## **United Arab Emirates**

SUBJECT	LEGAL CHANGE	ACTION REQUIRED	
Discrimination			
Proposal to regulate equal pay for men and women	The UAE Cabinet approved a draft law on equal salaries for men and women. The draft law has not been enacted and it is unclear what additional obligations it may impose on employers.  Effective date: Unknown. The draft law was published in April, 2018, so progress is expected during 2019.	No action required but keep informed of any developments in this area.	
	in April, 2010, 30 progress is expected during 2019.		
Discrimination			
Supporting individuals with special needs in the workplace	The UAE authorities introduced a new law supporting individuals with special needs in the workplace. It regulates equal opportunities, the work environment, flexible working and career development. It also prevents employers from terminating individuals with a special need arising from a disability.	<ol> <li>Become familiar with the new rules.</li> <li>Update internal policies and practices.</li> <li>Provide HR with training on this if required.</li> </ol>	
	Effective date: August 1, 2018. Although introduced last year, this is a significant change impacting employers this year.		
Termination (Dubai International Finance Centre ('DIFC') only)			
Changes to DIFC termination rules in discussion	The DIFC are currently working on draft legislation that will likely include a variety of changes, including the introduction of a new 'constructive dismissal' offence, and a cap on penalties imposed following late payment of termination severance.	No action required but keep informed of any developments in this area.	
	Effective date: Unknown, but changes (once confirmed) are expected to take place in the first quarter of 2019.		
Termination			
New obligations when terminating UAE nationals	The following rules apply to UAE nationals:	Be aware of the new obligations and prohibitions when terminating UAE nationals.	
	(1) employers must conduct an "exit interview" when terminating;		
	(2) where an employee is on a fixed term contract and there is no agreed notice period an automatic 3 month period will apply to both parties;		
	(3) employers are prohibited from dismissing UAE nationals in specific situations which makes it harder to terminate in situations other than gross misconduct.		
	Penalties for breach of (3) include complete blocks on all new hires for up to 6 months (via work permit suspension), as well as litigation.		
	Effective date: June 29, 2018. Although introduced last year, this is a significant change impacting employers this year.		

This is a high level general update only. Legal advice should be obtained on specific circumstances.

## Annual Update 2019:

## **United Arab Emirates**

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
Recruitment		
New obligations when hiring UAE nationals	(1) Employers recruiting UAE national employees must register the employee with the pension authority (GPSSA) within 6 months of their start date.	Be aware of the new obligations when recruiting UAE nationals.
	(2) UAE nationals must be given indefinite contracts or contracts with an initial term of 2 years or more.	
	Effective date: June 29, 2018. Although introduced last year, this is a significant change impacting employers this year.	
Litigation		

## Litigation

Committee to handle labour disputes

New Supreme Arbitration A Supreme Arbitration Committee at the Ministry of Human Resources and Emiratisation ("MOHRE") will in future handle labour disputes.

> Effective date: November 2018, but the change will take place in 2019.

No action required but be aware of change if litigating.