



DECENT WORK CHECK **SAUDI ARABIA** 2023

Iftikhar Ahmad

WageIndicator Foundation - www.wageindicator.org

WageIndicator started in 2001 to contribute to a more transparent labour market for workers and employers by publishing easily accessible information on a website. It collects, compares and shares labour market information through online and face-to-face surveys and desk research. It publishes the collected information on national websites, thereby serving as an online library for wage information, labour law, and career advice, both for workers/employees and employers. The WageIndicator websites and related communication activities reach out to millions of people on a monthly basis. The WageIndicator concept is owned by the independent, non-profit WageIndicator Foundation, established in 2003. The Foundation has offices in Amsterdam (HQ), Ahmedabad, Bratislava, Buenos Aires, Cape Town, Islamabad and Venice.

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Acknowledgements

Many people contributed to the development of the Decent Work Check as a tool and to this Check for Saudi Arabia. Those who contributed to the development of tool include Paulien Osse, Kea Tijdens, Dirk Dragstra, Leontine Bijleveld, Egidio G. Vaz Raposo and Lorena Ponce De Leon. Iftikhar Ahmad later expanded the work to new topics in 2012-13 and made the work more legally robust. Daniela Ceccon, Huub Bouma, and Gunjan Pandya have supported the work by bringing it online through building and operating labour law database and linking it to the WageIndicator websites. Special thanks are due to the WageIndicator global labour law office (headed by Iftikhar Ahmad), which works on Decent Work Checks since 2012. The Minimum Wages Database, developed by Kea Tijdens, is supported by Paulien Osse, Kim Chee Leong, and Martin Guzi. Khushi Mehta updated the Minimum Wages Database before 2020.

Minimum Wage Database and Labour Law Database are maintained by the Centre for Labour Research, Pakistan, which works as WageIndicator Labour Law office. The team comprises Iftikhar Ahmad (team lead), Ayesha Kiran, Ayesha Mir, Seemab Haider Aziz, Sobia Ahmad, Shanza Sohail, and Tasmeena Tahir.

Bibliographical information

Ahmad I (2023) *Saudi Arabia Decent Work Check 2023*. Amsterdam, WageIndicator Foundation, July.

For an updated version in the national language, please refer to <https://rawateb.org/saudiarabia>

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WageIndicator Foundation, 2023

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INTRODUCTION

Decent Work is the type of work for which all of us aspire. It is done under conditions where people are gainfully employed (and there exist adequate income and employment opportunities); social protection system (labour protection and social security) is fully developed and accessible to all; social dialogue and tripartism are promoted and encouraged; and rights at work, as specified in ILO Declaration on Fundamental Principles and Rights at Work and Core ILO Conventions, are practised, promoted and respected.

WageIndicator Foundation has been working, since late 2007, to raise awareness on workplace rights through a unique tool, i.e., **Decent Work Check**. The Decent Work Check considers different work aspects deemed necessary in attaining “decent work”. The work makes the abstract Conventions and legal texts tangible and measurable in practice.

The Decent Work Check employs a double comparison system. It first compares national laws with international labour standards and scores the national regulations (happy or sad face). If national regulations in a country are not consistent with ILO conventions, it receives a sad face and its score decreases (and vice versa). It then allows workers to compare their on-ground situation with national regulations. Finally, workers can compare their personal score with national score and see whether their working conditions are consistent with national and international labour standards. The Check is based on de jure labour provisions, as found in the labour legislation.

A Decent Work Check is beneficial both for employees and employers. It gives them knowledge, which is the first step towards any improvement. It informs employees of their rights at the workplace while simultaneously enlightening employers about their obligations. Decent Work Check is also helpful for researchers, labour rights organisations conducting surveys on the situation of rights at work and the general public wanting to know more about the world of work. For example, WageIndicator teams worldwide have found out that workers, small employers and even labour inspectors are not, sometimes, fully aware of the labour law. When you are informed – being a worker, self-employed, employee, employer, policymaker, labour inspector – there is a greater possibility that you ask for your rights (as a worker), you comply with rules (as an employer), and you strive to enforce these (as a labour inspector).

The work is relevant to the challenges posed to the future of work, especially the effective enforcement of legislation in financially constrained states, a rise in precarious employment and analysing the impact of regulatory regimes.

In 2023, the team aims to include at least 15 more countries, thus taking the number of countries with a Decent Work Check to 125!

MAJOR LEGISLATION ON EMPLOYMENT AND LABOUR

1. Labour Law 2005, last amended in 2020
2. Ministerial Decree No. 1/2834 of 2/10/2006

01/13 WORK & WAGES

ILO Conventions

Minimum wage: Convention 131 (1970)

Regular pay & wage protection: Conventions 95 (1949) and 117(1962)

Saudi Arabia has not ratified the Convention 95, 117 and 131.

Summary of Provisions under ILO Conventions

The minimum wage must cover the living expenses of the employee and his/her family members. Moreover, it must relate reasonably to the general level of wages earned and the living standard of other social groups. Wages must be paid regularly on a daily, weekly, fortnightly or monthly basis.

Regulations on work and wages:

- Labour Law 2005, last amended in 2020

Minimum Wage

Minimum wage is all the salary that is given to the worker for his work by virtue of a written or oral employment contract regardless of the kind of wage or its method of payment, in addition to periodic increments.

Wages are fixed in individual agreements between the worker and the employer. Though, it is government's responsibility to fix the minimum wage rate and the legislation provides for the establishment of a minimum wage system by the government. Council of Ministers, upon a proposal by the Minister, sets a minimum wage whenever necessary.

If the employment contract or the work organization regulation do not provide for the wage binding on the employer, the wage estimated for the same type of work in the firm, if any, is adopted; otherwise, the wage is estimated in accordance with the profession's norms at the place where the work is performed. In the absence of such norms, the Commission for Settlement of Labour Disputes estimates the wage in accordance with the dictates of justice.

The following are exempted from the implementation of the provisions of this Law; the employer's family members, namely, the spouse, the ascendants and descendants who constitute the only workers of the firm (family run enterprises); domestic helpers and the like; sea workers working on board of vessels with a load of less than five hundred tons; certain

agricultural workers; non-Saudi workers entering the Kingdom to perform a specific task for a period not exceeding two months; and the players and coaches of sports clubs and federations.

Source: §2, 89 & 95 of the Labour Law 2005, last amended in 2020

Regular Pay

Actual wage is the basic wage plus all other due increments decided for the worker for the effort he exerts at work or for risks he encounters in performing his work, or those decided for the worker for the work under the work contract or work organization regulations. Wage includes:

- The commission or percentage from sales or profits paid against what the worker markets, produces, collects or realizes from increased or enhanced production;
- Allowances the worker is entitled to for exerted effort, or risks he encounters while performing his job;
- Increments that may be granted in accordance with the standard of living or to meet family expenses;
- Grant or reward: What the employer grants to the worker and what is paid to him for honesty or efficiency and the like, if such grant or reward is stipulated in the work contract or the work organization regulation of the firm or if customarily granted to the extent that the workers consider it part of the wage rather than a donation;
- Other privileges include: what the employer commits himself to provide to the worker for his work by stating it in the work contract or the work organization regulation and it's estimated at a maximum of two

months basic wage per annum, unless it is otherwise determined to exceed that in the work contract or the work organization regulation.

The worker's wages and all other entitlements are paid in the Country's official currency (Saudi Riyal) at the workplace during working hours. Wages may be paid through accredited banks in the Kingdom, with the consent of the worker, provided that their due dates do not exceed the specified dates.

Workers are entitled to their pay on a regular and timely basis. Wages are paid monthly to the workers employed on monthly basis; weekly to the workers employed on daily basis; and weekly commensurate with the completed portion of the work to the piece rate workers (If the work is done by the piece and requires a period of more than two weeks for completion of work). In other cases, the worker's wages shall be paid at least once a week. Wages are paid during working hours and at the workplace. There is also provisions for direct transfer to the employee bank account.

Employers are not allowed to deduct worker's salary, without his/her consent, for reasons other than those specified by the law. In the following cases, no such written consent is required:

- a) Payment of loans extended by the employer;
- b) Social security contribution or other provident fund contributions;
- c) Fines for labour law violations

However, in all cases, deductions made may not exceed half the employee's due wage (50%), unless the Commission for the Settlement of Labour Disputes determines that further deductions can be made or that

the employee is in need of more than half his wage. In the latter case, the employee may not be given more than three quarters (75%) of his wage.

In case of deduction or delay (without valid justification), the worker, his representative or the head of the competent Labour Office may submit a request to the Commission for the Settlement of Labour Disputes to order the employer to return to the worker any wrongfully-deducted amounts or to pay the outstanding wages. The said Commission may, if it establishes that the employer has unjustifiably deducted the said amounts or delayed the payment of the wages, impose on the employer a fine not exceeding twice the amount deducted from the worker's wage or twice the outstanding wages. Saudi Arabia is currently implementing a wage protection system where companies are required to deposit worker salaries in bank accounts.

