Alliant Global Knowledge Center

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Employees may claim unpaid dues even after signing an 'All Dues Paid' document

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Effective 1 January 2024, according to <u>Federal Decree law No. 20 of 2023 Amending Certain Provisions of Federal Decree Law No. 33 of 2021 Regarding the Regulation of Employment Relationships</u>, the Ministry of Human Resources and Emiratization (MoHRE) has been granted the authority to resolve certain employment disputes.

Specifically, MoHRE can now render a final judgement on any dispute if the value of the claim does not exceed AED 50,000, or if a dispute is about non-compliance by either party with a previous amicable settlement decision issued by MoHRE, irrespective of the claimed amount.

Cases not settled by MoHRE within two weeks, are resolved by the competent court according to UAE legislation. Dissatisfied parties retain the right to challenge a MoHRE resolution by filing a claim with the competent Court of Appeal within 15 working days.

This empowerment of MoHRE is significant in that it allows for rapid resolution of conflicts and reducing the need for prolonged and costly legal disputes.

According to Article 53 of the <u>Federal Decree-Law no. 33 of 2021</u>, an employer must pay full-time employees all due end-of-service benefits within 14 days, after their contract has ended.

To ensure that employee rights are not just documented but are in effect also actionable and enforceable, MoHRE has stated that employees retain the right to file claims against their employers for unpaid end-of-service gratuities, overtime, or other benefits, even when they have acknowledged receipt of all dues in writing.

On 16 February 2024, MoHRE organized an awareness workshop on the procedures filing claims and settling labor disputes for several private-sector companies and media outlets.

The processing by MoHRE of claims will be fact-based and entail a comprehensive inquiry into each case, scrutinizing evidence like bank statements and other pertinent documents to determine whether an employer has in fact met its payable end-of-service benefits vis a vis the employee.

At the workshop, a MoHRE researcher stated:

- "If an employee signs a document saying, 'all dues paid' and does not receive his end-of-service gratuity or overtime or benefits, he can still approach the Ministry and file a case"; and separately,
- "We do realise that sometimes the employee is forced to sign the document due to pressure by the company or without knowing what is written in the document."

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