

# شـعبــة الـتـرجــمــة الرســميــة Official Translation Department

# Labor Law

Royal Decree No. M/51 September 27, 2005

**Translation of Saudi Laws** 



#### NOTE:

The translation of Saudi laws takes the following into consideration:

- Words used in the singular form include the plural and vice versa.
- Words used in the masculine form include the feminine.
- Words used in the present tense include the present as well as the future.
- The word "person" or "persons" and their related pronouns (he, his, him, they, their, them) refer to a natural and legal person.



Labor Law

# Part 1: Definitions and General Provisions

**Chapter 1: Definitions** 

# Article 1

This law shall be called the Labor Law.

# Article 2

In this Law, the following terms shall have the meanings assigned thereto, unless the context requires otherwise:

Ministry: Ministry of Labor.

Minister: Minister of Labor.

**Labor Office:** The administrative authority assuming jurisdiction over the labor affairs within an area specified by a decision of the Minister.

Employer: Any natural or corporate person employing one or more workers for a wage.

**Worker:** Any natural person - male or female - working for an employer and under his management or supervision for a wage, even if said person is not under his direct control.

Minor: Any person of 15 and below 18 years of age.

**Work:** The effort exerted in all human activities in execution of a (written or unwritten) employment contract regardless of their nature or kind, be they industrial, commercial, agricultural, technical, or otherwise, whether physical or mental.

**Original Work:** For individuals: Their usual business activities. For firms: The activities for which the firm was established as stated in its articles of incorporation, franchise contract – if a franchise company, or Commercial Register.

**Temporary Work:** Work considered by its nature to be part of the employer's activities, the completion of which requires a specific period or relates to a specific job and ends with its completion. It shall not exceed 90 days in either case.

**Incidental Work:** Work that is not considered by its nature to be part of the usual activities of an employer, and its execution does not require more than 90 days.

Seasonal Work: Work that takes place during known periodical seasons.



**Part-Time Work:** Work performed by a part-time worker for an employer and for less than half the usual daily working hours at the firm, whether such a worker works on a daily basis or on certain days of the week.

**Continuous Service:** The uninterrupted service of a worker for the same employer or his legal successor from the starting date of service. Service shall be deemed continuous in the following cases:

- 1. Official holidays and vacations.
- 2. Interruptions for sitting for examinations in accordance with the provisions of this Law.
- 3. Worker's unpaid absences from work for intermittent periods not exceeding 20 days per work year.

**Basic Wage:** All that is given to a worker for his work by virtue of a written or unwritten employment contract regardless of the kind of wage or its method of payment, in addition to periodic increments.

Actual Wage: The basic wage plus all other due increments decided for a worker for the effort he exerts at work or for risks he encounters in the course of performing his work, or those decided for the worker for the work under the employment contract or work organization regulation. This includes:

- 1. The commission or percentage from sales or profits paid against what the worker markets, produces, collects, or realizes from increased or enhanced production.
- 2. Allowances the worker is entitled to for exerted effort or risks he encounters while performing his job.
- 3. Increments that may be granted in accordance with the standard of living or to meet family expenses.
- 4. Grants or rewards: What the employer grants to a worker and what is paid to him for honesty or efficiency and the like, if such grant or reward is stipulated in the employment contract or the work organization regulation of the firm, or if it is customarily granted to the extent that workers consider it part of the wage rather than a donation.
- 5. In rem privileges: What the employer commits himself to provide to the worker for his work by stating the same in the employment contract or the work organization regulation, and it is estimated at a maximum of two months basic wage per annum, unless it is otherwise estimated to exceed that in the employment contract or the work organization regulation.

Wage: actual wage.



**Firm:** Any enterprise run by a natural or corporate person which employs one or more workers for a wage of any kind.

**Month:** 30 days, unless otherwise specified in the employment contract or the work organization regulation.

**Regulations:** The Implementing Regulations of this Law.

# Chapter 2: General Provisions

#### Article 3

Work is the right of every citizen. No one else may exercise such right unless the conditions provided for in this Law are fulfilled. All citizens are equal in the right to work without discrimination on the basis of gender, disability, age, or any other form of discrimination, whether during their performance of work, at the time of employment, or at the time of advertising

#### Article 4

When implementing the provisions of this Law, employers and workers shall adhere to the provisions of Sharia.

#### Article 5

Provisions of this Law shall apply to the following:

- 1. Any contract whereby a person commits himself to work for an employer and under his management or supervision, for a wage.
- 2. Workers of the government and public organizations and institutions including those who work in pastures or agriculture.
- 3. Workers of charitable institutions.
- 4. Qualification and training contracts with workers other than those working for the employer within the limits of the relevant provisions provided for in this Law.
- 5. Part-time workers with respect to safety, occupational health, and work injuries, as well as decisions issued by the Minister.

#### Article 6

Incidental, seasonal, and temporary workers shall be subject to the provisions on duties



and disciplinary rules, the maximum working hours, daily and weekly rest intervals, overtime work, official holidays, safety rules, occupational health, and work injuries and compensation therefore as well as whatever is decided by the Minister.

# Article 7

- 1. The following shall be exempted from the implementation of the provisions of this Law:
  - a) The employer's family members, namely, the spouse and the ascendants and descendants who constitute the only workers of the firm.
  - b) Players and coaches of sports clubs and federations.
  - c) Domestic workers and the like.
  - d) Agricultural workers, private herdsmen, and the like.
  - e) Sea workers working on board vessels with a load of less than 500 tons.
  - f) Non-Saudi workers entering the Kingdom to perform a specific task for a period not exceeding two months.
- 2. The Minister shall issue, in coordination with relevant agencies, one or more regulations for the categories set out in subparagraphs (a), (c), (d), (e), and (f) of paragraph (1) of this Article, containing the rights, obligations, and other special provisions related to each category.

#### Article 8

Any condition that conflicts with the provisions of this Law shall be deemed null and void. The same applies to any release or settlement of the worker's rights arising from this Law during the validity of the employment contract, unless the same is more beneficial to the worker.

#### Article 9

Arabic shall be the language used for data, records, files, employment contracts, and the like as provided for in this Law or in any decision issued in implementation of its provisions as well as the instructions issued by the employer to his workers.

If the employer uses a foreign language besides Arabic in any of the aforementioned cases, the Arabic text shall prevail.

#### Article 10

All periods and schedules provided for in this Law shall be according to the Hijri calendar,



unless otherwise stated in the employment contract or the work organization regulation.

# Article 11

If the employer assigns all or part of his original work to a natural or corporate person, the latter shall give his workers all the rights and privileges which the original employer gives to his workers.

# Article 11 bis

Without prejudice to the provisions of this Law and relevant regulations, the Minister may take any measures that would improve the performance of the labor market and regulate labor mobility.

# Article 12

- 1. The Ministry shall develop one or more model bylaws which shall include rules and regulations related to the conduct of work. It shall also include provisions relating to benefits, violations, and disciplinary actions.
- 2. The Ministry shall set rules regulating the adoption of bylaws.

#### Article 13

- 1. Every employer shall draft bylaws for his firm in line with the Ministry's model bylaws. Exceptions to this provision may be granted by the Minister.
- 2. The employer may incorporate into the bylaws additional terms and conditions that do not conflict with the provisions of this Law, its Regulations, and the decisions for the implementation thereof.
- 3. The employer shall make the bylaws and any amendments thereto accessible to employees in a manner that ensures their knowledge of the provisions.

#### Article 14

Repealed

#### Article 15

An employer shall, upon commencement of work in any firm, notify the competent labor office in writing of the following data:

1. Name, type, and headquarters of the firm, as well as its mailing address and any information that facilitates contact therewith.



- 2. Line of business for which it is licensed, providing the number of the Commercial Register or the license, its date, and issuing authority, together with a copy thereof.
- 3. Number of workers to be employed in the firm.
- 4. Name of the firm's manager in-charge.
- 5. Any other data required by the Ministry.

- 1. If the employer is unable to run the business in person, he shall designate a representative at the workplace. In case of multiple partners or managers in the firm, one of them, from among those residing at the place of work, shall be nominated to represent the employer and be liable for any violation of the provisions of this Law.
- 2. The employer shall notify the competent labor office in writing of the name of the partner or manager, and, in case he is replaced, he shall notify the labor office of the name of the new partner or manager within seven days at most of the date the latter assumes the job.
- 3. In case no manager is appointed to be in charge of the firm, or if the appointed manager does not assume his duties, then the person who actually runs the firm or the employer himself shall be considered the manager in charge of the firm.

In all cases, the employer is ultimately liable.

#### Article 17

An employer shall maintain, at the workplace, records, statements, and files the nature and contents of which shall be specified in the Regulations. He shall display at a visible location at the workplace a schedule of working hours, breaks, weekly rest days, and the time each shift starts and ends, when operating in shifts.

#### Article 18

If the ownership of a firm is transferred to a new owner or a change takes place in its legal form through merger, partition, or otherwise, employment contracts shall remain in force in both cases and service shall be deemed continuous. As for workers' rights accrued for the period prior to the change, such as wages or unrealized end-of-service awards on the date of the transfer of ownership and other rights, the predecessor and the successor shall be jointly and severally liable. However, in the case of transfer of ownership of individual firms, for any reason, the predecessor and the successor may agree to transfer all the previous rights of the worker to the new owner subject to the written consent of the



worker. If the worker disapproves, he may request the termination of his contract and collect his dues from the predecessor.