Source: §2, 90-94 & 96-97 of the Labour Law 2005, last amended in 2020

02/13 COMPENSATION

ILO Conventions

Compensation overtime: Convention 01 (1919)

Night work: Convention 171 (1990)

Saudi Arabia has ratified the Convention 01 only.

Summary of Provisions under ILO Conventions

Working overtime is to be avoided. Whenever it is unavoidable, extra compensation is at stake - minimally the basic hourly wage plus all additional benefits you are entitled to. In accordance with ILO Convention 1, overtime pay rate should not be less than one and a quarter time (125%) the regular rate.

Night work means all work which is performed during a period of not less than seven (07) consecutive hours, including the interval from midnight to 5 a.m. A night worker is a worker whose work requires performance of a substantial number of hours of night work which exceeds a specified limit (at least 3 hours). Convention 171 requires that night workers be compensated with reduced working time or higher pay or similar benefits. Similar provisions are found in the Night Work Recommendation No. 178 of 1990.

If a worker has to work on a national/religious holiday or a weekly rest day, he/she should be entitled to compensation. Not necessarily in the same week, provided that the right to a paid compensation is not.

If a worker has to work during the weekend, he/she should thereby acquire the right to a rest period of 24 uninterrupted hours instead. Not necessarily in the weekend, but at least in the course of the following week. Similarly, if a worker has to work on a public holiday, he/she must be given a compensatory holiday. A higher rate of pay for working on a public holiday or a weekly rest day does not take away the right to a holiday/ rest.

Regulations on compensation:

- Labour Law 2005, last amended in 2020

Overtime Compensation

Normal working hours are eight (08) hours a day and forty-eight (48) hours a week for all the employees. During the month of Ramadan, the normal working hours for Muslims are reduced to a maximum of six (06) hours a day or thirty-six (36) hours a week. The number of working hours can be raised to nine hours a day for certain categories of workers or in certain industries and jobs where the worker does not work continuously. It may likewise be reduced to seven hours a day for certain categories of workers or in certain hazardous or harmful industries or jobs. Categories of workers, industries and jobs referred to is determined pursuant to a decision by the Minister.

Working hours and rest periods throughout the day shall be organized so that the employee does not work for more than five hours continually without periods designated for rest, prayers and meals of at least 30 minutes per period. The working hours and rest period shall be organized in such a way that the employee shall not remain at the place of work for more than twelve hours per day.

In accordance with the labour law, if an employee works beyond the stipulated working hours, i.e., 48 hours a week, he/she is entitled to an overtime pay that is one and a half times the regular rate of his ordinary pay (150% of the regular wage rate). An employee cannot be required to work overtime. If the establishment is operated on the basis of weekly working

hours, the hours in excess of the hours taken as the criterion (usually 48 hours a week) are considered overtime hours. All working hours performed during holidays and "Eids" are deemed overtime hours.

In accordance with Ministry of Labour's guidance, the overtime hours that a worker can be asked in a year are 720 hours (60 hours per month) however worker can agree to do more overtime hours through a written agreement.

Source: §98-101 & 107 of the Labour Law 2005, last amended in 2020

Night Work Compensation

Night work refers to work performed between 11 pm and 6 am, while usual working hours are between 6 am and 11 pm. Night workers are those who work during the night shift when it is necessary. A worker is considered a night worker if they are working a minimum of three hours during night hours (11 pm to 6 am).

Under the 2019 Resolution on Night Work, employers must ensure the provision of health services, including first aid and emergency procedures, to night workers. Medical reports regarding their health condition can be submitted if needed.

If a night worker is deemed unfit for night work due to health reasons, they should be transferred to a similar daytime job. Similarly, Pregnant women are prohibited from working at night, and additional provisions should be made to protect their health and the health of their child.

The law requires employers to provide facilities to the night workers to prepare or obtain food and beverages.

Compensation and benefits must be provided to night workers, including allowances, and reduced working hours. Discrimination in wages between night workers and daytime workers is prohibited however, a specific premium for night workers is not mentioned in the law. The law further states that the night workers should receive equal opportunities for training, qualification, promotion, and other employment benefits and that their rest periods between working days should be at least twelve hours. The maximum continuous period of night work for a worker should not exceed three months unless the worker gives written consent.

Penalties will be imposed on establishments that violate these regulations.

Source: Resolution No. 18632 of 2019 regarding Night Work

Compensatory Holidays / Rest Days

No provisions could be located in the law regarding compensatory rest for employees working on weekly rest days or public holidays.

Weekend / Public Holiday Work Compensation

Work performed on Eids and public holidays is treated as overtime hours, i.e., paid at 150% of the normal wage rate. However, a weekly rest day may not be compensated by cash.

Source: §104 & 107 of the Labour Law 2005, last amended in 2020

03/13 ANNUAL LEAVE & HOLIDAYS

ILO Conventions

Convention 132 (1970) on Holidays with Pay Convention
Conventions 14 (1921), 47 (1935) and 106 (1957) for weekly rest days.
In addition, for several industries, different Conventions apply.

Saudi Arabia has ratified the Conventions 14 and 47 only.

Summary of Provisions under ILO Conventions

An employee is entitled to at least 21 consecutive days of paid annual leave. National and religious holidays are not included. Collective agreements must provide at least one day of annual leave on full remuneration for every 17 days on which the employee worked or was entitled to be paid.

A worker should be entitled to paid leave during national and officially recognized public holidays.

Workers should enjoy a rest period of at least twenty-four consecutive hours in every 7-day period, i.e., a week

Regulations on annual leave and holidays:

- Labour Law 2005, last amended in 2020

Paid Vacation / Annual Leave

The Labour Law provides for annual leave on completion of a year of continuous service with an employer. A worker is entitled to 21 working days of paid annual leave for one year of service. Annual leave also increases with the length of service. A worker is entitled to at least 30 working days of annual leave after 05 years of service with the same employer. They payment for annual leave is made in advance which includes transportation allowance. Weekends and public holidays are not considered part of the annual leave. An employer has to pay a fine of SR100,000 for including weekends as part of annual leave.

A worker may enjoy his leave in the year it is due. The employer determines the dates of annual leave according to the work exigencies and conditions or may grant them in rotation to ensure smooth functioning of the enterprise. Employer has to notify the worker of the proposed date of his leave in sufficient time of at least thirty days in advance. Worker must not forgo his/her annual leave or receive cash in lieu of annual leave during his period of service.

A worker may, with the employer's approval, postpone his annual leave or part thereof to the following year. An employer may also postpone the worker's leave after the end of the year it is due if required by work conditions, provided that this delay is not more than ninety days. If work conditions require extension of the

postponement, the worker's consent must be obtained in writing. Such postponement must not, however, exceed the end of the year following the year the leave is due (A worker must be granted annual leave within two years of it becoming due).

A worker is entitled to a wage for the accrued days of the leave if employment contract is terminated before worker could use such leave. This applies to the period of work for which the leave has not yet become due. He is also entitled to a leave pay on a proportionate basis taking into account the months of work.

Source: §109-111 of the Labour Law 2005, last amended in 2020

Pay on Public Holidays

Workers are entitled to paid public holidays. Public holidays in Saudi Arabia are usually 10-15 in number.

According to the constitution, national holidays include: Eid Al-Fitr (a religious feast celebrated on the 1st of Shawal and on completion of the month of Ramadan the 10th month of the Islamic calendar) and Eid Al-Adha (a religious feast celebrated on the 10th of Dhul-Hijjah, the 12th month of the Islamic calendar). These are determined according to Hijra (Lunar) calendar.

A worker is entitled to a paid leave of not less than ten days and not more than fifteen days, including Eid Al-Adha holiday, to perform Hajj only once during his service if he has not performed it before. In order to be eligible for this leave, the worker must have spent at least two consecutive years with the employer. The employer may determine the number of workers who are given this leave annually in accordance with

work requirements. Workers are entitled to 4 days leave each for Eid Al-Fitr and Eid Al-Adha.

Each worker is entitled to full-pay leave on Eids and occasions specified in the Regulations.

Source: §112 & 114 of the Labour Law 2005, last amended in 2020

Weekly Rest Days

Workers are entitled to 24 consecutive hours of rest per week after at most 6 continuous working days. The weekly rest period is reckoned as a paid time.

Generally, Friday is considered as weekly rest day for all the workers. However, the employer may replace this day for some of his workers by any other day of the week after proper notification to the competent labour office. The employer must allow the workers to perform their religious obligations. The weekly rest day may not be compensated by cash.

Mid-day Break

There is a midday break to decrease the sunlight exposure between 15 June to 15 September. The timings of midday break are between 12 pm to 03 pm. The company who fails to comply the summer midday break has to pay penalty a fine or face closure for 30 business days. Exemptions from this rule include areas where temperature do not rise to a potentially

harmful level and for the workers of oil and gas sector or worker working in maintenance who are required to perform emergency work.

Source: §104 of the Labour Law 2005, last amended in 2020

04/13 EMPLOYMENT SECURITY

ILO Conventions

Convention 158 (1982) on employment termination

Saudi Arabia has not ratified the Convention 158.

