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Baker McKenzie MENA Employment Newsletter

Labour Law Updates in the GCC Promoting Gender Equality - Ensure Your Current Salary Practices are Compliant

Recent developments in the labour laws of the United Arab Emirates (UAE), Saudi Arabia and Bahrain have been issued to bridge the gender-pay gap between men and women. The updates have been in relation to: (i) prohibiting discrimination, whether in pay or otherwise, between male and female employees who carry out the same job in the UAE, Saudi Arabia and Bahrain; (ii) introducing paternity leave in the UAE; and (iii) granting female workers in Saudi Arabia further rights in the workplace (including working in hazardous workplaces and at night). We have summarized below the key updates in each of the UAE, Saudi Arabia, Bahrain and Qatar:

United Arab Emirates

Federal Decree by Law No. 6 of 2020 (the **Decree**) (effective as of 25 September 2020) has amended Federal Law No. 8 of 1980 (the **UAE Labour Law**), providing a significant boost to gender equality in the UAE private sector and introducing a new paternity leave benefit.

The Decree confirms the concept of equal pay for female employees performing work of the same or equal value as that performed by their male counterparts. While the concept of equal pay for male and female employees was already enshrined in the UAE Labour Law, equal pay claims have been rare in practice. The Decree anticipates further regulation by reference to an upcoming supplementary cabinet resolution which shall set out the standards for evaluating "work of equal value". There is clearly an appetite to support female participation in the workplace and reduce discriminatory pay regimes. It will be interesting to see what further measures and obligations the implementing cabinet resolution will introduce to support the objective of ensuring private sector female employees are paid fairly on a par with their male colleagues.

The Decree also addresses the lack of parental leave for male employees in the private sector with the introduction of paternity leave for the first

Contact information

Joanna Matthews-Taylor
Partner
UAE
Joanna.Matthews-Taylor
@bakermckenzie.com

Jennifer Leader
Associate
UAE
Jennifer.Leader
@bakermckenzie.com

Fatima Alhasan
Partner
Bahrain
Fatima.Alhasan
@bakermckenzie.com

Ghada El Ehwany
Partner
Egypt
Ghada.ElEhwany
@bakermckenzie.com

Christiana O'Connell-Schizas
Senior Associate
Saudi Arabia
Christiana.O'Connell-Schizas
@legal-advisors.com

time in the UAE (outside of the Dubai International Financial Centre (DIFC) and Abu Dhabi Global Market (ADGM)). Male employees are now entitled to paid paternity leave for a period of five working days which can be taken within the first six months of the child's birth.

The Decree is the latest development in this space and follows the introduction of an express general prohibition on discrimination and protection for pregnant employees against dismissal, introduced in late 2019.

Saudi Arabia

The Saudi Arabian Government has taken significant strides to enhance the numbers of female employees in the private sector workplace and boost gender equality over the last few years. We have seen a number of laws introduced in support of these objectives.

Similar to the Decree in the UAE, Saudi Arabia issued Ministerial Resolution No. 39860 on 5 November 2018, which prohibits the wage discrimination of women who perform work similar to their male counterparts.

Furthermore, Royal Decree No. M/134 was issued on 25 July 2019, which amended the definition of a worker under the Saudi Labour law to include both men and women which the previous definition did not include. Royal Decree No. M/134 made clear that all citizens have an equal right to work without discrimination. Interestingly, the obligation not to discriminate also extends to the recruitment process.

More recently, on 26 August 2020, Royal Decree No. M/5 was issued, deleting the articles that prohibited women from working at night and working in hazardous jobs and industries.

Bahrain

On 27 August 2020, the Bahraini Government issued Resolution No. 52 of 2020 setting out an outright prohibition on the discrimination of wages between male and female employees who hold the same job and who work in similar conditions. This is consistent with the Decree issued in the UAE and Ministerial Resolution No. 39860 in Saudi Arabia.

Qatar

Law No. 14 of 2004 (**Qatar Labour Law**) states expressly that if a woman is performing the same work as a man, she must be granted an equal wage. The Qatar Labour Law also states that women shall have the same training and promotion opportunities as men. Similarly, the Employment Regulations of the Qatar Financial Centre provide that female employees shall be paid a wage equivalent to the wage of a male if she performs similar work, as well as offered the same promotion opportunities.

For more information on Qatar employment matters, please contact [Will Cattan](#) and [Omar Qouteshat](#) of [Sultan Al-Abdulla & Partners](#).

Key takeaways

- Private sector businesses in the UAE, Saudi Arabia, Bahrain and Qatar will need to review and update their employment and leave policies and recruitment programs in light of these updates to local labour laws.
- Employers should address legacy issues relating to gender-pay disparity and make any necessary adjustments to any gender-pay gaps.
- Employers will need to make sure that their policies are in line with the latest legal updates to ensure that they are in compliance.
- The GCC is moving towards bridging the gap between gender-pay disparity and we can expect further updates from each respective country. Watch this space!

To speak with us in relation to any employment law issues or concerns, please contact one of the lawyers above or your usual Baker McKenzie contact.