# Article 19

Amounts due to the worker or his heirs under this Law shall be deemed first rate privileged debts and the worker and his heirs shall, for the purpose of settling them, be entitled to a privilege over all the employer's properties. In case of the employer's bankruptcy or the liquidation of his firm, the aforementioned amounts shall be entered as privileged debts and the worker shall be paid an expedited amount equivalent to one month wage prior to the payment of any other expenses including judicial, bankruptcy, or liquidation expenses.

#### Article 20

An employer or a worker may not perform any act that may abuse the provisions of this Law or the decisions or regulations issued for its implementation. Neither of them may undertake any act that infringes upon the freedom of the other or the freedom of other workers or employers to realize any interest or impose a point of view that conflicts with the freedom of work or the jurisdiction of the competent authority in charge of the settlement of disputes.

#### Article 21

The Minister, in implementing the provisions of this Law, shall coordinate with relevant authorities whenever necessary.

#### PART 2: Organization of Recruitment

#### **Chapter 1: Employment Units**

#### Article 22

The Ministry shall provide employment units, free of charge, at locations convenient for employers and workers, which shall undertake the following:

- 1. Assist workers in finding suitable jobs and aid employers in recruiting suitable workers.
- 2. Gather necessary information on the labor market and its developments and analyzing such information to make it available to various public and private organizations concerned with economic and social planning affairs.



- 3. Perform the following duties:
  - 3.1 Registering job seekers.
  - 3.2 Obtaining data on vacant jobs from employers.
  - 3.3 Referring workers' applications to suitable vacant jobs.
  - 3.4 Providing advice and assistance to job seekers with respect to vocational qualification and training or the required retraining to fill vacancies.
  - 3.5 Other matters decided by the Ministry.

Every citizen of working age who is capable of work and willing to work may register his name at the employment unit along with his date of birth, qualifications, previous employment, preferences, and address.

#### Article 24

The Regulations shall specify the rules and procedures for work progress at employment units, forms of registers, notices, and other papers used for its work in addition to job classification tables, according to the official job classification, which shall be the basis for organizing recruitment.

#### Article 25

Every employer shall send the following to the competent labor office:

- 1. A statement of vacant and new jobs, their types, locations, wages, and qualifications within a period not exceeding 15 days from the date of vacancy or creation thereof.
- 2. A notice of the measures taken to employ the citizens nominated by the employment unit within seven days from receiving the nomination letter.
- 3. A list of the names, jobs, professions, wages, ages, and nationalities of his workers, as well as the numbers and dates of work permits for non-Saudis and other data specified in the Regulations.
- 4. A report on the status, conditions, and nature of work and the anticipated increase or decrease in jobs during the year following the date of the report.
- 5. The statements specified in paragraphs (3) and (4) of this Article shall be sent during the month of *Muharram* of every year.



- 1. All firms in all fields, and regardless of the number of workers, shall work to attract and employ Saudis, create conditions to keep them on the job, and avail them of adequate opportunities to prove their suitability for the job by guiding, training, and qualifying them for their assigned jobs.
- 2. The percentage of Saudi workers employed by an employer shall not be less than 75% of the total number of his workers. The Minister may temporarily reduce this percentage in case of the lack of adequate technically or academically qualified workers or if it is not possible to fill vacant jobs with nationals.

# Article 27

The Minister may – when necessary in certain activities and professions and in some provinces and counties - require employers not to employ workers until they have been registered at employment units under the terms and conditions specified pursuant to his decision.

# Chapter 2: Employment of the Disabled

#### Article 28

Each employer employing 25 workers or more where the nature of his work allows recruitment of the professionally disabled shall employ a number of disabled persons that represents at least 4% of the total number of his workers whether through nomination by employment units or otherwise, and he shall send to the competent labor office a list of the jobs and posts occupied by professionally rehabilitated disabled persons and their wages.

#### Article 29

If a worker sustains a work injury that results in a loss in his usual capabilities that does not prevent him from performing another job, the employer, under whose service the work injury was sustained, shall employ said worker in a suitable job for the wage specified for such job. This shall not prejudice the worker's due compensation for the injury.



# Chapter 3: Private Offices for the Recruitment of Citizens and Private Offices for Recruiting from Abroad

# Article 30

A natural or corporate person may not engage in the recruitment of Saudis or in the recruitment of workers from abroad unless licensed for the same by the Ministry. The Regulations shall determine the functions of these two types of activities, the conditions for granting and renewing a license to each of them, and the duties and prohibitions as well as rules for non-renewal or revocation of the license and the consequences thereof, and other conditions and controls necessary for ensuring the proper conduct of business.

#### Article 31

Saudi workers to whose employment the recruitment offices contributed and workers recruited from abroad on behalf of employers shall be deemed workers of the employer and bound to him by direct contractual relation.

#### PART 3: Employment of Non-Saudis

#### Article 32

Recruitment from abroad for the purpose of work may not be undertaken without the approval of the Ministry.

#### Article 33

A non-Saudi may not engage in or be allowed to engage in any work except after obtaining a work permit from the Ministry, according to the form prepared by it for this purpose.

The conditions for granting the permit are as follows:

- 1. The worker has lawfully entered the country and is authorized to work.
- 2. The worker possesses the professional or academic qualifications which the country needs and which are not possessed by citizens or the available number of such citizens is insufficient to meet the needs, or that he belongs to the class of ordinary workers that the country needs.
- 3. The worker has a contract with an employer and is under his responsibility.



The word *work* in this Article shall mean any industrial, commercial, agricultural, financial, or other work, and any service including domestic service.

# Article 34

No permit or license required by any other agency for engaging in a work or profession shall substitute for said work permit.

#### Article 35

The Ministry may decline to renew the work permit if the employer violates the Saudization requirements set by the Ministry.

#### Article 36

The Minister shall issue a decision specifying the professions and jobs which are prohibited for non-Saudis.

#### Article 37

The employment contract for non-Saudis shall be written and of a fixed term. If the contract does not specify the duration, the duration of the work permit shall be deemed the duration of the contract.

#### Article 38

An employer may not employ a worker in a profession other than the one specified in his work permit. A worker is prohibited from engaging in a profession other than his before taking the legal measures necessary to change his profession.

#### Article 39

- Unless he has followed the stipulated legal rules and procedures, an employer may not allow his worker to work for others, and a worker may not work for other employers. Similarly, an employer may not employ the workers of other employers. The Ministry of Labor shall inspect firms, investigate violations of this paragraph detected by its inspectors, and refer them to the Ministry of Interior for the imposition of prescribed penalties.
- 2. An employer may not allow a worker to work for his own account and a worker may not work for his own account. The Ministry of Interior shall be in charge of detection, detention, deportation, and imposition of penalties on violators working for their own account in streets and squares, as well as absconding workers and persons



employing, hiding, or transporting them as well as any person involved in such violation, and shall impose the prescribed penalties against them.

#### Article 40

- 1. An employer shall bear the fees pertaining to the recruitment of non-Saudi workers, the fees for issuing and renewing residence permit (*Iqama*) and work permit, and the fines resulting from their delay, as well as the fees pertaining to change of profession, exit and re-entry visas, and return tickets to the worker's home country at the end of the relation between the two parties.
- 2. A worker shall bear the costs of returning to his home country if he is unfit for work or if he wishes to return to his home country without a legitimate reason.
- 3. An employer shall bear the fees of transferring the services of a worker who wishes to transfer his service to him.
- 4. An employer shall be responsible for the cost of preparing the body of a deceased worker and transporting it to the location where the contract was concluded, or where the worker was recruited unless the worker is interred in the Kingdom with the approval of his family. The employer shall be relieved if the General Organization for Social Insurance (GOSI) undertakes the same.

#### Article 41

The Regulations shall specify the conditions, controls, and procedures for recruitment from abroad, transfer of services, and change of profession.

#### PART 4: Training and Qualification

#### Chapter 1: Training and Qualification of the Employer's Workers

#### Article 42

An employer shall be required to prepare his Saudi workers and enhance their technical, administrative, vocational, and other skills for the purpose of gradually replacing non-Saudis.

The employer shall keep a record showing the names of the Saudi workers who have replaced non-Saudis in accordance with the conditions and rules set forth in the Regulations.



Without prejudice to the conditions set forth in franchise and other agreements regarding training and qualification, every employer employing 50 or more workers shall annually train, in his business, a number of his Saudi workers not less than 12% of the total number of his workers. This percentage shall include Saudi workers who are pursuing their studies if the employer is covering their tuition fees. The Minster may raise this percentage in certain firms pursuant to a decision by him.

# Article 44

The training program shall include the rules and conditions to be followed in training, its duration, number of hours, theoretical and practical training programs, testing method, and the certificates to be granted in this regard. The Regulations shall set forth the general criteria and rules to be followed in this regard to raise the worker's level of performance in terms of skill and productivity.

# Chapter 2: Qualification and Training Contracts of other than the Employer's Workers

# Article 45

A training or qualification contract is a contract which commits the employer to train and qualify a person for a specific profession.

#### Article 46

A training or qualification contract shall be in writing, indicating the profession for which the training is contracted, the duration of training and its successive stages, and the allowance to be paid to the trainee at each stage, provided that it is not based on piecemeal or productivity.

#### Article 47

The Minister may require firms, to be determined pursuant to a decision by him, to accept a certain number or percentage of the students and graduates of colleges, institutes, and centers to receive training and supplementary practical experience in accordance with the conditions, circumstances, durations, and trainee allowances to be specified in an agreement to be concluded between the Ministry and the management of the relevant firm.



- 1. The employer may terminate the training contract if it is established that the trainee is incapable of completing the training program. The trainee or his guardian shall be entitled to the same. The party seeking to terminate the contract shall notify the other party of this at least one week prior to the date of termination of training.
- 2. Following completion of training, the employer shall be entitled to require the trainee to work for him for a period equivalent to that of the training. If the trainee refuses to work for a similar period or part thereof, he shall pay to the employer the cost of training incurred by the employer or the cost of the remaining period.