Summary of Provisions under ILO Convention

The questions under this section measure the security or even flexibility or precariousness of an employment relationship. Although these are not clearly mentioned in a single convention (severance pay and notice requirement are provided in the Termination of Employment Convention No. 158) however, the best practices in the field require that employees be provided with a written contract of employment; workers on fixed term contracts should not be hired for tasks of permanent nature; a reasonable probation period (ideally lower than or equal to 6 months) may be followed to assess the suitability of an employee; a period of notice must be specified in an employment contract before severing the employment relationship; and workers be paid severance allowance on termination of employment relationship.

A contract of employment may be oral or written however workers should be provided with a written statement of employment at the start of their employment.

Fixed Term Contract workers must not be hired for permanent tasks as it leads to precarious employment.

A reasonable probation period must be allowed to let a worker learn new skills. A newly hired employee may be fired during probation period without any negative consequences.

A reasonable notice period, depending on the length of service of an employee, may be required before an employer may sever the employment relationship.

Employers may be required to pay a severance allowance on termination of employment (due to redundancy or any other reason except for lack of capacity or misconduct).

Regulations on employment security:

- Labour Law 2005, last amended in 2020

Written Employment Particulars

An employment contract is a contract concluded between an employer and an employee, whereby the latter undertakes to work under the management or supervision of the former for a wage.

There is no provision in the labour law that requires an employer to provide a written statement of particulars to a newly hired employee. Generally, the employment contracts of employees are not provided in writing (with the exception of foreign nationals and some other employees), but either the employer or the employee may demand it at any time.

An employment contract, written in Arabic, is drawn up in two copies (signed by all the parties), one copy each for the worker and the employer. However, a contract is deemed to exist even if not in written form. In this case, the employee alone may establish the contract and his entitlements arising there from by all methods of proof. For employees of the government and public corporations, the appointment decision or order issued by the competent authority serves as the contract.

The Ministry of Labour issues a unified form for the work contract, which primarily include the name of the employer, venue, the name of the employee, nationality, identification, wage agreed upon including any benefits, date of employment and duration of the contract (fixed term or indefinite contract). The prescribed contract by the Ministry has some

compulsory and other optional clauses depending on the term of contract. The eight main clauses of this employment contract are contract purpose, term of the contract and probationary period; working week and daily and weekly working hours; duties of the employer and worker; contract termination; end of service benefit (gratuity); application of labour or enterprise regulations in conjunction with the contract; and contact details of both parties. Parties to the work contract may add any other articles as long as such article do not contradict with the provisions of the Labour Law, its Executive Regulation and any other decisions issued in this regard.

The work contract for non-Saudis is always written and of a definite term. If the contract does not specify the term, the term of the work permit is deemed as the duration of the contract.

From 14 March 2021, the Ministry of Human Resources and Social Development is implementing the Labour Reform Initiative Program. Being part of the Vision 2030's National Transformation Program, the initiative aims to transform the current employment and immigration system in three key areas: (1) employee mobility (transfer of employment); (2) exit and re-entry visas; and (3) final exit visas.

Under the initiative, expatriate workers can change employers by transferring their work and residence permit sponsorship to another employer without their current employer's NOC. Now expatriate workers can change employment without their current employer's consent subject to certain qualifying conditions. The worker must:

1. be an expatriate who is working under the Saudi labour system;

2. have completed one calendar year of service for the current employer, beginning from the date of the worker's entry into the KSA;
3. have a valid and duly attested employment contract;
4. have a job offer from the new employer submitted through the online "Qiwa" portal; and
5. submit a notice of the transfer request to the current employer giving a minimum of 90 days' notice unless the parties agree otherwise.

The Labour Reform Initiative contains conditions for new employers as well. The prospective employer must be compliant with:

1. Saudisation requirements and eligible to obtain visas to employ expatriate workers;
2. Wage Protection System (WPS) regulations;
3. electronic Contract Registration Program (CRP) regulations; and
4. Self-Evaluation Program regulations.

However, there are some instances under which the employee does not have to comply with the above conditions. Those conditions are as follows:

1. The worker has not concluded the employment contract with the employer within three months of entry into KSA;
2. The worker has not received the salary for the last three months;
3. The employer is absent due to travel, imprisonment, death, or for any other reason;
4. The expatriate worker's work permit or residence permit expires and is not renewed;
5. The worker reports a commercial cover-up violation by the employer,

provided the worker is not involved in the concealment offence;

6. A labour dispute arises between the worker and the employer, and the employer or its representative fails to attend two litigation hearings at any judicial level despite being notified of the hearing dates or does not attend two amicable settlement hearings; and
7. The current employer approves the expatriate worker's transfer request.

Source: §37 & 50-52 of the Labour Law 2005, last amended in 2020

Fixed Term Contracts

Saudi labour Law allows hiring fixed term contract workers for tasks of permanent nature.

If a Saudi national is engaged in three consecutive fixed term contracts or if the continuous employment of the Saudi national reaches four years (whichever is less) and both parties continue to perform the contract, then the contract is automatically converted to an indefinite contract. Previously the maximum term was three years or two consecutive renewals of the fixed term contract (whichever is less).

This provides more certainty for employers in engaging Saudi nationals, given that a fixed term contract automatically terminates on its expiry (unless both parties continue to perform the contract) whereas an unlimited term contract can only be terminated for a valid reason to avoid a finding of arbitrary dismissal

Source: §55-57 of the Labour Law 2005, last amended in 2020

Probation Period

An employee can be subject to a probationary period of no more than 90 calendar days and during this period the contract can be terminated without notice. Subject to the employee's consent, this period can be extended up to 180 calendar days (i.e., six months in total). This allows employers more flexibility in establishing whether the employee is suitable for the role. An employee can now also be placed under a second probation period with the same employer if more than six months have passed since the employee was previously terminated by the employer or if the earlier probation was for a separate job.

If the employee was under a probation period, then such probation period must be clearly referenced and specified in the work contract. The probation period may not exceed ninety days; such period may be extended, subject to a written agreement between the parties, to a total of a hundred and eighty days. The Eid holidays as well as sick leave are not included in the calculation of the probation period. Either party may terminate the work contract during the probation period, unless the contract includes a provision giving such right exclusively to either party.

If the work contract is terminated during the probation period, neither party is entitled to compensation nor is the employee entitled to severance pay.

Source: §53-54 of the Labour Law 2005, last amended in 2020

Notice Requirement

The labour law requires written termination notice before terminating services of a

worker.

A work contract can be terminated in the following cases: if both parties agree to terminate it, provided that the worker's consent is given in writing; if the term specified in the contract expires, unless the contract has been explicitly renewed in accordance with the provisions of Labour Law in which case it shall remain in force until the expiry of its term; at the discretion of either party in indefinite term contracts; the worker attains the age of retirement, unless the two parties agree upon continuing work after this age; and force majeure.

Employment contract can only be validly terminated where the employer is (i) closing down the establishment completely; or (ii) terminating the business activity where the employee is employed.

An employer can also terminate an employee for unlawful absence of 30 days a year or 15 consecutive days (previously 20 and 10 days respectively). The requirement to have given a previous written warning is needed now after an employee's absences of ten non-consecutive days or five consecutive days.

The notice period for monthly paid employees on indefinite term contracts has doubled from 30 days to 60 days and is set as at least 30 days for others. The notice period is the same for both parties wishing to terminate the employment contract. If employer wants to terminate an indefinite term contract without serving written notice, he has to pay remuneration equivalent to the notice period (30 to 60 days). In the case of a fixed term contract, the parties wishing to terminate the contract has to pay salaries for the remaining period of fixed term contract.

Such compensation, however, cannot be less than two monthly salaries.

Compensation is also provided in case of invalid termination. The parties can expressly set out in the contract of employment what compensation is payable if either party terminates the contract for an unlawful reason. If no compensation is agreed in the contract then the compensation payable will be as follows:

- 15 days' per year of service in case of unlimited term contracts
- The wages for the residual period of the contract in the case of fixed term contracts.

The default compensation must not be less than two months' wages and it is therefore highly recommended for employers in the Kingdom to expressly include in the contract the compensation for early termination to avoid the uncertainty of uncapped compensation or buying out the residual period of the contract. The Saudi Labour Law does not provide for the right to reinstatement in the event of wrongful dismissal.

Employees now have a right to paid time off work to look for alternative employment where notice was served by the employer. This is limited to one full day or eight hours per week and applies throughout the notice period.

Source: §74-83 of the Labour Law 2005, last amended in 2020

Severance Pay

Under Saudi labour law, an end of service benefit (ESB) award is provided regardless of the reason of termination of employment

(retirement, end of the fixed-term contract, "force majeure", resignation). The award is half-month wages for each of the first five years of service and one-month wages for the following years. It is calculated on the basis of the last wage and the worker is entitled to an end-of-service award for the portions of the year in proportion to the time spent on the job. It is however reduced in case of resignation.

