



ANNUAL LEAVE ENTITLEMENT

ESO INTERPRETATIONS AND GUIDANCE #02

APRIL 2017



EMPLOYMENT STANDARDS OFFICE
QATAR FINANCIAL CENTRE

Qatar Financial Centre Authority • PO Box 23245 • Doha, Qatar
T: +974 4496 7777 • F: +974 4496 7676 • info@qfc.qa • qfc.qa

PURPOSE

This document has been prepared by the Employment Standards Office (ESO) of the Qatar Financial Centre (QFC) with the purpose of:

- Providing guidance on annual leave entitlement
- Avoiding misinterpretation of the Employment Regulations (“Regulations”)
- Preventing contraventions and disputes

This document is meant to clarify without replacing the provisions of the Employment Regulations and is not binding. It reflects, however, the approach of the ESO in case of dispute related to annual leave.

DEFINITIONS

“Annual leave” is the period of the year during which employees take time away from work while continuing to be paid with normal salary (basic salary plus allowances, as detailed in “ESO Interpretations & Guidance #1”).

“Statutory annual leave” is the minimum annual leave provided in the QFC Employment Regulations equal to 20 working days. The annual leave entitlement during the first and last years of employment is calculated on a pro-rata basis.

“Contractual annual leave” is the amount of annual leave additional to the minimum statutory 20 working days, agreed between employer and employee in writing.

“Compensation in lieu of annual leave” is the amount paid to an employee for annual leave accrued but not taken. It is equivalent to the normal salary which includes basic salary and allowances.

“Following leave year” is the 12month period subsequent to the year in which the employee has accrued annual leave.

PURPOSE OF ANNUAL LEAVE

The purpose of annual leave is to provide the employee with paid time off to recover his mental and physical energies away from the workplace. Due to the impact on the health and wellbeing of all employees, employers should encourage their employees to take annual leave within the year of entitlement and ensure they do so within the following leave year.



ANNUAL LEAVE IN THE EMPLOYMENT REGULATIONS

The statutory annual leave entitlement prescribed by the Regulations is 20 working days during which the employee is entitled to receive his normal salary. This minimum requirement is exclusive of national holidays announced by the QFCA; it cannot be waived and any agreement to the contrary is void.

ANNUAL LEAVE ACCRUED BUT NOT TAKEN

STATUTORY ANNUAL LEAVE: According to the Regulations, the employee may postpone up to half of his statutory annual leave entitlement to the following year if the employer consents. In such case, if the employee is entitled only to the statutory 20 working days, he can carry forward a maximum of 10 working days to the following year. The 10 working days carried forward will have to be taken within the timeframe agreed between the parties, and in any event within the following leave year. If a timeframe has been agreed between the parties and it expires without the employee taking the carried forward leave, the employee is entitled to receive compensation in lieu equal to normal salary (basic salary plus allowances).

The statutory annual leave entitlement cannot be forfeited for any reason and any agreement to the contrary is void.

CONTRACTUAL ANNUAL LEAVE: If the employee is contractually entitled to annual leave additional to the statutory annual leave (i.e. more than 20 working days per year) and the parties have agreed that part of such contractual leave can be carried forward and used within a certain timeframe, in any case within the following leave year, employer and employee may agree in writing on how to deal with contractual annual leave carried forward in case the timeframe expires without the employee taking such annual leave.

If nothing is agreed between the parties in regard to the contractual annual leave accrued but not taken, such contractual leave will be treated as the statutory annual leave and therefore it will not be possible to forfeit it.

On termination of employment, employees are entitled to payment in lieu of their accrued untaken annual leave equivalent to their normal salary (basic salary plus allowances) for days not taken. Similarly, if an employee has taken more than his annual leave entitlement, this may be deducted from his final salary payment.

Any query related to the annual leave can be addressed to

LUIGINA INGIANNI

Employment Standards Officer

T: +974 4496 7609

E: l.ingianni@qfc.qa



EMPLOYMENT STANDARDS OFFICE
QATAR FINANCIAL CENTRE