



Employees entitled to overtime pay



LEGAL VIEW
ASHISH MEHTA

I would like to know about the overtime payment for employees in the UAE. For blue-collared workers, the employer is entitled to pay overtime after the normal working hours. But does this hold good for a white collar worker, too? Do they get paid extra pay for overtime? Suppose an employee works for 12 hours a day but have signed a contract for a nine-hour shift, will he get three hours overtime? In the UAE, the normal working hours is 8 hours. But there are companies where they sign a contract for 9 hours to 10 hours shift (as normal working hours). So does that become a legal issue?

In the UAE, the Federal Law No. 8 of 1980 on Regulation of Labour Relations regulates employment conditions at privately-owned companies established under the federal laws, while there are separate laws regulating labour relations for companies established in various free zones as well as in Government entities. All such laws provide differing provisions in matters pertaining to overtime work and remuneration.

Since you have not specified your choice, we will respond to your queries in the context of Federal Law No. 8 of 1980 on Regulation of Labour Relations (the 'Labour Law'). Provisions pertaining to 'Hours of Work' are dealt with under Chapter I of PART IV of the Labour Law.

The Labour Law defines the term 'overtime' in respect to normal working hours and provides that a worker is entitled to receive remuneration in respect of any overtime work which shall correspond to his normal working hours and he shall also be entitled to a supplement of a minimum of 25 per cent of the remuneration as in accordance with Article 67 of the Labour Law which states: "Where the circumstances of the work require a worker to work more than the normal number of hours, any period worked in excess shall be treated as overtime, for which the worker shall receive remuneration equal to that corre-

sponding to his normal hours of work, plus a supplement of at least 25 per cent of the remuneration."

Additionally, Article 68 states: "Where the circumstances of the work require a worker to work overtime between 9pm and 4am, he shall be entitled in respect of such overtime to the remuneration stipulated for his normal hours of work, plus a supplement of at least 50 per cent of the remuneration."

Further, it is provided that the overtime shall not be more than two hours a day in accordance with Article 69 of the Labour Law which states: "The number of actual hours of overtime shall not exceed two a day, unless work is necessary to prevent the occurrence of substantial loss or a serious accident or to eliminate or alleviate its consequences."

While the aforementioned provisions of the Labour Law pertaining to overtime work and remuneration, are applicable to all workers irrespective of white collar or blue collar workers, certain exceptions have been provided in respect of management workers. Article 72 of the Labour Law provides that the provisions pertaining to 'Hours of Work' as provided within the Labour Law shall not apply to persons holding responsible managerial or supervisory provisions or of workers constituting the crews of seagoing ships or persons employed at the sea. It reads as follows: "The provisions of this Chapter shall not apply to the following classes of persons:

>Persons holding responsible managerial or supervisory positions, if such positions confer upon the holders the powers of an employer over workers. The categories in question shall be specified by order of the Minister of Labour and Social Affairs.

>Workers constituting the crew of seagoing ships and persons employed at sea and enjoying special conditions of service on account of the nature of their work, except dock workers engaged in loading and unloading and related operations."

Following the aforementioned

provisions of the Labour Law, it can be said that it would depend on the nature of work undertaken by a white-collared employee as to whether he is entitled to remuneration in respect of overtime. The same will also apply to the situation where an individual works for 12 hours in place of 9 hours of normal working hours. Whether or not he shall be entitled to three hours of overtime remuneration shall entirely depend upon the nature of his work.

In the UAE, the normal working hours for adult workers is fixed at eight hours a day, however, for certain commercial establishments the working hours may be extended for up to nine hours a day. This is in accordance with Article 65 of the Labour Law which states: "The maximum normal hours of work of adult workers shall be eight a day or 48 a week. The hours of work may be increased to nine hours a day in commercial establishments, hotels and cafes and of guard duties and any other operations where such increase is authorised by order of the Minister of Labour and Social Affairs. The daily hours of work may be reduced in the case of arduous or unhealthy operations by order of the Minister of Labour and Social Affairs."

The normal hours of work shall be reduced by two during the holy month of Ramadan.

The periods spent by a worker in travelling between his home and place of work shall not be included in his hours of work."

Thus, while the prescribed normal working hours are 8 hours a day or 48 hours a week, companies are within their rights to designate working hours of up to nine or 10 hours a day corresponding to a particular employment where the nature of work requires the worker to stay at work for such long hours. However, excluding certain kinds of work, all other workers are generally entitled to remuneration in respect of their overtime work.

Rent agreement after transfer of ownership

I recently relocated to Dubai. I bought a flat in Dubai recently, but as there is a tenant in it, I have taken another flat on rent. The tenant has a rent agreement with the earlier owner till February 2014. He is refusing to have a fresh agreement for the balance period or for a fresh 12 month period with me, saying that the old agreement is still



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“ The agreement signed by the tenant with the previous owner shall still be valid and the rights and liabilities of both the landlord and the tenant as stated therein shall continue to apply

“For the purpose of renewing tenancy contract, landlord and tenant upon expiry of the tenancy contract may amend any of the contract's terms or review the rent whether by increase or decrease. If the parties do not reach an agreement regarding this, the committee may decide fair rent considering the standards referred to in Article (9) of this Law.”

Following the above mentioned provisions of the Law, you

may notify the tenant to vacate the premises. The notification, if sent before the expiry of the tenancy contract may be sent through a Notary Public or registered mail, while the notification, if sent upon expiry of the tenancy contract may be sent at least 12 months before the determined date of vacating the premises or completion of which the tenant must vacate the premises.

In the event the tenant refuses to vacate the premises even after the said period of 12 months, you may register a case with the municipal committee for resolution of disputes between owners and tenants.

valid. I have a post-dated cheque too in the name of old owner, which is to be replaced by one in my name. What is the correct status? Is the agreement with the old owner still valid and do I have any rights in it or should there be a new agreement? What if he does not vacate the flat after the agreement with the former owner expires? I am a senior citizen (67 years) and will not like to get involved in court case etc.

Pursuant to your queries, we may refer to the various provisions of Law No. 26 of 2007 Regulating Relationship Between Landlords and Tenants in the Emirate of Dubai as amended later by the Law No. 33 of 2008 (the 'Tenancy Law').

In respect of the post-dated cheque, you should have obtained a cheque from the tenant issued in your name at the time of buying the flat from its previous owner or adjusted the value of the cheque amount with the previous owner.

The agreement signed by the tenant with the previous owner shall still be valid and the rights and liabilities of both the landlord and the tenant as stated therein

Ashish Mehta, LLB, F.I.C.A., M.C.I.T., M.C.I.Arb., is the founder and Managing Partner of Ashish Mehta & Associates. He is qualified to practise law in Dubai, the United Kingdom, Singapore and India. He manages a multi-jurisdictional law firm practice, providing analysis and counselling on complex legal documents and policies including but not limited to corporate matters, commercial transactions, banking and finance, property and construction, real estate acquisitions, mergers and acquisitions, financial restructuring, arbitration and mediation, family matters, general crime and litigation issues. Visit www.amalawyers.com for further information. Readers may email their questions to: news@khaleejtimes.com or send them to Legal View, Khaleej Times, PO Box 11243, Dubai.