#### Article 49

The training and qualification contract shall be subject to the provisions of this Law in terms of annual vacations, official holidays, maximum working hours, daily and weekly rest periods, occupational health and safety rules, and work injuries and their conditions as well as whatever is decided by the Minister.

# PART 5: Work Relations

#### Chapter 1: Employment contract

#### Article 50

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

#### Article 51

The employment contract shall be executed in duplicate, one copy to be retained by each of the two parties. However, a contract shall be deemed to exist even if not written. In this case the worker alone may establish the contract and his entitlements arising therefrom by all methods of proof. Either party may at any time demand that the contract be in writing. As for workers of the government and public corporations, the appointment decision or order issued by the competent authority shall serve as the contract.



- 1. Subject to the provisions of Article 37 of this Law, the Ministry shall create a model employment contract, which shall primarily include the name and place of the employer; the name and nationality of the worker; proof of identity; place of residence; agreed upon wage, including benefits and allowances; type and location of work; date of employment; and duration of the contract if fixed.
- 2. The employment contract shall be in accordance with the model contract referred to in paragraph (1) of this Article. The parties to the contract may add other items not conflicting with the provisions of this Law, its Regulations, and relevant decisions.

# Article 53

If the worker is subject to a probation period, the same shall be expressly stated and clearly indicated in the work contract, provided that such probation period shall not exceed 90 days, exclusive of Eid AI-Fitr and Eid AI-Adha holidays and sick leaves. The probation period may be extended by written agreement between the worker and the employer, provided that it shall not exceed 180 days. Each party shall have the right to terminate the contract during this period, unless the contract contains a provision giving the right to terminate the contract to only one of them.

# Article 54

A worker may not be placed on probation more than once by the same employer. As an exception, the worker may, with the approval of contract parties, in writing, be subjected to another probation period provided that such period involves another profession or work, or if no less than six months have elapsed since the termination of the work relationship between the worker and the employer. If the contract is terminated during the probation period, neither party shall be entitled to compensation nor shall the worker be entitled to an end-of-service award.

#### Article 55

- 1. A fixed-term employment contract shall terminate upon expiration of its term. If the two parties continue to implement it, the contract shall be deemed to have been renewed for an indefinite period of time, subject to the provisions of Article 37 of this Law for non-Saudi workers.
- 2. If a fixed-term contract contains a clause providing for its renewal for a similar term or a specified term, the contract shall be renewed for the agreed upon period. If the contract is renewed for three consecutive terms, or if the original contract term and the renewal period amount to four years, whichever is less, and the parties continue



to implement it, the contract shall become an indefinite term contract.

# Article 56

In all cases where the contract term is renewed for a specific period of time, the contract renewal period shall be deemed an extension of the original term in determining the worker's rights which takes into account the worker's period of service.

# Article 57

If the contract involves performance of a specific work, it shall terminate with the completion of the agreed upon work.

# Article 58

- 1. The employer may not relocate the worker from his original place of work to another place that requires a change in place of residence without his written consent.
- 2. The employer may, in exigent circumstances and for a period not exceeding 30 days per year, assign the worker without his consent to a different location, provided that the employer bears the costs of the worker's transport and residence during such period.

# Article 59

A monthly-paid worker may not be reclassified as a daily-paid, a weekly-paid, or hourlypaid worker nor as a worker paid by piecework, unless the worker agrees thereto in writing and without prejudice to the rights he has acquired during the period he spent as a monthly-paid worker.

#### Article 60

Without prejudice to the provisions of Article 38 of this Law, a worker may not be assigned duties which are essentially different from the agreed upon work without his written consent, except in cases of necessity dictated by transient circumstances and for a period not exceeding 30 days a year.



# **Chapter 2: Duties and Disciplinary Rules**

#### First: Employers' Duties

#### Article 61

In addition to the duties provided for in this Law and the regulations and decisions issued for its implementation, the employer shall be required to:

- 1. Refrain from resorting to forced labor, or withholding the worker's wage or part thereof without court order, or mistreating the worker in any manner that may infringe upon his dignity or religion.
- 2. Give the workers the time required to exercise their rights as provided for in this Law without any deductions from their wages against such time. He may regulate the exercise of this right in a manner not detrimental to work progress.
- 3. Facilitate for the employees of the competent authorities any task related to the enforcement of the provisions of this Law.

#### Article 62

If the worker reports to work on the prescribed time or expresses his readiness to perform his work at such time but is prevented from doing so only by a cause which is ascribed to the employer, the worker shall be entitled to the wage for the period during which no work is performed.

#### Article 63

The employer, his agents, or any person having authority over the workers shall prohibit the entry of any illegal substances into places of work. Anyone who is found in possession of or consumes such substances shall be subject to the punishments provided for in this Law, without prejudice to other punishments provided for in Sharia.

#### Article 64

Upon expiration of the employment contract, the employer shall be required to:

 Give the worker, upon his request, a certificate of work experience free of charge, stating the date of commencing work, date of the end of the relationship with them, profession, and amount of the last salary. The employer may not include in the certificate any remark that would undermine the reputation of the worker or his chances of future employment.



2. Return to the worker all certificates or documents he had deposited with the employer.

#### Second: Workers' Duties

#### Article 65

In addition to the duties provided for in this Law and the regulations and decisions issued in implementation thereof, the worker shall be required to:

- 1. Perform the work in accordance with the trade practice and the employer's instructions provided that such instructions do not conflict with the contract, the law, or public morality and that they do not expose him to any undue hazards.
- 2. Take due care of the employer's machinery, tools, supplies, and raw materials which are placed at his disposal or in his custody and return unused materials to the employer.
- 3. Abide by proper conduct and ethical norms during work.
- 4. Extend all assistance and help without making it contingent on additional pay in cases of disasters or hazards threatening the workplace or the persons working therein.
- 5. Undergo, upon the employer's request, the medical examinations required prior to or during employment to ensure that he is free from occupational or communicable diseases.
- 6. Keep confidential the technical, trade, and industrial secrets of the materials he produces or those to which he directly or indirectly contributes to the production thereof, as well as all trade secrets related to the work or firm, the disclosure of which is likely to cause damage to the employer's interests.

#### Third: Disciplinary Rules

#### Article 66

The disciplinary penalties that an employer may inflict on a worker are as follows:

- 1. Warnings.
- 2. Fines.
- 3. Withholding or postponing a raise for a period not exceeding one year if prescribed by the employer.
- 4. Postponement of a promotion for a period not exceeding one year if prescribed by the employer.



- 5. Suspension from work and withholding wages.
- 6. Dismissal from work in cases set forth by the law.

An employer may not inflict on a worker a penalty not provided for in this Law or in the work organization regulation.

#### Article 68

A penalty shall not be made harsher in the event of a repeated violation if 180 days have elapsed since the previous violation was committed, as of the date the worker is informed of the penalty for that violation.

#### Article 69

A worker may not be accused of any violation discovered after the elapse of more than 30 days, nor shall he be subjected to a disciplinary penalty after the elapse of more than 30 days from the conclusion of the investigation and establishment of the worker's guilt.

#### Article 70

A worker may not be subjected to a disciplinary penalty for an act committed outside the workplace unless such act is related to the job, the employer, or the manager in-charge. Nor may a worker be fined for a single violation an amount in excess of a five-day wage, and not more than one penalty shall be applied for the same violation. No more than the equivalent of a five-day wage shall be deducted from his wage in one month in the payment of fines, and his suspension from work without pay may not exceed five days a month.

#### Article 71

A disciplinary action may not be imposed on a worker except after notifying him in writing of the allegations, interrogating him, hearing his defense, and recording the same in minutes to be kept in his file. The interrogation may be verbal in minor violations the penalty for which does not exceed a warning or the deduction of an amount equivalent to one-day wage. This shall be recorded in the minutes.

#### Article 72

The worker shall be notified in writing of the decision of imposing the penalty on him. If he refuses to receive the same or if he is absent, the notice shall be sent to the address



shown in his file by registered mail. The worker may object to the decision of imposing the penalty upon him within 15 days, excluding official holidays, from the date of notifying him of the final decision. The objection shall be filed with the labor court which shall be required to issue its decision within 30 days from the date of registering the objection.

# Article 73

The employer must keep a special record of the fines imposed on the worker, stating the name of the worker, his wage, the amount of the fine, the cause for imposing the fine, and the date of the fine. Fines may only be disbursed by the labor committee at the firm for the benefit of the workers of the firm. In the absence of such committee, disbursement of the fines shall be subject to the Ministry's approval.

# Chapter 3: Termination of an Employment Contract

#### Article 74

An employment contract shall terminate in any of the following cases:

- 1. If both parties agree to terminate it, provided that the worker's consent is in writing.
- 2. If the term specified in the contract expires, unless the contract has been explicitly renewed in accordance with the provisions of this Law. In such case, it shall remain in force until the expiry of its term.
- 3. At the discretion of either party in indefinite term contracts, as stated in Article 75 of this Law.
- 4. When the worker reaches the age of retirement in accordance with the provisions of the Social Insurance Law unless the parties agree on continuing work after this age.
- 5. Force majeure.
- 6. Permanent closure of the firm.
- 7. Termination of the line of business for which the worker is employed, unless agreed otherwise.
- 8. Any other case provided for by any other law.

#### Article 75

If the contract is of an indefinite term, either party may terminate it for a valid reason to be specified in a written notice served to the other party prior to the termination date as



specified in the contract, provided that such period is not less than 60 days if the worker's wage is paid monthly, and not less than 30 days for non-monthly wages.