The above benefit work as a benchmark for awarding end of service benefits in the case of resignation. If an employee resigned, the following conditions are applicable:

- a) No end of service award if the length of employment is less than two years;
- b) One third (33.33%) of the end of service award if length of service is between two to five years (less than 5 years). The ESB award, as mentioned above, for less than five years' service is 50% of the salary. Thus, one-third of the ESB award is $1/3 \times 50 = 16.67\%$;
- c) Two-third (66.67%) of the ESB award if the length of service is between five years and (less than) ten years. Thus the ESB award during the first five years is $2/3 \times 50 = 33.33\%$ and during the second five years is $2/3 \times 100 = 66.67\%$;
- d) Full (100%) of the ESB award if the length of service is 10 years or more. Thus the ESB award during first five years is 50% of one-month salary for each year of service and 100% of one-month salary for each year of service during the next five years

There are certain exceptions to above conditions and resignation in these cases is treated as termination by employer for calculation of ESB award: if a female worker resigns within 6 months of the date of her marriage or within 3 months of the date of giving birth or if a worker leaves job due to

natural inability to work (death or permanent physical/mental disability).

On termination, employers are currently required (on request) to provide a service certificate (free of charge) which sets out details of the employee's employment (date of joining and leaving, salary details and profession). Employers are prohibited from including anything in this certificate that may be harmful to the employee's reputation or may reduce his further employment opportunities. Previously, this could be included in the certificate if the employer included reasons for termination of employment contract.

In case of unlawful termination, the employer must provide one-month salary for each year of the employment in the indefinite term contract.

Source: §84-88 of the Labour Law 2005, last amended in 2020

05/13 FAMILY RESPONSIBILITIES

ILO Conventions

Convention 156: Workers with Family Responsibilities Convention (1981) Recommendation 165: Workers with Family Responsibilities (1981)

Saudi Arabia has not ratified the Convention 156 and 165.

Summary of Provisions under ILO Convention

Paternity leave is for the new fathers around the time of childbirth and is usually of shorter duration.

Recommendation (No. 165) provides for parental leave as an option available to either parent to take long leave of absence (paid or unpaid) without resigning from work. Parental leave is usually taken once the maternity and paternity leave have been exhausted. For working parents, laws may define the portion of parental leave that has to be compulsorily taken by fathers or mothers.

Flexible Work Option for Parents / Work-Life Balance Recommendation 165 asks the employers to look into the measures for improving general working conditions through flexible work arrangements.

Regulations on family responsibilities:

- Labour Law 2005, last amended in 2020

Paternity Leave

Saudi labour law provides for 03 days of paternity leave for new fathers.

Source: §113 of the Labour Law 2005, last amended in 2020

Parental Leave

No provisions could be located in the law allowing parental leave for a parent to take care of a new born.

Flexible Work Option for Parents / Work-Life Balance

No provisions could be located in the law supporting work-life balance for parents or workers with family responsibilities.

06/13 MATERNITY & WORK

ILO Conventions

An earlier Convention (103 from 1952) prescribed at least 12 weeks maternity leave, 6 weeks before and 6 weeks after birth. However, a later convention (No. 183 from year 2000) requires that maternity leave be at least 14 weeks of which a period of six weeks compulsory leave should be after childbirth.

Saudi Arabia has ratified the Convention 103 only.

Summary of Provisions under ILO Convention

During pregnancy and maternity leave, a worker should be entitled to medical and midwife care without any additional cost.

During pregnancy and while breastfeeding, a worker should be exempt from work that might bring harm to you or your baby.

The total maternity leave should last at least 14 weeks.

During maternity leave, a worker's income should amount to at least two thirds of your preceding salary.

During pregnancy and maternity leave, a worker should be protected from dismissal or any other discriminatory treatment.

Workers have the right to return to same or equivalent position after availing maternity leave.

After childbirth and on re-joining work, a worker must be allowed paid nursing breaks for breast-feeding the child.

Regulations on maternity and work:

- Labour Law 2005, last amended in 2020

Free Medical Care

An employer is required to provide medical care for female workers during pregnancy and delivery.

Source: §153 of the Labour Law 2005, last amended in 2020

No Harmful Work

Labour Law does not provide any specific provisions for working conditions of pregnant working woman. However, there is a general provision in labour law which prohibits the employer to employ women in hazardous jobs or industries.

Under a Labour Law reform in 2020, article 149 and 150 prohibiting employment of women during night hours and in so-called hazardous jobs and industries were repealed.

Under article 131 of the Labour Law, the Minister shall issue the regulations and decisions that include the necessary arrangements at firm level for protection against major hazards, related duties of employers, arrangements for protecting the public and the environment outside the site of each high-risk firm, worker's rights and duties, and other measures necessary to prevent major accidents, minimize the risks of their occurrence, and mitigate their impacts.

The amended legislation focuses on overall health and safety for all workers instead of limiting employment opportunities for female workers.

Source: §149 & 150 of the Labour Law 2005, last amended in 2020¹; Resolution No. 18632 of 2019 regarding Night Work

Income

The maternity leave is fully paid by the employer. The payment during maternity leave depends on a worker's length of service. The maternity leave is unpaid if the length of service with the employer is less than one year, half paid if the length of service is between one to three years; and the leave is fully paid if length of service is three years or more. If a worker receives full payment for maternity leave during a year, she is not entitled to receive payment for annual leave during the same year. However, if she has availed maternity leave on half pay, she can receive half wages during annual leave.

A woman worker, on maternity leave, is not allowed to work for another employer during maternity leave. If it is established that the worker is working for another employer, the original employer has the right to recover all the amount paid to her for maternity leave.

Source: §152-157 of the Labour Law 2005, last amended in 2020

Protection from Dismissals

Labour law prohibits the employer from terminating the service of a female worker

¹ <https://www.zawya.com/en/legal/saudi-labor-law-articles-on-hazardous-jobs-for-women-revoked-tbesx88e>

during her maternity leave or to discontinue her joining the work due to a sickness which is evident by a medical report that it is because of pregnancy or delivery.

The employment of such female worker may not be terminated during the 180 days preceding the expected date of delivery in the absence of one of the legitimate causes provided for in this Law. An employer cannot terminate the services of a working woman during the period of maternity leave. Similarly, an employer cannot terminate a woman worker during illness related to pregnancy however such absence should not exceed 6 months/180 days.

Source: §155 & 156 of the Labour Law 2005, last amended in 2020

Right to Return to Same Position

Right to return to same position is not expressly provided under the law however since protection from dismissals is guaranteed under the labour law, it can be safely inferred that workers have the right to return to same position.

Breastfeeding

Labour law requires employers to provide nursing breaks of one hour per day for new mothers. These breaks are provided in addition to rest break granted to all workers. These nursing breaks are fully paid. This period or periods are calculated as part of the actual working hours and do not result in any deduction in wages.

In establishments with 50 or more female workers, employers are required to provide a suitable place with adequate number of

babysitters to look after the children under the age of six years, if the number of children reaches ten and more.

The Minister may require the employer who employs a 100 or more women in a single city to set up a nursery, either on his own or in conjunction with other employers in the same city, or alternatively to contract with an existing nursery to care for the children of the female workers who are under six years of age during the work periods. In such case, the Minister sets forth the terms and conditions regulating such facility as well as the charges imposed on the female workers benefiting from service.

Source: §154 & 158 of the Labour Law 2005, last amended in 2020

07/13 HEALTH & SAFETY

ILO Conventions

Most ILO OSH Conventions deal with very specific Occupational Safety hazards, such as asbestos and chemicals.

Convention 155 (1981) is the relevant general convention here.

Labour Inspection Convention: 81 (1947)

Saudi Arabia has ratified the Convention 81 only.

Summary of Provisions under ILO Conventions

The employer, in all fairness, should make sure that the work process is safe.

The employer should provide protective clothing and other necessary safety precautions for free.

Workers should receive training in all work-related safety and health aspects and must have been shown the emergency exits.

In order to ensure workplace safety and health, a central, independent and efficient labour inspection system should be present.

Regulations on health and safety:

- Labour Law 2005, last amended in 2020

Employer Cares

Labour Law makes it obligatory on the employer to provide safe and healthy working environment to his employees.

An employer must take the necessary precautions to protect the workers against hazards, occupational diseases, the machinery in use, and ensure work safety and protection. He should post in a prominent place in the workplace the instructions related to work and workers safety in Arabic and, when necessary, in any other language that the workers understand. The employer may not charge the workers or deduct from their wages any amounts for the provision of such protection.

It is obligatory for an employer to maintain the workplace in a clean and hygienic condition; provide lighting, supply water for drinking and washing purposes; and other safety and health protection measures.

The employer must take the necessary precautions to protect the workers against hazards, occupational diseases and ensure the safety of the equipment and machinery. He must provide the technical means to combat fire, including safety exits at the workplace at all times.

An employer must also make available one or more medical aid cabinets, supplied with drugs and other necessities required in a first aid kit. An employer shall assign one or more physicians to provide, at least once a year, full checkups on all employees for any

potential occupational disease, and record the results in the employer's record as well as employee record files.

