



# The new MINIMUM WAGE

## Key information FOR EMPLOYERS

Qatar has adopted a non-discriminatory minimum wage.

The move marks a major milestone in the labour reform agenda and the transition towards a knowledge-based economy as set out in Vision 2030. The new minimum wage will encourage investment in a more skilled and productive workforce while enhancing the commitment and motivation of workers.

### ***What is the new minimum wage?***

When the new minimum wage comes into force, you will be legally required to pay your workers a basic wage of at least QAR 1,000 a month, and provide decent accommodation and food.

However, you may choose to pay them more, so they can arrange their own food and accommodation.

There are three different rates for the minimum wage:

- If you provide decent food and accommodation (that is, you do not charge the worker for food and accommodation), you should pay your worker a basic wage of at least QAR 1,000.
- If you provide decent accommodation, but do not provide food, you should pay a food allowance of no less than QAR 300, on top of a basic wage of at least QAR 1,000. In this case, workers should receive at least QAR 1,300 per month.
- If you do not provide accommodation or food, you should pay allowances of no less than QAR 300 for food and QAR 500 for accommodation, on top of a basic wage of at least QAR 1,000. In this case, workers should receive at least QAR 1,800 per month.

### ***Does the minimum wage apply to all workers?***

Yes. The minimum wage applies to all workers regardless of their nationality and the sector in which they work. It also applies to sectors not covered by the [Labour Law](#), including domestic workers.

### ***When will the minimum wage come into force?***

The minimum wage will come into force on 20 March 2021, six months after the new law was published in the official gazette.

## ***How will the minimum wage be enforced?***

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The wages of workers covered by the [Labour Law](#) must be paid according to the Ministerial Decision on the Wage Protection System (WPS) (No. 4 of 2015). The WPS will identify any instances where workers are paid less than the legal minimum. Labour inspectors will also monitor wage payment practices, as well as ensuring accommodation standards meet minimum legal requirements.

The penalty for non-compliance is a fine of up to QAR 10,000 for each worker in each instance, or imprisonment for a maximum period of 12 months. Companies will be prohibited from obtaining government services until they have paid workers their due wages.

The Law on Domestic Workers (No. 15 of 2017) stipulates a fine not exceeding QAR 10,000 if the employer does not pay the agreed monthly wage.

## ***What are the minimum accommodation and food standards?***

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Accommodation standards are set out in Ministerial Decision No. 18 of 2014.

Workers should have three meals per day, that are culturally appropriate, nutritious and provide sufficient calories to keep them healthy.

## ***How will overtime be calculated?***

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From 20 March 2021, the overtime rate must be based on no less than the new minimum basic wage. It could be higher, depending on the terms of the worker's contract.

See Articles 74 - 76 of the [Labour Law](#).

## ***How does the Minimum Wage Law affect end of service gratuity, holiday pay and sick pay?***

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The end of service gratuity, holiday pay and sick pay must be calculated based on no less than the workers' basic wage on the date of entitlement (Article 72 of the [Labour Law](#)).

## ***What will happen to existing employment contracts that are below the minimum wage?***

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From 20 March 2021, you are legally required to pay workers at least QAR 1,000 per month, even if their contract states a wage under this amount. The law does not require a new employment contract to be signed in order for them to receive the new minimum wage.

## ***How does this affect workers already earning above the minimum wage?***

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If you are currently paying a worker the new minimum wage (i.e. QAR 1,000) or higher, and arranging for decent accommodation and food, then you are not obliged to adjust their pay or allowances.

Workers who are provided accommodation by their employer, but buy their own food should receive at least QAR 1,300 to reflect the minimum food allowance.

The new minimum wage does not directly affect workers earning a basic wage above QAR 1,800 because it is more than the minimum basic wage plus all the allowances.

Reducing a worker's pay to the minimum level during their current contract would constitute a breach of contract. Article 4 of the new Ministerial Decree (No. 17 of 2020 Determining the Minimum Wage for Workers and Domestic Workers) states that the employer cannot use the new legislation as a justification to lower a salary and offer conditions that are less favourable than the conditions in the existing contract.

## ***Do employers need to provide new employment contracts to workers whose conditions have changed as a result of the new minimum wage law?***

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The Minimum Wage Law applies to all workers and employers regardless of whether or not the employment contract is adjusted.

It is not mandatory for employers and workers to sign a new employment contract. However, it is good practice for employers to communicate in writing any changes to workers' remuneration brought about by the new legislation. Workers should countersign the written notification from the employer to indicate their understanding and agreement.

This will ensure clarity and transparency, and can prevent future disputes.

## ***If a new employment contract is signed to reflect newly agreed wages and allowances, does the contract need to be authenticated by the Government through the digital authentication system?***

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It is not necessary to authenticate the employment contract every time a change is made to the terms and conditions of work. This would lead to an unnecessary financial and administrative burden for employers.

The digital authentication of contracts is required when (a) recruiting new workers, including those recruited within Qatar and those recruited from abroad; and (b) renewing contracts for workers, even if there is no change to the terms and conditions.

## ***How was the new minimum wage established?***

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The Government of the State of Qatar in collaboration with the International Labour Organization conducted a comprehensive analysis of wages in the country, the needs of workers and their families, and the economic impact of different scenarios. National and international experts as well as a wide group of workers and employers were also consulted. The process has drawn on principles in the international convention on minimum wage setting.

## ***When and how will the minimum wage rate be adjusted again?***

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The national Minimum Wage Committee is responsible for monitoring the impact of the minimum wage, and proposing adjustments on a periodic basis. The Committee is comprised of relevant government and non-government entities. In formulating its views, they will routinely consult with experts, workers and employers.

## ***Will there be any changes to the Wage Protection System?***

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The Wage Protection System will be using a new template for the Salary Information File. This will include additional columns to report in more detail on how the wage is calculated, including for food and accommodation allowances. The new template will be shared in April 2021. The current SIF template - available for download at the [bottom of WPS webpage \(Arabic version\)](#) – can still be used and submitted to the bank for processing salary payments. A new video tutorial and brochure will be made available in both English and Arabic.

## ***Where can I find more information?***

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For more information, please refer to the website of the Ministry of Administrative Development, Labour and Social Affairs [www.adlsa.gov.qa](http://www.adlsa.gov.qa) or contact the Ministry by telephone on 16008 or at [info@adlsa.gov.qa](mailto:info@adlsa.gov.qa)