# Article 76

If the party terminating an indefinite term contract fails to observe the notice period specified in accordance with Article 75 of this Law, such party shall be required to pay the other party a compensation equal to the worker's pay for the duration of the notice period, unless the two parties agree on a greater compensation.

# Article 77

Unless the contract includes specific compensation for the termination by either party for an invalid reason, the party affected by termination shall be entitled to compensation as follows:

- 1. For indefinite term contracts: an amount equivalent to fifteen-day wage for each year of the worker's employment.
- 2. For fixed-term contracts: the wage for the remainder of the contract term.
- 3. The compensation referred to in paragraphs (1) and (2) of this Article shall not be less than the worker's wage for two months.

#### Article 78

If notice is made by the employer, the worker shall be entitled to a paid leave of absence of a full day or eight hours per week, to seek other employment. The worker shall be entitled to determine the time of the leave of absence, provided that the employer is notified at least one day in advance. The employer may relieve the worker from attending work during the notice period without affecting the worker's term of service or entitlements for such period.

#### Article 79

An employment contract shall not expire by the death of the employer unless his person has been taken into consideration in concluding the contract, but shall expire with the death or incapacity of the worker pursuant to a medical report approved by the competent health authority or the authorized physician designated by the employer.

#### Article 80

An employer may not terminate the contract without giving the worker an award, advance notice, or indemnity except in the following cases, and provided that he gives the worker



a chance to state his reasons for objecting to the termination:

- 1. If, during or by reason of the work, the worker assaults the employer, the manager incharge, or any of his superiors.
- 2. If the worker fails to perform his main obligations arising from the employment contract, or fails to obey legitimate orders, or if, in spite of written warnings, he deliberately fails to observe instructions related to the safety of work and workers which have been posted by the employer in a visible place.
- 3. If it is established that the worker has committed a misconduct or an act infringing on honesty or integrity.
- 4. If the worker deliberately commits or omits any act with the intent to cause material loss to the employer, provided that the employer reports the incident to the competent authorities within 24 hours after becoming aware of its occurrence.
- 5. If it is established that the worker has committed forgery to obtain the job.
- 6. During the probation period.
- 7. If the worker is absent without a valid reason for more than 30 days in one contractual year or for more than 15 consecutive days, provided that the dismissal is preceded by a written warning from the employer to the worker if the latter is absent for 20 days in the first case and for 10 days in the second.
- 8. If it is established that the worker has unlawfully taken advantage of his position for personal gain.
- 9. If it is established that the worker has disclosed trade secrets.

#### Article 81

Without prejudice to all of his statutory rights, a worker may leave his job without notice in any of the following cases:

- 1. If the employer fails to fulfill his essential contractual or statutory obligations towards the worker.
- 2. If the employer or his representative resorts to fraud at the time of contracting with respect to work conditions and circumstances.
- 3. If the employer assigns the worker, without his consent, to perform work which is essentially different from the agreed upon work and in violation of the provisions of Article 60 of this Law.
- 4. If the employer, a family member thereof, or the manager in-charge commits a violent assault or an immoral act against the worker or any of his family members.



- 5. If the treatment of the employer or the manager in-charge is characterized by cruelty, injustice, or insult.
- 6. If there exists in the workplace a serious hazard threatening the safety or health of the worker, provided that the employer is aware thereof but fails to take measures indicating its removal.
- 7. If the employer or his representative, through his actions and particularly his unjust treatment or violation of the terms of the contract, causes the worker to appear as the party terminating the contract.

An employer may not terminate the worker's services on account of illness prior to availing him of the period designated for sick leave as provided for in this Law. The worker shall have the right to request that his sick leave be combined with his annual leave.

#### Article 83

- If the work assigned to the worker allows him to get acquainted with the employer's clients, the employer may, for the protection of his legitimate interests, require the worker not to compete with him upon termination of the contract. For this condition to be valid, it shall be in writing and specific, in terms of time, place, and type of work. The validity of such condition shall not exceed two years from the date of termination of the relationship between the two parties.
- 2. If the work assigned to the worker allows him to have access to the employer's business secrets, the employer may, for the protection of his legitimate interests, require the worker not to disclose such secrets upon termination of the contract. For this condition to be valid, it shall be in writing and specific, in terms of time, place, and type of work.
- 3. As an exception to the provisions of this Law, the employer may file a suit within one year from the date of discovery of the worker's violation of any of his obligations pursuant to this Article.

#### Chapter 4: End-of-Service Award

#### Article 84

Upon the end of the employment relation, the employer shall pay the worker an end-ofservice award equivalent to the amount of a half-month wage for each of the first five



years and a one-month wage for each of the following years. The end-of-service award shall be calculated on the basis of the last wage and the worker shall be entitled to an end-of-service award for the portions of the year in proportion to the time spent on the job.

# Article 85

If the employment relation ends due to the worker's resignation, he shall, in this case, be entitled to one third of the award after service of not less than two consecutive years and not more than five years, to two thirds if his service is in excess of five consecutive years but less than 10 years, and to the full award if his service amounts to 10 years or more.

#### Article 86

As an exception to the provisions of Article 8 of this Law, it may be agreed that the wage used as a basis for calculating the end-of-service award does not include all or some of the commissions, sales percentages, and similar wage components paid to the worker which are by their nature subject to increase or decrease.

# Article 87

As an exception to the provisions of Article 85 of this Law, the worker shall be entitled to the full end-of-service award if he leaves the work due to a force majeure beyond his control. A female worker shall likewise be entitled to the full award if she ends her contract within six months from the date of her marriage or three months from the date of giving birth.

#### Article 88

Upon the end of the worker's service, the employer shall pay his wages and settle his entitlements within a maximum period of one week from the date of the end of the contractual relation. If the worker ends the contract, the employer shall settle all his entitlements within a period not exceeding two weeks. The employer may deduct any work-related debt due to him from the worker's entitlements.



# **PART 6: Work Conditions and Circumstances**

Chapter 1: Wages

#### Article 89

The Council of Ministers may, when necessary and upon a proposal by the Minister, set a minimum wage.

#### Article 90

- 1. The worker's wage and all other dues shall be paid in the local currency in accordance with the following:
  - a) Workers paid on a daily basis shall be paid at least once a week.
  - b) Workers paid on a monthly basis shall be paid once a month.
  - c) If the work is done by piece and requires a period of more than two weeks, the worker shall receive a payment each week commensurate with the completed portion of the work. The balance of the wage shall be paid in full during the week following delivery of the work.
  - d) In cases other than the above, worker's wages shall be paid at least once a week.
- 2. Firms shall be required to deposit workers' wages into their bank accounts through approved banks in the Kingdom, provided that their due date does not exceed the deadlines referred to above. The Minister may exempt some firms from such requirement.

#### Article 91

1. If a worker, as a result of his own fault or his violation of the employer's instructions and not as a result of a third party's fault or a force majeure, causes loss, damage, or destruction to machinery or products owned by the employer while in his custody, the employer may deduct from the worker's wage the amount necessary for repair or restoration to the original condition, provided that such deductions do not exceed an amount equivalent to five-day wage per month. The employer may file a grievance, if necessary, demanding more deductions if the worker has other properties from which collections may be made. The worker may file a grievance with the labor court regarding the allegations leveled at him or the employer's estimation of the damages. If the labor court rules that the employer is not entitled to claim such deductions or if



it awards the employer a lower amount, the employer shall return to the worker the amounts unjustifiably deducted, within seven days from the date of the award.

2. Either party shall file its grievance within 15 work days; otherwise, their right to do so shall be forfeited. For the employer, the date of filing the grievance shall be from the date the incident is discovered, and for the worker, from the date of his notification of the same by the employer.

# Article 92

No amount shall be deducted from a worker's wages against private rights without his written consent, except in the following cases:

- 1. Repayment of loans extended by the employer, provided that such deductions do not exceed 10% of his wage.
- 2. Social insurance or any other contributions due on workers as provided for by law.
- 3. Worker's contributions to thrift funds or loans due to such funds.
- 4. Installments of any scheme undertaken by the employer involving home ownership programs or any other privilege.
- 5. Fines imposed on the worker on account of violations he commits, as well as deductions made for damages he causes.
- 6. Any debt collected in implementation of a judicial judgment, provided that the monthly deduction shall not exceed one quarter of the worker's wage, unless the judgment provides otherwise.

First to be collected is alimony, followed by food, clothing, and accommodation debts, before other debts.

#### Article 93

In all cases, deductions made may not exceed half the worker's due wage, unless the labor court determines that further deductions can be made or that the worker is in need of more than half his wage. In the latter case, the worker may not be given more than three quarters of his wage.

# Article 94

 If any amount is deducted from a worker's wages for reasons other than those specified in this Law without his written consent, or if an employer delays, without a valid justification, payment of a worker's wage beyond the due date set forth in the Law, the worker, his representative, or the head of the competent labor office may submit a request to the labor court to order the employer to return to the worker any wrongfully-deducted amounts or to pay him his outstanding wages.



2. The labor court may, if it establishes that the employer has unjustifiably deducted said amounts or delayed the payment of wages, impose on the employer a fine not exceeding twice the amount deducted from the worker's wage or twice the outstanding wages.

# Article 95

- If the employment contract or the work organization regulation does not provide for the wage binding on the employer, the wage estimated for the same type of work in the firm, if any, shall be adopted; otherwise, the wage shall be estimated in accordance with the norms of the profession at the place where the work is performed. In the absence of such norms, the labor court shall estimate the wage in accordance with the dictates of justice.
- 2. The same shall also apply in determining the type and scope of the service that the worker is required to render.

