

Ministerial Decree No. (788) of 2009 on Protection of Wages

After perusal of Federal Law No. (1) of 1972 concerning the jurisdictions of Ministries and powers of Ministers and the amending laws thereto; and

The Federal Law No. (8) of 1980 concerning the Regulation of Labour Relations and the amending laws thereto; and

The UAE Federal Penal Code promulgated by the Federal Law No. (3) of 1987 and the amending laws thereto; and

The Cabinet Decree No. 133/1 of 2007 which makes it mandatory for institutions and companies to transfer their workers' wages via banks; and

The Ministerial Decree No. (156) of 2003 on the Protection of Wages; and

The briefing given by the acting Undersecretary of the Ministry;

The Minister of Labour hereby promulgates the following Decree:

Article (1)

All institutions registered with the Ministry must pay their workers' wages once a month, at least, or on the dates specified in the work contract if wages are paid more frequently than monthly. The payment of wages should comply with the procedures and dates specified in this Decree. The institutions should, when requested, present all supporting documents that wages have been paid.

Article (2)

All institutions mentioned in Article (1) of this Decree must, as of 1 September 2009, start transferring all its workers' wages to the banks and financial institutions working in the UAE via the Wages Protection System (WPS). The payment process should be made by the deadlines specified in Article (3) of this Decree.

Article (3)

All institutions mentioned in Article (1) of this Decree should transfer their workers' wages via WPS by the deadlines below:

Number of workers	Maximum period of time granted	Deadline
100 and above	3 months (starting September 1)	30 November 2009
15 to 99 workers	6 months (starting September 1)	28 February 2010
Less than 15	9 months (starting September 1)	31 May 2010

The above-mentioned periods shall not apply to:

1. Institutions which were already denied new work permits when the Decree was issued for failing to pay workers' wages on time;
2. Institutions which failed to pay their workers' wages for one month or more after this Decree was issued.

Institutions mentioned in items (1) and (2) above should start transferring wages in accordance with Article (2) of this Decree in order to lift the ban imposed on issuing new work permits, without prejudice to imposing other penalties on the institution in question.

Article (4)

Institutions failing to transfer their workers' wages in compliance with Article (2) of this Decree and within the periods specified in Article (3) of the same Decree will be denied the right to have new work permits. This ban will only be lifted in the month following the transfer of workers' wages in full.

Article (5)

Until the workers' wages are transferred in compliance with Article (2) of this Decree, it is mandatory for institutions with fifty workers or more to submit a monthly declaration as per the form attached to this decree.

Nonetheless, the Undersecretary of the Ministry, or whoever is delegated to task, may apply Paragraph 1 of this Article to other institutions or exempt others from the provisions of the same Paragraph.

Article (6)

The declaration stipulated in Article (5) of this Decree should be submitted within two weeks from the wages' due date and in accordance with the procedures decided by the Undersecretary of the Ministry.

Article (7)

Taking into consideration Article (8) and Article (9) of this Decree, the authorized signatory of the institution will submit the declaration stipulated in Article (5) of this Decree, and will be held responsible for the information and data contained in the declaration, and may face civil and criminal liabilities for any violations.

Article (8)

If the Ministry is certain and assured that one of the following violations has occurred:

- (a) Wages are not paid within a month of their due date;
- (b) The declaration, stipulated in Article (5) of this Decree, has not been submitted within a month of the wages' due date

and taking into consideration the provisions of other Cabinet Decrees pertaining to other administrative procedures, the institution in question shall be denied the right to have a new work permit for the following periods:

- Until the violation is rectified (the first violation);
- For one month after the violation is rectified (second violation);
- For two months after the violation is rectified (third violation);
- For three months after the violation is rectified (fourth violation).

If the Ministry arrives at a conclusion that the different bans mentioned above have been to no avail, it may, at its own discretion, decide to impose a ban on issuing any work permits to all institutions owned by the owner of the violating institution, provided they are owned by the same partners, and to refer all those responsible for the violation to the court. The ban shall persist until after the court proceedings or the violation is rectified, whichever comes first.

Article (9)

If the Ministry is certain and assured that the declaration, stipulated in Article (5) of this Decree, provides false information, the institution in question shall be denied the right to have a new work permit, and all those responsible for the false information shall be prosecuted, while the ban on work permits shall remain in force until after the court proceedings.

Article (10)

This Decree shall annul, as of the date it comes into force, the above-mentioned Cabinet Decree (156) of 2003 which makes it mandatory for the institutions to submit a certificate issued by an auditor.

Article (11)

This Decree shall be published in the Official Gazette and shall enter into force as of September 1, 2009.

Saqr Ghobash Saeed Ghobash
Minister of Labour

Issued in Abu Dhabi on 20/07/2009