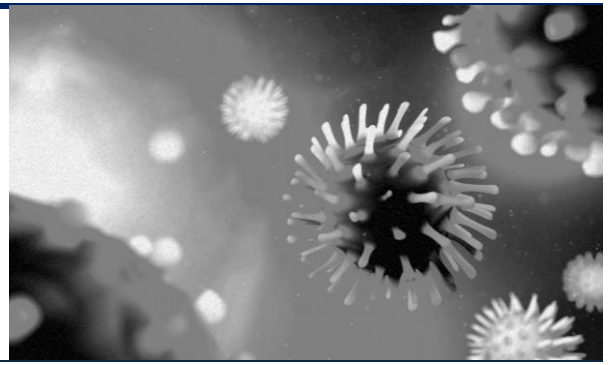


inBrief



Relief for employers during Covid-19 epidemic

By Charles Laubach | 1 April 2020

Many employers are facing diminishing revenues during the current Covid-19 epidemic. Many of those employers also face the need to reduce overhead.

To provide some relief for employers, the Minister of Human Resources and Emiratisation promulgated Ministerial Resolution No. 279 of 2020 (the “**Resolution**”) on Employment Stability in Private Sector during the Period of Application of Precautionary Measures to Curb the Spread of Novel Coronavirus. The Resolution was promulgated on 26 March 2020 and took effect on the same date.

The Resolution details a number of measures which employers in the private sector may progressively resort to during the current period. The measures apply only to employers who are registered with the Ministry of Human Resources and Emiratisation (the “**Ministry**”) and for their non-UAE national employees. The scheduling of paid leave can be done unilaterally by the employer, but the other measures are to be taken with the agreement of the affected employees.

The specific measures that are permitted by the Resolution are:

- working remotely
- paid leave
- unpaid leave
- temporary salary reduction during the relevant period
- permanent salary reduction

An employer that wishes to temporarily reduce the salary of a non-national employee must prepare a temporary supplement to the employment contract which would be signed by both the employer and the employee. The Ministry will promulgate a template for such supplement. The supplement must be notified to the Ministry upon the Ministry’s request.

An employer that wishes to permanently reduce salary of a non-national employee must prepare an amendment to the employment contract details using the Ministry’s online portal.

The Author



Charles Laubach

Partner

claubach@afриди-angell.com

Tel: +971 4 330 3900

Charles is a partner at Afridi & Angell’s Dubai office. He has practiced as a legal consultant in the UAE since 1986. He advises on general corporate matters, military procurement and offsets, project finance, employment, and international trade controls. Charles is a member of the Pennsylvania and DC Bars. He holds a JD and an MA from the University of Pennsylvania, an MA from the University of London School of Oriental and African Studies, and a BA from Dartmouth College.

An employer who has a surplus of non-UAE national employees may register the details of those employees in an online Virtual Labour Market maintained by the Ministry, to inform other potential employers of their availability. During the Corona virus epidemic, it has become impossible to recruit employees from overseas, meaning that new hiring must rely on the local labour market.

The employer who serves as sponsor of an affected employee must maintain the sponsorship, accommodation and other entitlements of the employee until the employee's sponsorship is cancelled or transferred to another employer. Non-national employees present in the UAE and seeking job opportunities may register on the Virtual Labour Market and apply for vacancies posted by the registered employers.

The measures detailed in the Resolution are available only to employers who are registered with the Ministry, which means that employers in the many free zones of the UAE are not covered. The Resolution will remain in effect only as long as the Corona virus crisis continues, the duration of which remains uncertain. ■

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