#### Article 96

- 1. If the worker's wage is determined on the basis of piecework or productivity, the average wage which the worker receives for his actual work days during the last year of his service shall be used as the basis for calculating any entitlements determined for the worker under this Law.
- 2. If the entire wage is the amounts received as commissions, percentages of sales, or the like which are by nature subject to increases or decreases, the daily average wage shall be calculated on the basis of the amounts the worker receives for the actual work days, divided by them.

#### Article 97

If a worker is detained or taken into custody by the competent authorities in cases related to work or occasioned by it, the employer shall continue to pay the worker 50% of the wage until the case is decided, provided that the period of detention or custody shall not exceed 180 days. If said period exceeds that, the employer shall not be required to pay any portion of the wage for the excess period. If the worker is acquitted or the investigation is closed for lack of evidence or invalidity thereof, the employer shall return to the worker the amount previously deducted from his wage. However, if he is convicted, none of the payments made to him shall be recovered unless the judgment provides otherwise.

# **Chapter 2: Working Hours**

# Article 98

A worker may not actually work for more than nine hours a day if the employer uses the daily work criterion, or more than forty-five hours a week if he uses the weekly criterion. During the month of Ramadan, the actual working hours for Muslims shall be reduced to a maximum of seven hours a day or thirty-five hours a week.

# Article 99

The number of working hours provided for in Article (98) of this Law may be raised to ten 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 eight 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 shall be determined pursuant to a decision by the Minister.

# Article 100

In exception to Articles (98) and (101) of this Law, the employer may, with the Ministry's approval, increase the number of working hours to more than nine hours a day or forty-five hours a week, provided that the average working hours when calculated over a period of three weeks or less is not more than nine hours a day or forty-five hours a week, in firms where work is done in shifts.

# **Chapter 3: Rest Periods and Weekly Rest Days**

#### **First: Rest Periods**

#### Article 101

Working hours and rest periods during the day shall be scheduled so that no worker shall work for more than five consecutive hours without a break of no less than thirty minutes each time during the total working hours for rest, prayer and meals, provided that a worker does not remain at the workplace for more than 12 hours a day.



The periods designated for rest, prayers, and meals shall not be included in the actual working hours. During such periods, the worker shall not be under the employer's authority. The employer shall not require the worker to remain at the workplace during such breaks.

# Article 103

The Minister may specify, pursuant to a decision by him, the cases and jobs where work shall continue without breaks, for technical reasons or operational conditions. In such cases and jobs, the employer shall allow prayer, meals, and rest periods to be scheduled during working hours by the management of the firm.

# Second: Weekly Rest Days

#### Article 104

- 1- A worker shall be entitled to two rest days a week with full pay, one of which shall be a Friday.
- 2- An employer may, upon notifying the relevant labor office, substitute Friday for some of his workers with any other day of the week. The employer shall allow workers to observe their religious duties.

#### Article 105

As an exception to the provisions of Article 104 of this Law, in remote areas and in jobs where the nature of work and operational conditions require continuous work, weekly rest periods accruing to the worker may be consolidated for up to eight weeks if the employer and the workers agree to that effect, subject to the Ministry's approval. In calculating consolidated weekly rest periods, it shall be taken into consideration that said periods begin at the hour the workers arrive at the nearest city with transportation services and end at the hour the workers return to it.

#### Article 106

An employer may not comply with the provisions of Articles 98, 101, and 104 (1) of this Law, in the following cases:

1. Annual inventory activities, preparation of the budget, liquidation, closing of accounts, and preparations for discounts and seasonal sales, provided that the number of days during which the workers work shall not exceed 30 days a year.



- 2. If the work is intended to prevent a hazardous accident, remedy its impact, or avoid an imminent loss of perishable materials.
- 3. If the work is intended to meet unusual work pressure.
- 4. Eids, other seasons and occasions, and seasonal activities specified pursuant to a decision by the Minister.

In all of the above cases, actual working hours shall not exceed 10 hours a day or 60 hours a week. The maximum overtime hours allowed per year shall be determined by a decision of the Minister.

#### Article 107

- 1. The employer shall pay the worker for overtime working hours an additional amount equal to the hourly wage plus 50% of his basic wage.
- 2. If the firm is operated on the basis of weekly working hours, the hours in excess of the hours taken as the criterion shall be deemed overtime hours.
- 3. All working hours performed during holidays and Eids shall be deemed overtime hours.

#### Article 108

The provisions of Articles 98 and 101 of this Law shall not apply to the following cases:

- 1. Persons occupying high positions of authority in management and policy, if such positions grant the persons occupying them authority over workers.
- 2. Preparatory or supplementary work which must be completed before the commencement or after the end of work.
- 3. Work that is intermittent by necessity.
- 4. Guards and janitors, excluding civil security guards.

The Regulations shall specify the jobs listed under paragraphs (2), (3), and (4) of this Article and their maximum working hours.

#### **Chapter 4: Leaves**

#### Article 109

1. A worker shall be entitled to a prepaid annual leave of not less than 21 days, to be



increased to a period of not less than 30 days if the worker spends five consecutive years in the service of the employer.

2. A worker shall enjoy his leave in the year it is due. He may not forgo it or receive cash in lieu during his period of service. The employer may set the dates of such leaves according to work requirements or may grant them in rotation to ensure the smooth progress of work. The employer shall notify the worker of the date of his leave in sufficient time of not less than 30 days.

#### Article 110

- 1. A worker may, with the employer's approval, postpone his annual leave or days thereof to the following year.
- 2. An employer may postpone, for a period of not more than 90 days, the worker's leave after the end of the year it is due if required by work conditions. If work conditions require extension of the postponement, the worker's consent must be obtained in writing. Such postponement shall not, however, exceed the end of the year following the year the leave is due.

# Article 111

A worker shall be entitled to a wage for the accrued days of the leave if he leaves the work without using such leave. This applies to the period of work for which he has not used his leave. He is also entitled to a leave pay for the parts of the year in proportion to the part he spent at work.

#### Article 112

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

#### Article 113

Taking into account female workers' leaves as provided for under this Law, a worker shall be entitled to a five-day leave with full pay in the event of the death of a spouse or an ascendant or descendant, or marriage, and a three-day paid leave in the case of childbirth. In all cases, the employer shall have the right to request supporting documents.

# Article 114

A worker shall be entitled to a paid leave of not less than 10 days and not more than 15 days, including Eid Al-Adha holiday, to perform Hajj only once during his service if he has



not performed it before. To be eligible for this leave, the worker must have spent at least two consecutive years of service with the employer. The employer may determine the number of workers who shall be given this leave annually in accordance with work requirements.

# Article 115

- 1. If an employer approves of a worker's enrollment or continuance in an educational institution, he shall have the right to a leave with full pay to sit for an examination for an unrepeated year, the duration of which shall be based on the actual number of examination days. If the examination is for a repeat year, the worker shall have the right to a leave without pay based on the number of actual examination days. Without prejudice to the employer's right to disciplinary action, the worker shall be denied the wage if it is established that he did not sit for the examination.
- 2. If a worker does not obtain the employer's approval on his enrollment in an educational institution, the worker shall be entitled to a leave to sit for the examination based on the actual number of examination days which shall be considered part of his annual leave, if available. If this is not possible, the worker shall be entitled to a leave without pay for the actual number of examination days.
- 3. The worker shall apply for the leave at least 15 days in advance.
- 4. The employer may require the worker to submit documents supporting the leave application, as well as proof of having taken the examination.

#### Article 116

A worker, subject to the employer's approval, may obtain an unpaid leave for a duration to be agreed upon by the two parties. The employment contract shall be deemed suspended for the duration of the leave in excess of 20 days, unless both parties agree otherwise.

#### Article 117

A worker whose illness has been proven shall be eligible for a paid sick leave for the first 30 days, three quarters of the wage for the next 60 days, and without pay for the following 30 days, during a single year, whether such leaves are continuous or intermittent. A single year shall mean the year which begins from the date of the first sick leave.

#### Article 118

A worker may not work for another employer, while enjoying any of the leaves provided



for in this Chapter. If the employer proves that the worker has violated this provision, he may deprive him of his wages for the duration of the leave or recover any wages previously paid to him.

#### PART 7: Part-time Work

#### Article 119

Full-time workers who are affected by a collective temporary reduction in their normal working hours for economic, technical, or structural reasons shall not be considered part-time workers.

#### Article 120

The Minister shall issue the necessary rules and controls for organizing part-time work, indicating therein the obligations of part-time workers and employers. To the exclusion of the protection extended to similar full-time workers in terms of occupational health and safety and work injuries, the provisions of this Law shall apply only to the extent determined by the Minister.

# PART 8: Protection Against Occupational Hazards, Major Industrial Accidents and WORK Injuries, and Health and Social Services

#### Chapter 1: Protection Against Occupational Hazards

#### Article 121

An employer shall maintain the firm in a clean and hygienic condition. He shall provide lighting, supply potable and washing water, and comply with other rules, measures, and standards of occupational protection, health, and safety in accordance with what is specified in the Minister's decision.

#### Article 122

An employer shall take the necessary precautions to protect workers against hazards, occupational diseases, and the machinery in use, and shall ensure work safety and protection. He shall post in a visible place in the firm the instructions related to work and



workers' safety in Arabic and, when necessary, in any other language the workers understand. The employer may not charge the workers or deduct from their wages any amounts for the provision of such protection.

#### Article 123

An employer shall inform the worker, prior to engaging in the work, of the hazards of his job and said employer shall require him to use the prescribed protective equipment. The employer shall supply workers with the appropriate personal protective gear and train them on its use.

