

Qatar Amends Laws Regulating The Labour Law No.14 of 2004

Ahmed El Amoury - Senior Associate - Litigation / Employment and Incentives / Legislative Drafting / Insurance

a.amoury@tamimi.com - Doha

June 2014

The employment relationship in Qatar is principally governed by the provisions of Law No. (14) of 2004 Regulating employment (the “**Labour Law**”).

On 4 February 2014, Law No. (3) of 2014 was promulgated in Qatar in order to amend certain provisions of the Labour Law (the “**Amending Law**”) and this legislation recently came into force.

The purpose of this article is to consider those provisions of the Labour Law which have been amended.

Amendments Introduced by Law No. (3) of 2014

The principal amendments to the Labour Law are as follows:

1. Professions exempt from the Labour Law

The Amending Law widened the definition of those entities which are excluded from the coverage of the Labour Law.

To provide context, Article (3/1) of the Labour Law, provides that the Labour Law shall not apply to the following categories: employees and workers of the Ministries and other governmental organs, public institutions, corporations and companies which are established by Qatar Petroleum by itself or with others, and workers whose employment affairs are regulated by special laws.

The Amending Law (Article 3/1) goes further and expands the definition (see the Labour Law above) by providing that the Labour Law shall not be applicable to:

- companies which have been incorporated by the government, companies in which the government has participated in the incorporation; and which work in the petroleum sector in relation to marketing and selling of petroleum products, chemicals and petrochemicals;
- companies which have been incorporated by Qatar Petroleum in whole or in part;
- companies in which Qatar Petroleum owns a stake;
- companies involved in exploration and production sharing agreements, field development agreements and production sharing; and
- joint venture agreements in the petroleum sector and petrochemical industries; and those whose employment affairs are regulated by special laws.

2. Ministerial Fees

Pursuant to Article (37) of the Labour Law, fees are imposed on the following:

1. The granting of a work permit and the renewal and replacement thereof.
2. The granting of a licence to recruit workers from abroad and renewal and replacement thereof.

3. The attestation of the seals of companies and establishments, employment contracts, certificates and the other documents which are to be attested by the Ministry.

The fixing of these fees and any exemptions require a resolution of the Council of Ministers.

The Amending Law introduces a further category to those listed above, namely, introducing an applicable fee where a person changes his or her profession. The Amending Law also repealed a previous provision regarding the competence of the Council of Ministers to promulgate a decree setting fees and when there shall be exemption from such fees.

Consequences of the Amending Law

The key amendments addressed the scope of exemption from the application of the Labour Law. Therefore, all companies working and operating in the petroleum sector, inter alia, marketing and selling petroleum, chemical and petro-chemical products, will now be able to avail themselves of such exemption, as the exception is no longer limited to Qatar Petroleum Company only.

Accordingly, companies working and operating in the petroleum sector will need independent regulations governing labour affairs as a replacement for the Labour Law provisions which are no longer applicable. Failing this, only the contract provisions of the Civil Code will be applicable to such labour relationships.

Changes Not Substantive

Notwithstanding this, employees were expecting more substantive changes to the laws to amend the provisions governing their employment relationship with their employers and perhaps to clarify some issues concerning sponsorship to reside in Qatar. The latter, however, would require an amendment of the Sponsorship Law (Law No. (4) of 2009).

On 15 May 2014, there was a formal announcement made by senior officials of the Ministry of Interior that a new Sponsorship Law will be presented to the Council of Ministers sometime in the future and the same will impact upon rules of sponsorship in connection with change of employment and other related matters. There was also mention made of reforms requiring the payment of wages electronically to ensure transparency, monitoring and timely payment. If this is accurate, then this would require another change to the Labour Law.

Conclusion

Although the amendment did not result in extensive changes to the Labour Law, there are some indicators that important amendments will take place in the near future for both the Labour Law and Sponsorship Law, which may meet desires to safeguard employees' rights and secure a better working environment.