An employer is responsible for emergencies and accidents which may affect persons, other than his workers, who enter the workplaces to perform their official duties or with the approval of the employer or his agents, if such emergencies and accidents are due to negligence in taking the technical precautions required by the nature of his work, and he has to compensate them for damage and harm they may sustain in accordance with the general laws.

Employer can terminate the contract of a worker who deliberately fails to observe the instructions related to the safety of work and workers as may be posted in a prominent place. Worker may also leave his job without notice if a serious hazard threatening the safety or health of the worker exists in the workplace, provided that the employer is aware thereof but fails to take measures indicating its removal.

Source: §121-131 of the Labour Law 2005, last amended in 2020

Free Protection

An employer is required to provide free personal protective equipment to protect employees from workplace hazards. It is the employer's responsibility to supply the workers with the appropriate personal gear and train them on its use.

A worker must use and preserve the personal protective equipment designated for each process and carry out the instructions established to protect his health against injuries and diseases. The

worker should refrain from any action or omission that may lead to failure to implement the instructions, misuse or impair the devices provided to protect the workplace as well as the health and safety of fellow workers.

Source: §123-124 of the Labour Law 2005, last amended in 2020

Training

In accordance with the law, it is the responsibility of an employer to provide instruction, training and supervision that is necessary to ensure health and safety at work of his employees. The employer must inform workers, prior to engaging in the work, of the hazards of his job and train them on the use of protective equipment provided.

Employers with 50 or more employees must train on an annual basis Saudi employee which must be at least 12% of the total workforce. This includes Saudi employees who are studying and where the employer is paying their study fees (i.e., course fees).

Source: §123-124 of the Labour Law 2005, last amended in 2020

Labour Inspection System

Labour Law provides for an independent labour inspection system in the country. The Ministry of Labour is responsible, through its labour inspectors, for monitoring and enforcing the application of employment legislation, including health and safety provisions.

Work inspectors have the right to access any firm at any time, day or night, without prior notice; perform any examination or

investigation required to ascertain proper implementation of the Law; interview the employer, his representative or the workers in private or in the presence of witnesses about any matter relating to the implementation of the provisions of the Law; review all books, records and other documents and obtain any copies or extracts therefrom; and take sample(s) of the materials used or handled in the industrial and other operations subject to inspection and believed to have a harmful effect on the health or safety of workers, for the purpose of analysing such samples in government laboratories to determine the extent of such effect, and duly notify the employer or his representative of the same.

Employers and their agents must facilitate the inspectors and officials entrusted with inspection and in the performance of their duties. They should provide them with required data related to the nature of their work, respond to requests to appear before them and dispatch a representative when asked. Whenever the need arises, physicians, engineers, chemists, and specialists in occupational health and safety may participate in the inspection.

Inspection powers are granted to Ministry of Labour Officials and inspections may now also be carried out by consultants (i.e., not direct employees) to the Ministry. Inspectors are also now obliged to produce reports and minutes of any inspection and to impose an immediate fine for any discovered violations (rather than offer initial guidance and corrective recommendations).

Potential fines have also increased to SAR 100,000, and there is greater scope for shutting down an establishment for 30 days or permanently depending on the severity of the violation. An employer may come to

an agreement with the Ministry regarding payment of a fine and corrective action within a specific time frame, failing which the continued violation will incur further fines. An establishment may only be closed down completely after a court action is successfully raised by the Ministry against the employer.

A whistle-blower who assists Ministry of Labour inspectors to detect a violation of the Labour Law can receive up to 25% of the value of the fine imposed on the employer.

Source: §194-209 of the Labour Law 2005, last amended in 2020

08/13 SICK LEAVE & EMPLOYMENT INJURY BENEFIT

ILO Conventions

Convention 102 (1952), Conventions 121 (1964) and 130 (1969) concerning Social Security, Employment Injury Benefits and Medical Care and Sickness Benefits

Saudi Arabia has not ratified the Convention 102, 121 and 130.

Summary of Provisions under ILO Conventions

A worker's rights to work and income should be protected when illness strikes. The national labour law may provide that sickness benefit may not be paid during the first 3 days of your absence. Minimally, a worker should be entitled to an income during first 6 months of illness. This income should be at least 45 per cent of the minimum wage. (Countries are free to opt for a system which guarantees 60 per cent of the last wages during the first 6 months of illness or even during the first year). A worker must be entitled to paid sick leave.

During illness, a worker should be entitled to medical care without any additional cost. Employees and their family members should have access to the necessary minimal medical care at an affordable cost.

During the first 6 months of illness, a worker should not be fired.

If a worker is disabled due to an occupational disease or accident, he/she must receive a higher benefit. In the case of temporary or total incapacity/disability, a worker may at least be provided 50% of his average wage while in the case of fatal injury, the survivors may be provided with 40% of the deceased worker's average wage in periodical payments.

Regulations on sick leave & Employment Injury Benefits:

- Labour Law 2005, last amended in 2020

Income

A worker whose illness has been proven is eligible for a fully paid sick leave for the first thirty days, 75% of the wage for the next sixty days and without pay for the following thirty days (total 120 days or 4 months), during a single year, whether such leaves are continuous or intermittent.

In case the recovery period reaches a year or it has been decided medically that the employee's recovery is unlikely or that employee won't be fit for work, the injury will be considered a full impairment and the work contract will be terminated and the employee will be compensated for the injury. The employer does not have the right to recover the amounts paid to the employee during such year.

Source: §117 of the Labour Law 2005, last amended in 2020

Medical Care

Medical benefits are available for insured workers. All necessary medical, dental, and diagnostic treatment; hospitalization, medicine, appliances, transportation, and rehabilitative treatment is provided.

Source: §146(3) of the Labour Law 2005, last amended in 2020; ISSA Country Profile 2014

Job Security

Employment of an employer is secure during the tenure of sick leave, that is, maximum of four (04) months per during a single year. Once the absence related to sickness exceeds 4 months, employer has the right to terminate employment contract.

Source: §82 of the Labour Law 2005, last amended in 2020

Disability / Work Injury Benefit

Work injuries are divided into four categories: (i) permanent total incapacity (ii) permanent partial incapacity (iii) temporary incapacity and (iv) fatal injury leading to death of a worker.

In case of temporary disability, the employee is entitled to 100% of the monthly wage for a period of sixty days and 75% of his monthly wage for the remaining period required for.

If the treatment period exceeds one year, or if the physician's report states that the employee is unlikely to recover, and his medical condition prevents him from work, the employee's condition is considered as permanent disability and the employment contract is terminated. The employee receives compensation for the accident or injury and the employer does not have the right for refund of what he paid during that year.

If the accident or injury results in a full permanent disability, or results in the death of the employee, the employee or his beneficiaries are entitled to a compensation equal to the full monthly wage for three years, and the amount may

not be less than 54,000 Saudi Riyals.

If the accident or injury results in a partial permanent disability, the employee is entitled to compensation proportionate to the disability, according to the disability percentage schedule, multiplied by the compensation amount for a full permanent disability.

These benefits are not provided if the employee deliberately injured himself; the accident or injury occurred as a result of a ruthless intended act performed by the employee; and the employee refused to be reviewed by a doctor or physician, or refused the treatment required by the doctor or physician assigned by the employer for no specific reason.

09/13 SOCIAL SECURITY

ILO Conventions

Social Security (minimum standards): Convention 102 (1952). For several benefits somewhat, higher standards have been set in subsequent Conventions

Employment Injury Benefits: Conventions 121 (1964),

Invalidity, Old age and survivors' benefits: Convention 128(1967)

Medical Care and Sickness Benefits: Convention 130 (1969)

Unemployment Benefits: Convention 168 (1988).

Saudi Arabia has not ratified the above-mentioned Conventions.

Summary of Provisions under ILO Conventions

In the normal circumstances, the pensionable age may not be set higher than 65 years of age. If retirement age is fixed above 65 years, it should give “due regard to the working ability of elderly persons” and “demographic, economic and social criteria, which shall be demonstrated statistically”. Pension can be set as a percentage of the minimum wage or a percentage of the earned wage.

When the breadwinner has died, the spouse and children are entitled to a benefit, expressed as a percentage of the minimum wage, or a percentage of the earned wage. This must at least be 40% of the reference wage.

For a limited period of time, the unemployed has a right to unemployment benefit set as a percentage of the minimum wage or a percentage of the earned wage.

Invalidity benefit is provided when a protected person is unable to engage in a gainful employment, before standard retirement age, due to a non-occupational chronic condition resulting in disease, injury or disability. Invalidity Benefit must at least be 40% of the reference wage.

Regulations on social security:

- Labour Law 2005, last amended in 2020

Pension Rights

Law provides for both full and reduced/early pension. For full pension, a worker must have reached 60 years of age (women: 55 years) with at least 120 months of paid or credited contributions. Pensionable age is reduced to 55 years for arduous and hazardous work.

Amount of old-age benefit is 2.5% of the insured worker's average monthly earnings during the last two years for each year of contributions, up to 100%. The average monthly earning used to calculate benefits must not exceed 150% of the insured worker's monthly earnings at the beginning of the last five-year contribution period.

