thirty (30) days after the maternity leave. ▪ Extended to another thirty (30) days without pay.
Repatriation Ticket	<p>An Employee is not eligible for a repatriation ticket in case of:</p> <ol style="list-style-type: none"> 1) Termination for misconduct of the Employee including for reasons listed under Article 44 of the UAE Labor Law, or any other reason attributed to the Employee 2) The Employee secures employment with another employer 3) The Employee resigns from the Employment, or 4) The Employee intends or plans to remain in the UAE <p>Annual Tickets vs. Repatriation Tickets:</p> <ul style="list-style-type: none"> ▪ It is essential to distinguish between annual tickets and repatriation tickets. While the latter is a legal entitlement, annual air tickets are not mandatory under UAE labor law.