

FLEXIBLE WORKING HOURS

FOR SAUDI NATIONALS

The Ministry of Human Resources and Social Development (Ministry) has issued a Ministerial Decision under No: 153307 dated 11/11/1445 H. (20 May 2024) to regulate the provisions of flexible working hours or part time employment for Saudi Nationals provided in the Labor Law. The Ministerial Decision has amended several provisions related to Flexible Work Hours or Part time Employment in the Rules of Implementation of Labor Law.

This short note highlights the manner in which Saudi nationals could be employed on a part-time basis and the terms applicable to such employment contracts.

The Part Time Employment mechanism enables a Saudi national to work with one or more employers, provided that the work hours are less than half of the total work hours of the establishment. For instance, if the total working hours of a company during a month are 192 hours, the maximum number of hours for which an employee could be employed under the mechanism would be (95) hours a month. The employee may work with other employers for similar periods.





The revised provision in the Rules of Implementation stipulates that a maximum of (95) hours of work by an employee during a month for one employer will have to be computed on the agreed basic hourly rate, and the parties may either agree on the same hourly rate or a higher hourly rate for additional hours, provided that in all cases, the total number of work hours should not exceed (160) hours during any month with one employer. Under the earlier provisions, the maximum work hours under part time employment arrangements were (95) hours and there were no provision for additional hours.

The Rules require that wages be computed for the number of hours of services provided by the employee in accordance with the agreed hourly rate on a monthly basis or on other basis agreed between the parties.

The employer will not be obliged to grant any paid leave (annual leave, sick leave, or leave for occasions like marriage, childbirth, bereavement, etc.) to the part time employees nor obliged to pay end of services benefits.

However, although the weekly holiday and rest period as provided in the Labor Law shall be applicable to part time employees, the employees will not be entitled to get paid for the weekly days off or the rest period.

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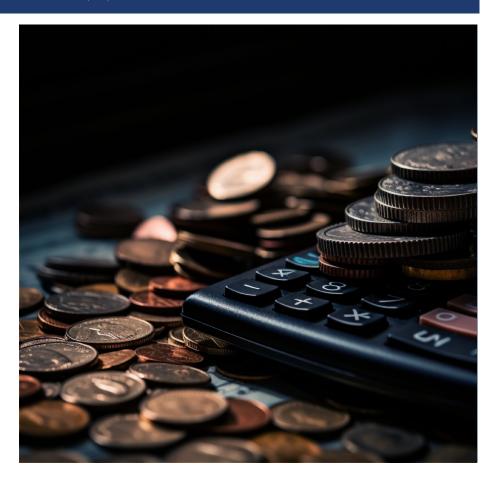
The Nitaqat (Point System) shall be computed based on the number of hours of services provided by such employees, with (160) work hours by one employee or group of employees counted as one point.

The term of part time employment contract shall not exceed one year, continuously or with different periods. However, the employer may extend the period of the contract with the consent of the employee or enter into a normal employment contract.

The provisions related to non-competition with the businesses of the employer as provided in of the Labor Law shall be applicable to employees working under part time employment contract.¹

The provision of compensation in case of termination of part time employment for an invalid reason has not been revised, and the party harmed by termination will be entitled to compensation unless otherwise agreed by the parties.

The part time employment contract will have to be prepared and entered electronically and should include the period of the contract and the hourly wage rate. The work hours may be fixed and changed with the consent of the employee, and the same be submitted on the portal of the Ministry of Human Resources and Social Development.



Conclusion

The provision of part time employment was available under the Labor Law with certain conditions. However, the revisions and additions to the Rules of Implementation of the Labor Law and the issuance of guidelines by the Ministry will regulate the mechanism and provide flexibility to both employers and employees.

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¹Article 83