In case the insured person's monthly earnings decrease during the last two years before retirement, special provisions apply to adjust the average monthly earnings used to calculate benefits.

The minimum monthly old age pension is 1,983.75 riyals.

Cost of living allowance is paid to persons who receive the old-age pension. The first 25,000 riyals of the old-age pension is increased by 5% a year for three consecutive years.

If the insured person does not qualify for an old-age pension, old-age settlement is paid. A lump sum of 10% of the insured worker's average monthly earnings during the last two years before retirement are paid for each month of the first five years of

contributions plus 12% for each additional month.

Source: ISSA Country Profile 2014

Dependents' / Survivors' Benefit

Dependents' benefit is provided to the survivors if the deceased was in covered employment at the time of death and had at least three consecutive months of contributions or six non-consecutive months of contributions (12 consecutive months or 18 non-consecutive months for voluntarily insured persons who first joined the scheme when aged 50 or older); or was a pensioner.

If the deceased was no longer in covered employment at the time of death and was not a pensioner, the pension is paid with at least 120 months of paid or credited contributions (credited contributions must not exceed 60 months).

Eligible survivors include the widow(er); a son younger than age 21 (age 26 if a full-time student, no limit for disabled); an unmarried daughter; dependent brothers, sisters, parents, grandparents, and grandchildren in certain circumstances; and an ex-wife (according to the Islamic law). The pension for a female survivor ceases upon remarriage but may be reinstated if she is subsequently divorced or widowed.

If there are three or more survivors, the pension is 100% of the pension a deceased worker received or would have been entitled to receive. This pension is 75% of total pension for two dependents and only 50% for one surviving dependent. The pension is equally split among all eligible survivors.

The minimum individual monthly survivor pension is 396.75 riyals. The minimum combined monthly survivor pension is 1983.75 riyals.

If the deceased did not qualify for a pension, Survivor settlement is paid to eligible survivors. It is equal to a lump sum of 10% of the insured's average monthly earnings during the last two years before death and is paid for each month of the first five years of contributions plus 12% for each additional month.

Marriage grant is paid upon marriage to a widow or an eligible daughter, sister, or granddaughter. This is 18 times the survivor's monthly pension.

Death grant is also paid to eligible survivors. A lump sum of three months of the survivor pension is split equally among eligible survivors. The maximum death grant is 10,000 riyals.

Source: ISSA Country Profile 2014

Unemployment Benefits

Since November 2011, Saudi government has started paying unemployment benefit. In order to avail unemployment benefit, the worker must be younger than 60 years and have at least 12 months of contributions in the 36 months before the first claim; at least 18 months in the 36 months preceding the second claim; at least 24 months in the 36 months before the third claim; and at least 36 months in the 48 months before the fourth and subsequent claims.

The insured worker must be registered with a human resources development fund in the Ministry of Labour; be capable of and available for work; and have no other

sources of income. Unemployment must not be due to voluntary leaving, misconduct, or the refusal to a suitable job offer.

Unemployment benefit provided to the worker is 60% of the insured worker's average monthly contributory wage during the first three months of unemployment and 50% thereafter. The benefit is paid for up to 12 months.

The minimum monthly benefit is 2,000 riyals or 100% of the insured's average monthly contributory wage, whichever is less. The maximum monthly benefit is 9,000 riyals for the first three months and 7,500 riyals thereafter.

Source: ISSA Country Profile 2014

Invalidity Benefits

There is provision for invalidity benefits under Saudi law. The insured person must have been employed in covered employment and the invalidity must have started before the age of 60 years with at least 12 consecutive months of contributions or 18 non-consecutive months of contributions (twice this amount for voluntarily insured persons who joined the scheme at age 50 or older).

If a disability begins during covered employment, the pension is 2.5% of the insured worker's average monthly earnings during the last 2 years for each year of contributions, up to 100% or 50% of the insured worker's average monthly earnings during the last two years before the disability began (or over the total contribution period if it is less than two years), whichever is greater.

The average monthly earnings used to calculate benefits must not exceed 150% of the insured's monthly earnings at the beginning of the last five-year contribution period. If the insured worker's monthly earnings decrease during the last two years before the disability began, special provisions apply to adjust the average monthly earnings used to calculate benefits. The minimum monthly disability pension is 1,983.75 riyals

If the insured person is no longer in covered employment when the disability began, he/she must meet the contribution requirements for the old-age pension. In such case, old-age pension is paid.

Constant-attendance supplement (50% of the disability pension) is paid if the insured worker requires the constant attendance of others to perform daily functions. The medical board under General Organization for Social Insurance assesses the need for constant attendance. The monthly salary of constant attendance supplement is 3,500 riyals.

If the insured person does not qualify for a disability pension, disability settlement is paid. It is a lump sum of 10% of the insured worker's average monthly earnings during the last two years before the disability began for each month of the first five years of contributions plus 12% for each additional month.

Source: ISSA Country Profile 2014

10/13 FAIR TREATMENT

ILO Conventions

Convention 111 (1958) lists the discrimination grounds which are forbidden.

Convention 100 (1952) is about Equal Remuneration for Work of Equal Value.

Convention 190 (2019) is about elimination of violence and harassment in the world of work.

Saudi Arabia has ratified the Conventions 100 and 111.

Summary of Provisions under ILO Conventions

At workplaces, equal pay for men and women for work of equal value is a must, regardless of marital status. Pay inequality based on race, colour, sex, religion, political opinion, national extraction/place of birth or social origin is also forbidden. A transparent remuneration system and the clear matching of pay and position should be in place and to help prevent wage discrimination.

Convention No. 190 recognizes the right of everyone to a world of work free from violence and harassment. It defines violence and harassment as “a range of unacceptable behaviours and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment”. This definition covers physical abuse, verbal abuse, bullying and mobbing, sexual harassment, threats and stalking, among other things.

An employer can't discriminate against you in any aspect of employment (appointment, promotion, training and transfer) on the basis of union membership or participation in union activities, filing of a complaint against an employer, race, colour, sex, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin, temporary absence due to illness, age, trade union membership, disability/HIV-AIDS, or absence from work during maternity leave. (Conventions 111, 156, 158, 159 and 183)

People have the right to work and there can't be occupational segregation on the basis of gender.

Regulations on fair treatment:

- Labour Law 2005, last amended in 2020

Equal Pay

Equal pay is provided to the male and female workers employed on same position. The law prohibits discrimination of wages between male and female workers in similar or equal positions. A 2010 Ministerial Order requires that “any discrimination in wages shall be prohibited between male and female workers for work of equal value”. No further information on the issue could be located.

Sexual Harassment

No provision could be located in the law that prohibits sexual harassment at workplace. No specific law governs harassment however, sexual harassment is a criminal offence and a criminal complaint can be made against the perpetrator (including in the employment context).

Also, "Misconduct or an act infringing on honesty or integrity" by an employee is grounds for summary dismissal, which is likely to cover harassment of another employee.

The Kingdom of Saudi Arabia has propagated new Anti-Harassment Act on 31 May 2018. The purpose is to combat and prevent the occurrence of harassment, prescribe penalties for perpetrators and protect victims in order to safeguard the privacy, dignity and personal liberty of the individual. The harassment means any utterance, act or gesture with sexual connotations from one person to any other

person that would harm his/her body, honour or modesty, by any means whatsoever, including through the use of modern technology. If the victim is a child, person with special need, crime occurs at work place, study, shelter or care where perpetrator has direct or indirect authority over the victim, the harasser has to pay 300,000 riyals as a penalty or imprisonment for five years.

In line with the legislation, anti-harassment regulations were issued in October 2019. The regulations define what behaviour amounts to inappropriate behaviour, the procedures which should be adopted to investigate complaints of such behaviour and the policies to prevent such behaviour in the workplace. Inappropriate behaviour includes all practices of abuse by one party against another, including all forms of exploitation, threats, harassment, extortion, seduction, quarrelling, insulting, hinting against modesty or intent to be alone with the opposite sex, or any other form of abuse which aims, leads or is likely leads to cause a physical, psychological, sexual or economic harm to the other party. These regulations cover inappropriate behaviour carried out anyone at the workplace.

Source: §80(3) of the Labour Law 2005, last amended in 2020

Non-Discrimination

Law prohibits racial discrimination. Shariah based regulation prohibit discrimination on the basis of race, colour or gender.

If an employee feels discriminated against on any grounds, he/she may be entitled to bring a civil claim for "moral" damages, as

the principles of Shari'a law protect individuals' rights to equal treatment.

Source: Country Reports on Human Rights Practices 2015

Equal Choice of Profession

Prior to the labour law reform in 2020, women in Saudi Arabia could not work in the same industries as men. Similarly, they could not be employed to work at night and in the same occupations as men. Under this reform, the relevant articles of Saudi Labour Law have been repealed. Now, women can work in all occupations as men and also during night hours.

Source: §149 of the Labour Law 2005, last amended in 2020

11/13 MINORS & YOUTH

ILO Conventions

Minimum Age: Convention 138 (1973)

Worst Forms of Child labour: Convention 182 (1999)

Saudi Arabia has ratified the Conventions 138 and 182.

