



# Retirement age in private sector entities is 65 years



**LEGAL VIEW**  
**ASHISH MEHTA**

I have been residing in Dubai since 1986 and I will be 60 soon. I am currently employed with an international company, which has asked me to retire, claiming that according to the UAE law, the retirement age is 60 years. I recently received information that the retirement age has been increased to the age of 65 years. Could you please clarify the age of retirement as per the UAE law? Can I get an extension for a year or more? It is understood that you are currently employed by a company in the United Arab Emirates, although you have not mentioned whether your employer is an entity registered in a one of the free-zones in the UAE or in the mainland under the federal laws of UAE.

It is understood that, since January 2011, the Ministry of Labour of the UAE is accepting requests for work-permits of individuals over the age of 60 years up to the age of 65 years; thereby enhancing the retirement age from 60 to

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65 years. So, as per the prevailing provisions, for all employees working in private sector entities registered under the federal laws of the UAE, the retirement age is 65 years.

However, the upper limit of 65 years on the retirement age may be further increased in consideration of the individual's nature of work, his credentials, expertise which is important for the entity he is working for.

Further to this, employment visa may be issued to an employee annually after the employee attains the age of 65 years.

In case of free-zones, all of the free-zone authorities follow their own set of labour rules and regulations, which regulate employee relations within their jurisdiction; and which are independent of the provisions laid down under Federal Law No. 8 of 1980 relating to labour relations.

The free-zones may follow but are not bound to follow the changes in the federal labour laws or regulations, which among other things include retirement age of an employee.

Pursuant to your aforesaid questions we are of the view that you may be entitled to work till the age of 65 years if you are employed by an entity registered in the mainland and not an entity registered in a free zone in the United Arab Emirates.

If, however, your employer is a free zone entity, you may contact the labour relations department of the free-zone concerned for the necessary information.

**Changing jobs without a ban**  
I work as a teacher in a school in Dubai and earn a salary of Dh6,000 per month. I have been

in this job for three years, but now I've got an offer from a marketing company with a higher salary. I'm on the school's visa. Is it possible to change jobs in my case without a ban from my school?

It is understood that you are working as a teacher at a Dubai school since three years and you are now earning a salary of Dh6,000 and now you have received an offer for higher remuneration from a marketing company which you are considering to join.

Pursuant to your questions, we are of the view that there may be a probability of a ban imposed upon you if you try to move from your current employment to a new employer.

However, in the event a ban is imposed on you from working for another employer, you may have the impending ban lifted pursuant to the Article (2) of the Ministerial Resolution No 1186 for 2010 on "Rules and Conditions of Granting a New Work Permit to an Employee after Termination of the Work Relationship in Order to Move from One Establishment to Another" which states:

"The following two conditions must be met in order to grant the work permit mentioned in Article (1) of this resolution:

(1) Agreement between the employee and the employer to con-

clude the work relationship.

(2) The employee must have spent at least two years with the employer."

Pursuant to the above provision of law, since you have completed three years of employment with your current employer, you may also secure an agreement or a no-objection letter from your current employer to move to the new job.

Further, the ban may be lifted if you meet the requirements on salary offered by the new employer. This is in accordance with Article (4) of the Ministerial Order No 1186 of 2010 which states:

"As an exception to the provision of Item No (2) of Article 2 of this Resolution, the Ministry may issue a work permit to an employee without requiring the two year period in the following cases:

In the event that the employee is starting his new position at the first, second or third professional levels after fulfilling the conditions for joining any of these levels according to the rules in force at the Ministry, and provided that his new wage is not less than Dh12,000 at the first professional level, Dh7,000 at the second professional level and Dh5,000 at the third professional level."

Pursuant to the aforesaid provisions of Ministerial Orders, you may lift a labour ban in the event a ban is imposed on you.

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