

Ministry of Human Resources and Emiratisation

# Warranty for Domestic Workers Extends Protection for Employers to Two Years

The Ministry of Human Resources and Emiratisation is extending warranty coverage for employers recruiting domestic workers through agencies to two years. The move follows Cabinet Resolution No. (22) 2019 under the UAE Federal Law on Domestic Workers. The warranty means that employers can now reclaim up to the full cost of recruitment on remaining employment contracts from the recruitment agency under scenarios where the employer is not at fault for early termination. However, recruitment agencies are exempt from refunding costs if the employer selected the worker by name and the agency simply executed the employer's choice.

## Are all domestic worker recruitment agencies required to provide the warranty?

All agencies licenced to recruit domestic workers on a full or part time basis (whether operating as Tadbeer branded agencies or not) must provide the warranty.

### Under what circumstances are employers entitled to a full refund of the costs of recruitment?

Employers are entitled to a full refund - or supplied with a satisfactory alternative worker - under four circumstances: 1) termination of the contract by the worker without a legitimate reason during the probation period; 2) absence from work without a legitimate reason during the probationary period; 3) lack of medical fitness for employment: 4) inability of the worker to perform their duties, as required and agreed.

## Under what circumstances are employers entitled for a partial refund of the costs of recruitment?

Employers are entitled to a partial refund under two circumstances: 1) termination of the contract by the workers without a legitimate reason after the end of the probationary period; 2) absence from work without a legitimate reason after the probationary period.

# How is the refund due to the employer calculated? The refund due is calculated according to the remaining period of

months under the contracts, under the following equation: Total cost of recruitment ÷ contract period in months x remaining period of the contract.

For example, an employer spends AED 15,000 with a recruitment agency in exchange for recruiting a domestic worker. The worker terminated the contract or left work 15 months after the start of a two-year contract. The employer is entitled to a refund of AED 5,625 as compensation.

## Is there a deadline for the payment of compensation to the employer?

The recruitment agency is obliged to refund the money to the employer no later than one month from the date of termination of the contract.

### What if the recruitment agency does not abide by the refund deadline?

The employer is entitled to file a compliant with the Ministry of Human Resources and Emiratisation, who will take necessary action. MoHRE can be reached on 80060.

## In 4 cases an employer may recover the total amounts paid or replace a worker within first 6 months



Worker unjustifiably quits job



Worker fails to perform duties as required



Worker terminates contract



Worker is medically unfit

In 2 cases an employer may recover part of the paid amounts after probation period and until two-year period is over



Worker unjustifiably quits job



Worker terminates contract

(Total recruitment cost + worker's contract period estimated in months) X remaining period of contract