Summary of Provisions under ILO Conventions

At workplaces, children may not be forced to perform work that could harm their health and hampers their physical and mental development.

All children should be able to attend school. Once this is safeguarded, there is no objection against children performing light jobs between the ages of 12 and 14. The general minimum age is 15 years however developing countries may set this at 14 years. The minimum age for hazardous work, work that is likely to jeopardize the health, safety or morals of young persons, is 18 years. It can also be set at a lower level of 16 years under certain circumstances

Children should not be employed in a work that is likely to harm the health, safety or morals of children. It is considered one of the worst forms of child labour. The minimum age for such hazardous work is 18 years.

Regulations on minors and youth:

- Labour Law 2005, last amended in 2020

Minimum Age for Employment

The minimum age for employment is 15 years. Minor under the age of fifteen years may not be employed or allowed to enter the workplace. The Minister may raise this age limit in certain industries or areas or for certain categories of minors. The Minister may allow the employment or work of persons between 13 and 15 years of age in light works, subject to the following conditions: those jobs are potentially not harmful to their health or growth; do not hinder their school attendance, participation in orientation or vocational training programs, or impair their ability to benefit from their schooling.

Employer is obliged to obtain following documents prior to employing a minor:

- The national identification card or an official birth certificate;
- A report of physical fitness for the required job issued by a competent physician and duly certified by a health authority; and
- The consent of the minor's guardian

The above documents are kept in the minor's personal file.

An employer must notify the competent labour office of the employment of each minor within the first week of such employment, and keep a register at the workplace for employed minors, showing the name of the minor, his/her age, full name of his guardian, his place of residence and date of his employment.

Source: §162 & 165-166 of the Labour Law 2005, last amended in 2020

Minimum Age for Hazardous Work

Minimum age for hazardous occupations is 18 years. Minors, under 18 years, may not be employed in hazardous jobs or harmful industries or in occupations or jobs that may endanger their health, safety or morals due to the nature or conditions of the same. A Minister's decision must specify such jobs, industries and occupations. Employment of young workers (15-18 years) is prohibited in the following sectors:

- a) Work in mines, quarries, or the extraction of metallic materials from the ground;
- b) Industries posing health hazards;
- c) Strenuous activities; or
- d) Activities which involve bodily risks, such as those involving sharp cutting equipment.

Working hours for minors may not exceed six hours a day for all months except for the month of Ramadhan when the actual working hours may not exceed four hours per day. The minor may not stay at the workplace for more than seven hours. Working hours should be organized so that a minor may not work for more than four consecutive hours without one or more periods, each not less than half an hour, for rest, food and prayers. Minor worker's total stay at workplace including breaks should not exceed 7 hours.

Minors are not allowed to work at night time, during the weekly rest days, Eids, official holidays or annual vacations.

Source: §161 & 163-164 of the Labour Law 2005, last amended in 2020

12/13 FORCED LABOUR

ILO Conventions

Forced labour: Conventions 29 (1930)

Abolition of Forced labour: Conventions 105 (1957)

Forced labour is the work one has to perform under threat of punishment: forfeit of wages, dismissal, harassment or violence, even corporal punishment. Forced labour means violation of human rights.

Saudi Arabia has ratified both Conventions 29 & 105.

Summary of Provisions under ILO Conventions

Except for certain cases, forced or compulsory labour (exacted under the threat of punishment and for which you may not have offered voluntarily) is prohibited.

Employers have to allow workers to look for work elsewhere. If a worker is looking for work elsewhere, he/she should not be shortened on wages or threatened with dismissal. (In the reverse cases, international law considers this as forced labour).

If the total working hours, inclusive of overtime exceed 56 hours per week, the worker is considered to be working under inhumane working conditions.

Regulations on forced labour:

- Labour Law 2005, last amended in 2020

Prohibition on Forced and Compulsory Labour

There is a general provision that a worker should not be made to work without wages. No clear provision on forced labour.

Freedom to Change Jobs and Right to Quit

Workers have the right to change jobs after serving due notice. The notice period is applicable in the case of indefinite term contracts. For monthly paid employees, notice period is 60 days. The notice period is 30 days for all other employees. For more information on this, please refer to the section on employment security.

From 14 March 2021, the Ministry of Human Resources and Social Development is implementing the Labour Reform Initiative Program. Being part of the Vision 2030's National Transformation Program, the initiative aims to transform the current employment and immigration system in three key areas: (1) employee mobility (transfer of employment); (2) exit and re-entry visas; and (3) final exit visas.

Employee Mobility

Under the initiative, expatriate workers can change employers by transferring their work and residence permit sponsorship to another employer without their current employer's NOC. Now expatriate workers can change employment without their current employer's consent subject to

certain qualifying conditions. The worker must:

1. be an expatriate who is working under the Saudi labour system;
2. have completed one calendar year of service for the current employer, beginning from the date of the worker's entry into the KSA;
3. have a valid and duly attested employment contract;
4. have a job offer from the new employer submitted through the online "Qiwa" portal; and
5. submit a notice of the transfer request to the current employer giving a minimum of 90 days' notice unless the parties agree otherwise.

The Labour Reform Initiative contains conditions for new employers as well. The prospective employer must be compliant with:

1. Saudisation requirements and eligible to obtain visas to employ expatriate workers;
2. Wage Protection System (WPS) regulations;
3. electronic Contract Registration Program (CRP) regulations; and
4. Self-Evaluation Program regulations.

However, there are some instances under which the employee does not have to comply with the above conditions. Those conditions are as follows:

1. The worker has not concluded the employment contract with the employer within three months of entry into KSA;
2. The worker has not received the salary for the last three months;
3. The employer is absent due to travel, imprisonment, death, or for any other reason;

4. The expatriate worker's work permit or residence permit expires and is not renewed;
5. The worker reports a commercial cover-up violation by the employer, provided the worker is not involved in the concealment offence;
6. A labour dispute arises between the worker and the employer, and the employer or its representative fails to attend two litigation hearings at any judicial level despite being notified of the hearing dates or does not attend two amicable settlement hearings; and
7. The current employer approves the expatriate worker's transfer request.

Exit and re-entry visas

Currently, expatriate workers need their employers to obtain exit and re-entry visas when travelling in and out of the KSA. While employers bear the visa costs, they are under no obligation to obtain the visas for workers. Under the Reform Initiative, expatriate workers can submit their applications for exit and re-entry visas via the online Absher platform by paying the necessary fees. This allows workers to plan travel independently of the employer, depending on the approval of leave/vacations.

Final exit visas

The expatriate workers also need a final exit visa at the end of their employment to depart the country in compliance with the immigration laws. Failure to leave the country on the final exit visa can result in the worker being considered as having absconded or overstayed, creating problems in a worker leaving the country or returning for future employment. Under the old system, the final exit visa could only be

obtained by the employer. The employers were obligated to pay for the cost of it. The Reform initiative allows expatriate workers to submit their electronic applications for a final exit visa via the Absher platform, subject to certain qualifying conditions.

Inhumane Working Conditions

Working time may be extended beyond normal working hours of forty-eight hours per week and eight hours a day. However, maximum overtime hours are not provided in the law. In accordance with Ministry of Labour's guidance, the maximum overtime hours that a worker can be asked in a year are 720 hours (60 hours per month) however worker can agree to do more overtime hours through a written agreement. The overtime working hours per week are equal to 14 hours and thus the total working hours (normal + overtime) are 62 hours per week.

For more information on this, please refer to the section on compensation.

13/13 TRADE UNION

ILO Conventions

Freedom of association and protection of the right to organize: Convention 87 (1948)
Right to Organize and Collective Bargaining: Convention 98 (1949)

Saudi Arabia has not ratified both Conventions 87 and 98.

Summary of Provisions under ILO Conventions

Freedom of association means freedom to join a trade union. This is part of the fundamental human rights. Employees may not be put at a disadvantage when they are active in the trade union outside working hours. The list of exclusions for sectors of economic activity and workers in an organization should be short.

Trade unions are entitled to negotiate with employers on term of employment without hindrance. The freedom of a trade union to negotiate with employers to try and conclude collective agreements is protected. (The ILO has a special procedure for handling complaints from unions about violation of this principle).

Workers have the right to strike in order to defend their social and economic interests. It is incidental and corollary to the right to organize provided in ILO convention 87.

Regulations on trade unions:

- Labour Law 2005, last amended in 2020

Freedom to Join and Form a Union

The right to freedom of association is not granted under the labour law. Trade unions are not permitted in Saudi Arabia. However, the Labour Law permits the establishment of worker councils for Saudi nationals only.

Recent amendments to the Labour Law have encouraged employers to form worker committees to oversee staff welfare and to handle the funds collected through fines imposed on workers.

Freedom of Collective Bargaining

No provision could be located in the law related to the freedom of collective bargaining

Right to Strike

No provision could be located in the law supporting the right to strike.