#### Article 124

A worker shall use and preserve the personal protective equipment designated for each process and shall adhere to the instructions established to protect his health against injuries and diseases. He shall refrain from any action or omission that may lead to failure to implement the instructions, or misuse or impairment of the devices provided to protect the workplace as well as the health and safety of fellow workers.

#### Article 125

An employer shall take necessary precautions for protection against fire and provide the technical means to combat it, including safety exits which shall be maintained in working condition at all times. He shall post in a visible location in the workplace detailed instructions for fire prevention devices.

#### Article 126

An employer shall be responsible for emergencies and accidents which may affect persons, other than his workers, who enter the workplace by virtue of 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 shall compensate them for damage and harm they may sustain in accordance with the general laws.

#### **Chapter 2: Protection Against Major Industrial Accidents**

#### Article 127

The provisions of this Chapter shall apply to high risk firms.


- 1. The term "high risk firm" shall mean a firm which produces, prepares, disposes of, handles, uses, or stores, on a permanent or temporary basis, one or more hazardous substances, or categories of these substances, in quantities that exceed permissible limits the exceeding of which results in listing the firm among the high risk firms.
- 2. The term "hazardous substance" shall mean any substance or mixture of substances that constitutes a hazard on account of its chemical, physical, or toxic properties either alone or in combination with other substances.
- 3. The term "major accident" shall mean any sudden occurrence, such as a major leak, fire, or explosion in the course of an activity within a high risk firm and which involves one or more hazardous substances posing a great immediate or potential danger to the workers, the public, or the environment.

## Article 129

The Ministry shall establish controls to identify high risk firms according to the list of hazardous substances, their categories, or both.

### Article 130

Employers shall coordinate with the Ministry to determine the status of their firms on the basis of the controls referred to in Article 129 of this Law.

### Article 131

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

### Chapter 3: Work Injuries

### Article 132

The provisions of this Chapter shall not apply to the firms subject to the Occupational Hazards Branch of the Social Insurance Law.



If a worker sustains a work injury or an occupational disease, the employer shall be required to treat him and assume, directly or indirectly, all necessary expenses, including hospitalization, medical examinations and tests, radiology, prosthetic devices, and transportation expenses to treatment centers.

## Article 134

An injury shall be deemed a work injury in accordance with the provisions of the Social Insurance Law. Occupational diseases shall also be considered work injuries and the date of the first medical diagnosis of the disease shall be treated tantamount to the date of injury.

## Article 135

Any relapse or complication arising from an injury shall be deemed an injury and shall be treated as such in terms of aid and treatment.

## Article 136

Occupational diseases shall be determined in accordance with the Occupational Diseases Schedule provided for in the Social Insurance Law. Degree of total or partial disability shall be determined according to the Disability Percentage Guide provided for in said law.

### Article 137

In the case of temporary disability arising from a work injury, the injured party shall be entitled to financial aid equal to his full wage for 60 days, then 75% of the wage for the entire duration of his treatment. If one year elapses, or it is medically determined that the injured party's chances of recovery are improbable or that he is not physically fit to work, his injury shall be deemed a total disability. In this case, the contract shall be terminated and the worker shall be compensated for the injury. The employer shall not be entitled to recover payments made to the injured worker during that year.

# Article 138

If an injury results in a permanent total disability or the death of the injured person, the injured person or his eligible beneficiaries shall be entitled to a compensation equal to his wages for three years, with a minimum of 54,000 riyals. If the injury results in a permanent partial disability, the injured person shall be entitled to a compensation equal to the



percentage of the estimated disability in accordance with the approved Disability Percentage Guide schedule multiplied by the amount of compensation for permanent total disability.

## Article 139

An employer shall not be required to comply with the provisions of Articles 133, 137, and 138 of this Law if any of the following is established:

- 1. If a worker deliberately injures himself.
- 2. If an injury is caused by intentional misconduct on the part of the worker.
- 3. If a worker refuses to be examined by a physician or refuses to accept treatment by the physician designated by the employer without a valid reason.

### Article 140

Liability of previous employers of a worker suffering from an occupational disease shall be determined in light of the medical report of the attending physician. Previous employers shall be required to pay the compensation provided for in Article 138 of this Law, each in proportion to the period said worker spent in his service, provided that the industries or occupations they engage in cause the disease the worker suffers from.

#### Article 141

Procedures for reporting work injuries shall be determined pursuant to a decision by the Minister.

### Chapter 4: Medical and Social Services

#### Article 142

An employer shall make available one or more medical aid cabinets, supplied with drugs and other necessities required for first aid.

The Regulations shall specify the contents of such cabinets of first aid means, and the number of such means and quantities of drugs, and shall also regulate the method of keeping them and the conditions and requirements to be met by first aid providers.

### Article 143

An employer shall assign one or more physicians to provide, at least once a year, a



comprehensive medical examination for his workers who are exposed to any of the occupational diseases listed in the Schedules of Occupational Diseases provided for in the Social Insurance Law. The findings of the examination shall be kept in the employer's records as well as the workers' files.

### Article 144

An employer shall provide his workers with preventive and therapeutic health care in accordance with the standards set forth by the Minister, taking into consideration whatever is provided for by the Cooperative Health Insurance Law.

### Article 145

An employer may, subject to the Minister's approval, set up a savings and thrift fund, provided that the workers' contribution thereto is optional. The provisions regulating the operation of such funds shall be made public.

### Article 146

An employer shall provide at his own expense all or some of the following, as may be determined by the Minister, for those who work in remote locations:

- 1. Stores for selling food, clothing, and other necessities at moderate prices in places where such stores are not available.
- 2. Suitable recreational and educational services and sports facilities annexed to the workplace.
- 3. Necessary medical arrangements to protect the workers' health and provide comprehensive treatment for their families (Family shall mean the worker's spouse, and the children and parents residing with him).
- 4. Schools for the workers' children in the absence of sufficient schools in the area.
- 5. Mosques or prayer areas at the workplace.
- 6. Literacy programs for the workers.

The Regulations shall specify remote locations.

#### Article 147

An employer operating in remote locations, mines, quarries, and oil exploration centers shall provide his workers with accommodation, camps, and meals.

The Minister shall determine, pursuant to a decision by him, the conditions and



specifications of the accommodation and camps as well as the charges for the accommodation, the number of meals, quantities and kinds of food and related conditions, cost of meals to the worker, and any other requirements necessary for the workers' health.

### Article 148

An employer shall provide means for transporting his workers from their place of residence or from a certain gathering point to the places of work and bringing them back daily, if the places of work are not served by regular means of transportation at times compatible with the working hours.

### PART 9: Employment of Women

### Article 149

It is prohibited to employ women in hazardous or dangerous professions and jobs. The Minister, pursuant to a decision by him, shall determine the professions and jobs that are deemed dangerous or hazardous and are likely to expose women to specific risks or harm. In such cases, women's employment shall be prohibited or subject to certain restrictions.

#### Article 150

Women may not work during a period of night the duration of which is not less than 11 consecutive hours, except in cases determined pursuant to a decision by the Minister.

#### Article 151

- 1. Female workers shall be entitled to fully paid maternity leave for a period of 10 weeks to be divided at the female worker's discretion. Such period may start four weeks prior to the expected date of delivery. Expected date of delivery shall be determined pursuant to a medical report certified by a health authority.
- 2. A woman may not, under any circumstances, work during the six weeks immediately following delivery. She shall be entitled to extend the leave for an additional two months as unpaid leave.
- 3. In the event of giving birth to a sick child or a child with special needs whose health condition requires a constant companion, a female worker shall be entitled to a one-month leave with full pay starting at the end of the maternity leave and she shall be entitled to extend the leave for an additional month as unpaid leave.



Repealed

# Article 153

An employer shall provide medical care for female workers during pregnancy and delivery.

## Article 154

When a female worker returns to work following a maternity leave, she shall be entitled, in addition to the rest periods granted to all workers, to a rest period or periods not exceeding in aggregate one hour a day for nursing her infant. Such period or periods shall be calculated as part of the actual working hours and shall not entail any reduction in wage.

### Article 155

An employer may not terminate the employment of a female worker or give her a warning of the same during her pregnancy or while she is on maternity leave. This shall include the period she is ill as a result of either of them, provided that her illness is documented pursuant to an official medical report, and that her absence does not exceed 180 days a year whether separately or consecutively.

### Article 156

Repealed

### Article 157

A female worker shall forfeit her entitlements under the provisions of this Part if she works for another employer during her authorized leave. In this case, the original employer may deprive her of her wage for the duration of the leave or recover any payments made to her.

### Article 158

In all occupations and places where women are employed, the employer shall provide them with seats for resting.



- 1. An employer who employs 50 female workers or more shall provide them with a suitable place with an adequate number of babysitters to look after the female workers' children under the age of six years, if the number of children reaches 10 or more.
- 2. The Minister may require an employer who employs 100 women or more 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 work periods. In such case, the Minister shall set forth the terms and conditions regulating such facilities as well as the charges imposed on the female workers benefiting from this service.

## Article 160

- A Muslim female worker whose husband dies shall be entitled to 'iddah leave' with full pay for a period of not less than four months and 10 days starting from date of death. If she is pregnant, such leave may be extended without pay until her delivery. She may not, following childbirth, use the remainder of the leave granted to her under this Law.
- 2. A non-Muslim female worker whose husband dies shall be entitled to a fifteen-day leave with full pay.

In all cases, a female worker whose husband dies may not work for others during the leave period.

The employer shall have the right to request supporting documents in the abovementioned cases.

