

Agreement becomes contract only if submitted to ministry



LEGAL VIEW Ashish Mehta

I have been working for a reputed MNC for the last two years. Last December I received a good offer from another company, but decided to stay with my present employer because I was promised a significant increment in the new year. Since then, I have been receiving the same salary. I have complained to the HR and they said the increment has not been approved. Now it is time to renew the labour contract, and I will likely resign. Is there any way I can receive the amount which was promised to me on a company letterhead and signed by the HR manager? If not, can I complain to the Ministry of Labour?

Pursuant to your questions, you may not be able to claim for the extra pay agreed by your employer if the same is not mentioned in the employment contract and submitted to Ministry of Human Resources & Emiritisation (the 'Ministry'). In accordance with Article 36 of Federal Law No. 8 of 1980 related to Employment Relations (the 'Labour Law') of the UAE, an employment contract is for a specific period. It reads: "A contract of employment shall more particularly specify the date of its conclusion, the date on which work is to begin, the nature and place of work, the duration of the contract (if it is for a limited period) and the amount of the remuneration." Therefore any amendment to the employment

contract if made before the contract period expires should be made in writing and should be notified to the ministry. Your confirmation letter of salary increase is just a notification to you. In case it is signed by you and your HR manager it becomes an agreement, but an agreement becomes a contract only if it is submitted to the ministry. The changes to your salary should have been men-



What job contracts must detail

A contract of employment shall particularly specify the date of its conclusion, the date on which work is to begin, the nature and place of work, the duration of the contract (if it is for a limited period) and the amount of the remuneration.

tioned in the bilingual labour contract, which is to be submitted by your company to the ministry.

In view of this, you may make an attempt by filing a complaint against your company in the Min-

istry or the Labour Courts claiming the increment in salary. However, you may file a civil suit against your company claiming the said increment if you have sufficient proof to support your claim at the court of competent jurisdiction. It is advisable that you approach the ministry or a legal practitioner in the UAE or further advice.

Salary till last working day

I was working as a sales executive in a company and now I have been terminated. The company has withheld the cancellation and my gratuity for outstanding payment from clients. I have followed all the formalities against the payment terms in accordance with the company's regulations, and now I am facing pressure to pay the outstanding debts.

I filed a complaint with the Ministry of Labour, and received an appointment two months after the date of complaint. I am now suffering a third month without salary. Please advise me. Will I receive my full salary and benefits from the date of termination to the eventual date of my cancellation?

Pursuant to your questions, your employer cannot withhold your end of service benefits citing due outstanding payments to the company. You are only liable to collect the outstanding dues from the customers of the company. We assume that your designation in the employment contract is 'Sales Executive' and therefore your primary responsibility is only to generate sales to the com-



End of service perks are calculated till ...

In the UAE, you are entitled for salary and end of service benefits till the last working day with your company or till the date you have filed the complaint with the ministry depending on the circumstances and not till the date of cancellation of employment contract.

pany during the term of your employment and not recovery of outstanding dues from the clients.

In the UAE, by practice, you are entitled for salary and end of service benefits till the last working day with your company or till the date you have filed the complaint with the ministry depending on the circumstances and not till the date of cancellation of employment contract/residence visa.

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