QUESTIONNAIRE

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Check

DecentWorkCheck Saudi Arabia is a product of
WageIndicator.org and rawateb.org/saudiarabia



National Regulation exists



National Regulation does not exist

01/13 Work & Wages

	NR	Yes	No
1. I earn at least the minimum wage announced by the Government		<input type="checkbox"/>	<input type="checkbox"/>
2. I get my pay on a regular basis. (daily, weekly, fortnightly, monthly)		<input type="checkbox"/>	<input type="checkbox"/>

02/13 Compensation

3. Whenever I work overtime, I always get compensation <i>(Overtime rate is fixed at a higher rate)</i>		<input type="checkbox"/>	<input type="checkbox"/>
4. Whenever I work at night, I get higher compensation for night work		<input type="checkbox"/>	<input type="checkbox"/>
5. I get compensatory holiday when I have to work on a public holiday or weekly rest day		<input type="checkbox"/>	<input type="checkbox"/>
6. Whenever I work on a weekly rest day or public holiday, I get due compensation for it		<input type="checkbox"/>	<input type="checkbox"/>

03/13 Annual Leave & Holidays

7. How many weeks of paid annual leave are you entitled to?*		<input type="checkbox"/> 1 <input type="checkbox"/> 2	<input type="checkbox"/> 3 <input type="checkbox"/> 4+
8. I get paid during public (national and religious) holidays		<input type="checkbox"/>	<input type="checkbox"/>
9. I get a weekly rest period of at least one day (i.e. 24 hours) in a week		<input type="checkbox"/>	<input type="checkbox"/>

04/13 Employment Security

10. I was provided a written statement of particulars at the start of my employment		<input type="checkbox"/>	<input type="checkbox"/>
11. My employer does not hire workers on fixed terms contracts for tasks of permanent nature <i>Please tick "NO" if your employer hires contract workers for permanent tasks</i>		<input type="checkbox"/>	<input type="checkbox"/>
12. My probation period is only 06 months		<input type="checkbox"/>	<input type="checkbox"/>
13. My employer gives due notice before terminating my employment contract (or pays in lieu of notice)		<input type="checkbox"/>	<input type="checkbox"/>
14. My employer offers severance pay in case of termination of employment <i>Severance pay is provided under the law. It is dependent on wages of an employee and length of service</i>		<input type="checkbox"/>	<input type="checkbox"/>

05/13 Family Responsibilities





15. My employer provides paid paternity leave <i>This leave is for new fathers/partners and is given at the time of child birth</i>		<input type="checkbox"/>	<input type="checkbox"/>
16. My employer provides (paid or unpaid) parental leave <i>This leave is provided once maternity and paternity leaves have been exhausted. Can be taken by either parent or both the parents consecutively.</i>		<input type="checkbox"/>	<input type="checkbox"/>
17. My work schedule is flexible enough to combine work with family responsibilities <i>Through part-time work or other flex time options</i>		<input type="checkbox"/>	<input type="checkbox"/>

06/13 Maternity & Work





18. I get free ante and post natal medical care		<input type="checkbox"/>	<input type="checkbox"/>
19. During pregnancy, I am exempted from nightshifts (night work) or hazardous work		<input type="checkbox"/>	<input type="checkbox"/>
20. My maternity leave lasts at least 14 weeks		<input type="checkbox"/>	<input type="checkbox"/>

* On question 7, only 3 or 4 working weeks is equivalent to 1 "YES".





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- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 21. | During my maternity leave, I get at least 2/3rd of my former salary |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 22. | I am protected from dismissal during the period of pregnancy
<i>Workers can still be dismissed for reasons not related to pregnancy like conduct or capacity</i> |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 23. | I have the right to get same/similar job when I return from maternity leave |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 24. | My employer allows nursing breaks, during working hours, to feed my child |  | <input type="checkbox"/> | <input type="checkbox"/> |





07/13 Health & Safety

- | | | | | |
|-----|--|---|--------------------------|--------------------------|
| 25. | My employer makes sure my workplace is safe and healthy |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 26. | My employer provides protective equipment, including protective clothing, free of cost |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 27. | My employer provides adequate health and safety training and ensures that workers know the health hazards and different emergency exits in the case of an accident |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 28. | My workplace is visited by the labour inspector at least once a year to check compliance of labour laws at my workplace |  | <input type="checkbox"/> | <input type="checkbox"/> |









08/13 Sick Leave & Employment Injury Benefits

- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 29. | My employer provides paid sick leave and I get at least 45% of my wage during the first 6 months of illness |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 30. | I have access to free medical care during my sickness and work injury |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 31. | My employment is secure during the first 6 months of my illness |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 32. | I get adequate compensation in the case of an occupational accident/work injury or occupational disease |  | <input type="checkbox"/> | <input type="checkbox"/> |

09/13 Social Security













- | | | | | |
|-----|---|---|--------------------------|--------------------------|
| 33. | I am entitled to a pension when I turn 60 |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 34. | When I, as a worker, die, my next of kin/survivors get some benefit |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 35. | I get unemployment benefit in case I lose my job |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 36. | I have access to invalidity benefit in case I am unable to earn due to a nonoccupational sickness, injury or accident |  | <input type="checkbox"/> | <input type="checkbox"/> |

10/13 Fair Treatment



- | | | | | |
|-----|--|---|--------------------------|--------------------------|
| 37. | My employer ensure equal pay for equal/similar work (work of equal value) without any discrimination |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 38. | My employer take strict action against sexual harassment at workplace |  | <input type="checkbox"/> | <input type="checkbox"/> |
| 39. | I am treated equally in employment opportunities (appointment,promotion, training and transfer) without discrimination on the basis of:* |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Sex/Gender |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Race |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Colour |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Religion |  | <input type="checkbox"/> | <input type="checkbox"/> |
| | Political Opinion |  | <input type="checkbox"/> | <input type="checkbox"/> |

* For a composite positive score on question 39, you must have answered "yes" to at least 9 of the choices.




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	Nationality/Place of Birth		<input type="checkbox"/>	<input type="checkbox"/>
	Social Origin/Caste		<input type="checkbox"/>	<input type="checkbox"/>
	Family responsibilities/family status		<input type="checkbox"/>	<input type="checkbox"/>
	Age		<input type="checkbox"/>	<input type="checkbox"/>
	Disability/HIV-AIDS		<input type="checkbox"/>	<input type="checkbox"/>
	Trade union membership and related activities		<input type="checkbox"/>	<input type="checkbox"/>
	Language		<input type="checkbox"/>	<input type="checkbox"/>
	Sexual Orientation (homosexual, bisexual or heterosexual orientation)		<input type="checkbox"/>	<input type="checkbox"/>
	Marital Status		<input type="checkbox"/>	<input type="checkbox"/>
	Physical Appearance		<input type="checkbox"/>	<input type="checkbox"/>
	Pregnancy/Maternity		<input type="checkbox"/>	<input type="checkbox"/>
40	I, as a woman, can work in the same industries as men and have the freedom to choose my profession		<input type="checkbox"/>	<input type="checkbox"/>





11/13 Minors & Youth

41.	In my workplace, children under 15 are forbidden		<input type="checkbox"/>	<input type="checkbox"/>
42.	In my workplace, children under 18 are forbidden for hazardous work		<input type="checkbox"/>	<input type="checkbox"/>

12/13 Forced Labour

43.	I have the right to terminate employment at will or after serving a notice		<input type="checkbox"/>	<input type="checkbox"/>
44.	My employer keeps my workplace free of forced or bonded labour		<input type="checkbox"/>	<input type="checkbox"/>
45.	My total hours of work, inclusive of overtime, do not exceed 56 hours per week		<input type="checkbox"/>	<input type="checkbox"/>

13/13 Trade Union Rights

46.	I have a labour union at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
47.	I have the right to join a union at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
48.	My employer allows collective bargaining at my workplace		<input type="checkbox"/>	<input type="checkbox"/>
49.	I can defend, with my colleagues, our social and economic interests through "strike" without any fear of discrimination		<input type="checkbox"/>	<input type="checkbox"/>

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Results

Your personal score tells how much your employer lives up to national legal standards regarding work. To calculate your DecentWorkCheck, you must accumulate 1 point for each YES answer marked. Then compare it with the values in Table below:



is your amount of "YES" accumulated.

Saudi Arabia scored 33 times "YES" on 49 questions related to International Labour Standards

If your score is between 1 - 18

This score is unbelievable! Does your employer know we live in the 21st century? Ask for your rights. If there is a union active in your company or branch of industry, join it and appeal for help.

If your score is between 19 - 38

As you can see, there is ample room for improvement. But please don't tackle all these issues at once. Start where it hurts most. In the meantime, notify your union or WageIndicator about your situation, so they may help to improve it. When sending an email to us, please be specific about your complaint and if possible name your employer as well. Also, try and find out if your company officially adheres to a code known as Corporate Social Responsibility. If they do, they should live up to at least ILO standards. If they don't adhere to such a code yet, they should. Many companies do by now. You may bring this up.

If your score is between 39 - 49

You're pretty much out of the danger zone. Your employer adheres to most of the existing labour laws and regulations. But there is always room for improvement. So next time you talk to management about your work conditions, prepare well and consult this DecentWorkCheck as a checklist.