# PART 10: Employment of Minors

### Article 161

Minors 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. The Minister shall specify such jobs, industries, and occupations pursuant to a decision issued by him.

### Article 162

1. Any person under the age of 15 years may not be employed or allowed to enter places



of work. The Minister may, pursuant to a decision by him, raise this age limit in certain industries or areas or for certain categories of minors.

- 2. As an exception to paragraph (1) of this Article, 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:
  - 2.1 Such jobs shall not be potentially harmful to their health or growth.
  - 2.2 Such jobs shall not hinder their school attendance or their participation in orientation or vocational training programs, or impair their ability to benefit from their schooling.

### Article 163

Minors may not work during a period of night the duration of which is not less than 12 consecutive hours, except in cases determined pursuant to a decision by the Minister.

#### Article 164

Minors may not be made to perform actual work for more than six hours a day for all months except for the month of Ramadhan when the actual working hours shall not exceed four hours. Working hours shall be organized so that a minor does 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, provided that the minor does not remain at the workplace for more than seven hours.

Minors may not be made to work during weekly rest days, Eids, official holidays, or annual vacations, nor shall they be subject to the exceptions provided for in Article 106 of this Law.

### Article 165

Prior to employing a minor, the employer shall obtain from him the following documents:

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

Said documents shall be kept in the minor's personal file.

### Article 166

An employer shall notify the competent labor office of the employment of each minor



within the first week of such employment, and shall keep at the workplace a register for employed minors, showing the name of the minor, his age, the full name of his guardian, his place of residence, and the date of his employment.

### Article 167

The provisions provided for in this Part shall not apply to work undertaken by children and minors in schools for general, vocational, or technical education, and in other training institutions, nor shall they apply to work undertaken in firms by persons who are at least 14 years of age if such work is performed in accordance with the conditions set forth by the Minister and the work constitutes an essential part of the following:

- 1. An educational or training course the primary responsibility for which lies with a school or training institution.
- 2. A training program all or the major part of which is implemented in a firm if approved by the competent authority.
- 3. An orientation program aimed at facilitating the selection of the career or type of training.

### **PART 11: Marine Employment Contract**

#### Article 168

In this Part, the following terms shall have the meanings assigned thereto, unless the context requires otherwise:

Vessel: A floating craft registered in the Kingdom of Saudi Arabia, whose tonnage is not less than 500 tons.

Vessel chandler: A natural person, or public or private firm for whose account the vessel is being rigged.

Captain: A seaman qualified to command a vessel and assume responsibility for it.

Seaman: A person working aboard a vessel on a marine employment contract.

Marine employment contract: An employment contract for a wage concluded between the vessel's owner or chandler or the representative of either of them and a seaman to work on board said vessel. Such contract shall be subject to the provisions of this Law, unless they are in conflict with the provisions of this Part and the decisions issued hereunder.



All persons working on a vessel shall be subject to the authority and orders of its captain.

# Article 170

All employment contracts of seamen working on a vessel shall be entered in the vessel's records or appended thereto. Such contracts shall be drafted in clear language, and shall indicate whether they are made for a specific period or for a single voyage. If the contract is made for a specific period, this period shall be clearly specified. If it is made for a single voyage, it shall specify the city or harbor where the voyage ends, and at what stage of unloading or loading the vessel at this harbor the contract terminates.

# Article 171

A marine employment contract shall provide for the date and place of its conclusion, name of the chandler, name of the seaman, his surname, age, nationality, and homeland, as well as the type of assigned work, method of performance, certification for work in sea navigation, personal marine card, wage, and the duration of the contract. If the contract is for a single voyage, it shall specify the city or harbor where the voyage ends and at what stage during the unloading or loading of the vessel at the harbor the work ends, and other details of the contract.

Such contract shall be made out in three copies, one copy for the vessel's chandler, one for the captain, to be kept on board the vessel, and a copy for the seaman.

# Article 172

Work terms and rules aboard the vessel shall be posted in the crew's quarters. These terms and rules shall include the following:

- 1. Seamen's obligations and duties, organization rules for work aboard the vessel, service timetables, and daily working hours.
- 2. Obligations of the vessel's chandler towards the seamen in respect of fixed wages, rewards, and other types of wage.
- 3. Methods of suspending payment of wages and deductions therefrom and methods of advance payments.
- 4. Place and time of settlement of wages as well as the final calculation thereof.
- 5. Rules and ways for the provision of food and accommodation aboard the vessel.
- 6. Treatment of seamen's illnesses and injuries.



- 7. Conduct of seamen and the conditions for their repatriation.
- 8. Seamen's paid annual leaves.
- 9. End-of-service award and other indemnities payable upon termination or expiration of the employment contract.

A seaman shall satisfy the following:

- 1. He shall have completed 18 years of age.
- 2. He shall hold a certificate allowing him to work in marine service.
- 3. He shall be physically fit.

### Article 174

All the seaman's entitlements shall be paid in the official currency. They may be paid in foreign currency if they become due while the vessel is outside territorial waters, subject to the seaman's approval.

The seaman may ask the employer to pay his due monetary wage to the person designated by him.

### Article 175

If the voyage is cut short for any reason, voluntarily or forcibly, this shall not entail a reduction of the wage of the seaman employed on a marine employment contract for a single voyage.

#### Article 176

If the wage is set as a share of the profits or the proceeds of the vessel's charter, the seaman shall not be entitled to compensation if the voyage is cancelled nor to a wage increase if the voyage is delayed or extended. If the delay or extension is due to the action of the shippers, the seaman shall be entitled to compensation from the chandler.

### Article 177

A seaman shall be eligible for pay, through the day of occurrence, if the ship is captured, sinks, or becomes unseaworthy.



Seamen shall be provided with food and accommodation at the expense of the vessel chandler. This shall be regulated by a decision issued by the Minister.

## Article 179

Working hours aboard the vessel while on high seas shall not exceed 14 hours in a 24hour period and not more than 72 hours in a seven-day period.

## Article 180

A seaman who contributes to aiding or rescuing another vessel is eligible to a share of the reward that the vessel on which he works is entitled to, regardless of the type of wage of the work performed.

### Article 181

If a seaman dies during the voyage, his heirs shall be eligible to receive his wages through the date of his death, if the wage is on a monthly basis. If the wage is on a voyage basis, the heirs shall be entitled to the full wage of the voyage, and if the wage is a share of the profits, it shall be fully payable. The dues of the deceased or missing seaman, or who is unable to collect his wage shall be deposited with the labor office at the port of destination in the Kingdom.

### Article 182

An employer may terminate the contract without prior notice and without compensation in the following cases:

- 1. If the vessel sinks, is confiscated, goes missing, or becomes unseaworthy; or
- 2. If the voyage is cancelled at the outset, for reasons beyond the chandler's control and the wage is on the basis of a single voyage, unless the contract provides otherwise.

### Article 183

If the contract expires or is revoked, the employer shall be obligated to:

- 1. return the seaman to the port of departure at the commencement of the contract; and
- 2. provide him with food and accommodation until he reaches that port.



A chandler shall return the seaman to his country in the following cases:

- 1. If the chandler cancels the voyage after the vessel sails off.
- 2. If the voyage is cancelled after the vessel sails off on account of prohibition of trading with the destination.
- 3. If the seaman is removed from the vessel due to illness, injury, or disability.
- 4. If the vessel is sold in a foreign country.
- 5. If the seaman is dismissed from service during the voyage without a legitimate justification.
- 6. If the contract concluded with the seaman expires at a port other than the one provided for in the contract.

## PART 12: Working in Mines and Quarries

## Article 185

Working in mines and quarries shall mean the following:

- 1. Operations involving prospecting, detecting, extracting, or manufacturing (solid or liquid) mineral substances, including precious stones, in the area for which the license was issued.
- 2. Operations involving extracting, concentrating, or manufacturing mineral sediments on the surface or under the ground in the area of the license.
- 3. Construction works and the installation of structures and equipment related to the operations referred to in paragraphs (1) and (2) of this Article.

### Article 186

No person under the age of 18 or any woman regardless of her age shall be employed in a mine or quarry.

### Article 187

No person shall be allowed to engage in operations subject to the provisions of this Part until he undergoes a complete medical examination and is proven to be physically fit for the required work. Such examination shall be repeated periodically. The worker may not



be required to bear the costs of necessary medical examinations. The Minister shall set forth, pursuant to a decision by him, the terms, conditions, and periods that must be complied with.

## Article 188

The actual working hours spent by the worker underground shall not exceed seven hours a day. No worker shall be kept at the workplace, above or below the ground, for more than 10 hours a day. If the work is conducted underground, such a period shall include the time needed for the worker to reach underground and the time needed to return to the surface.

### Article 189

Access to the work location and facilities shall be restricted to workers therein, persons authorized to inspect the mine or quarry, and persons holding special permits from the competent authority.

### Article 190

An employer shall keep a record to register and count the workers before they enter the workplace and as they exit therefrom.

### Article 191

An employer or the manager in-charge shall draft a list of orders and instructions related to public safety.

### Article 192

An employer shall establish a rescue point in the vicinity of the workplace, equipped with necessary rescue and first aid equipment. Said point shall be equipped with suitable means of communication for immediate access, and the employer shall appoint a trained technician to supervise rescue and first aid operations.

### Article 193

Without prejudice to the provisions of Article 142 of this Law, the employer of each mine or quarry with at least 50 workers shall set up a suitable location with a room equipped with rescue and first aid equipment, another room for nursing, and one or more locker rooms. As for quarries and mines with less than 50 workers and which are located within a twenty-kilometer radius of each other, employers may pool their resources to establish



a place of rescue and first aid in between such quarries and mines, or else establish their own places of rescue and first aid.

The Minister may determine the rescue and first aid equipment and the protection and prevention measures in mines and quarries as well as employers' responsibilities and workers' rights and duties.

## PART 13: Work Inspection

### Article 194

Work inspection shall be carried out by inspectors appointed from among the Ministry's staff or other Saudis pursuant to a decision by the Minister or his designee. They shall have the powers provided for in this Law.

### Article 195

In addition to the general conditions for appointing employees, a work inspector shall satisfy the following requirements when performing his duties:

- 1. Total impartiality.
- 2. Absence of any direct or indirect relation with the firms he inspects.
- 3. Passing a conduct examination following completion of a training period of at least 90 days.

### Article 196

Work inspectors shall have the following powers:

- 1. Monitor implementation of the provisions of this Law, its Implementing Regulations, and the decisions issued in implementation thereof.
- 2. Provide employers and workers with technical information and instructions that enable them to follow the best methods for implementing the provisions of this Law.
- 3. Report to the competent authorities the shortcomings of existing provisions, and submit relevant proposals.
- 4. Report violations of the provisions of this Law, its Regulations, and the decisions issued in implementation thereof.
- 5. Investigate violations which have been detected by other competent government agencies and referred to the Ministry.



6. Propose appropriate fines in accordance with the Violations and Penalties Table.

### Article 197

Before assuming their duties, inspectors shall sign a pledge form prepared by the Ministry, affirming their commitment to carry out their duties with honesty and dedication, and not to disclose the secrets of any industrial invention or any other secrets which they may become privy to in the course of performing their duties. An inspector shall carry an inspector identification card issued by the Ministry.

### Article 198

Work inspectors shall have the right to:

- 1. Access any firm that is subject to the provisions of the Labor Law at any time, day or night, without prior notice.
- 2. Perform any examination or investigation required to ascertain the proper implementation of the Law. They may in particular:
  - a) Question 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.
  - b) Review all books, records, and other documents that must be kept pursuant to the provisions of this Law and relevant decisions, and obtain any copies or extracts therefrom.
  - c) Take sample(s) of the materials used or handled in 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 analyzing such samples in government laboratories to determine the extent of such effect, and duly notify the employer or his representative of the same.

### Article 199

Employers and their agents shall facilitate for the inspectors and officials entrusted with work inspection the performance of their duties. They shall provide them with the required data relevant to the nature of their work, respond to requests to appear before them, and dispatch a representative when asked.

### Article 200

A person conducting inspection shall notify the employer or his representative of his visit



except where he believes that the task for which the inspection is being made requires otherwise.

## Article 201

A work inspector may instruct employers to amend the rules for operating their equipment and machinery at deadlines he specifies, to ensure compliance with the provisions pertaining to workers' health and safety. In the event of a hazard threatening the workers' health and safety, the inspector may request the immediate implementation of the measures he deems necessary to prevent such hazard.

### Article 202

A work inspector shall treat with absolute secrecy the complaints he receives regarding any shortage in equipment or any violation of the provisions of the Law, and he shall not disclose to the employer or his representative the existence of such complaints.

### Article 203

If, during inspection, the inspector discovers the presence of a violation of the provisions of this Law, the Regulations, or the decisions issued in implementation thereof, he shall record the violation in accordance with the provisions provided for in the Implementing Regulations for inspection and submit the violation report to the Minister for a decision.

#### Article 204

Whenever the need arises, physicians, engineers, chemists, and specialists in occupational health and safety shall participate in the inspection. If necessary, the director of the labor office and inspectors may request the competent executive bodies to extend the required assistance.

#### Article 205

The work inspection chief at the labor office shall prepare a monthly report on work inspection activities, the aspects of inspection, inspected firms, the number and type of violations committed, and the actions taken with respect thereto. He shall also prepare an annual report on the inspection undertaken within the jurisdiction of the labor office, and its findings and effects, and he shall include therein his comments and proposals. Copies of both reports shall be submitted to the Ministry.



The Deputy Minister for Labor Affairs shall prepare, within a period not exceeding 180 days from the end of the year, a comprehensive annual report on work inspection in the Kingdom, addressing all matters relating to the Ministry's monitoring of the implementation of the provisions of the Labor Law. In particular, the report shall include the following:

- 1. A statement of the provisions regulating inspection.
- 2. A list of the officials in charge of inspection.
- 3. Statistics on the firms subject to inspection and the number of workers therein.
- 4. Statistics on inspectors' visits and inspections.
- 5. Statistics on the violations committed and the penalties imposed.
- 6. Statistics on work injuries.
- 7. Statistics on occupational diseases.

### Article 207

The Ministry shall prepare forms for recording violations, inspection records, notices, and warnings, and shall establish the provisions necessary for the filing and use of such forms and for their distribution to labor offices.

### Article 208

Training courses shall be organized for work inspectors, and shall in particular include the following:

- 1. Principles for organizing inspection visits and communicating with employers and workers.
- 2. Principles for auditing books, records, and computers, as well as principles for organizing inspection reports and interrogating persons.
- 3. Principles for guiding employers on the requirements of statutory provisions and the benefits of their application, and assisting them in such application.
- 4. Fundamental principles of industrial technology and the means of protection against work injuries and occupational diseases.
- 5. Fundamental principles of production efficiency and its relevance to providing conditions conducive to a proper work environment.



The Council of Ministers shall issue the Implementing Regulations needed to regulate and organize inspection activities as provided for in this Part.

# PART 14: Commissions for Settlement of Labor Disputes

Repealed
Article 210 Repealed
Article 211 Repealed
Article 212 Repealed
Article 213 Repealed
Article 214 Repealed
Article 215 Repealed
-
Article 216 Repealed



Repealed

### Article 219

Repealed

## Article 220

Repealed

### Article 221

Repealed

### Article 222

Repealed

### Article 223

Repealed

### Article 224

Repealed

# Article 225

Repealed

### Article 226

Repealed

## Article 227

Repealed

## Article 228

Repealed

# PART 15: Punishments

### Article 229

- 1. Without prejudice to any harsher penalty provided for in any other law, any person infringing upon any of the provisions of this Law, its Regulations, or the decisions issued in implementation thereof shall be subject to one or more of the following penalties:
  - a) A fine not exceeding 100,000 riyals.
  - b) Closure of the firm for a period not exceeding 30 days.
  - c) Permanent closure of the firm.
- 2. The penalty imposed on the violator may be doubled in the case of repetition.
- 3. Fines shall be multiplied by the number of persons subject of the violation.

### Article 230

- The Ministry may, pursuant to a decision by the Minister or his designee, impose both or either of the two penalties provided for in subparagraphs (a) and (b) of paragraph (1) of Article 229 of this Law, provided that half of the maximum limit set for each of them is not exceeded. The penalty decision may be appealed before the competent administrative court.
- 2. Pursuant to a decision by the Minister, a table shall be issued listing violations and the corresponding penalties that do not exceed half of the maximum limit of the two penalties provided for in subparagraphs (a) and (b) of paragraph (1) of Article 229 of this Law, taking into account that the fine shall be commensurate with the gravity of the violation.
- Pursuant to a decision by the Minister, a table shall be issued listing violations whose penalties exceed half of the maximum limit of the two penalties provided for in subparagraphs (a) and (b) of paragraph (1) of Article 229 of this Law. Such table shall also list violations whose penalties are provided for in subparagraph (c) of paragraph (1) of Article 229.
- 4. If the violation warrants a penalty that exceeds half of the prescribed maximum limit, or if it warrants the permanent closure of the firm, in accordance with the table provided for in paragraph (3) of this Article, the Ministry shall file a suit before the competent court to review the case and impose the appropriate penalty provided for in Article 229 of this Law.



5. The Ministry and the violator may agree to settle the violation by means of paying the fine assessed by the Ministry, provided that a decision to this effect is issued by the Minister.

### Article 231

The violator is required to rectify the violation within a period specified by the Regulations. Otherwise, it shall be considered a new violation.

#### Article 232

Fines prescribed under this Law shall be collected in accordance with the procedures for collecting public funds. Collected amounts shall be deposited with the Human Resources Development Fund.

### Article 233

The Minister may grant a financial reward of not more than 25% of the amount of the fine collected to inspectors and others who help in uncovering any of the violations of the provisions of this Law, its Regulations, and the decisions issued in implementation thereof.

#### Article 234

- A. Labor courts may not hear any claim arising from this Law or from an employment contract upon the lapse of 12 months from the date of termination of the employment relation unless the claimant provides justification acceptable to the court or the defendant admits the right subject of the claim.
- B. Labor suits shall be expeditiously heard.

#### Article 235

An employer may not, during the hearing of a suit before a labor court, alter employment conditions existing prior to the initiation of proceedings in a manner that undermines the interest of the worker in the suit.

#### Article 236

Repealed



Article 237
Repealed
Article 238
Repealed
Article 239
Repealed
Article 240
Article 240 Repealed
Repealed Article 241 Repealed
Repealed Article 241

### **PART 16: Concluding Provisions**

#### Article 243

The Minister shall issue, within 180 days from this Law's entry into force, the decisions and regulations necessary for implementing the provisions thereof. The Implementing Regulations shall be published in the Official Gazette.

#### Article 244

This Law shall supersede the Labor and Workers' Law promulgated by Royal Decree No. (M/21) dated 6/9/1389H and shall repeal all the provisions that are inconsistent therewith. Regulations and decisions issued prior to the effective date of this Law shall remain in effect until they are amended.

#### Article 245

This Law shall be published in the Official Gazette and shall enter into force 180 days



after the date of its publication.