

Employee benefits

There are certain employee benefits that employers must provide by law.

Health Insurance

The law states that employers must offer their employees a minimum level of healthcare coverage. The health insurance must be covered without deducting the premium from their salary or reducing the compensation to compensate for these premiums.

Please note that this doesn't require the employer to cover health insurance for the employee's dependents. However, every person staying in the country must have adequate health insurance.

Insurance System For Workers

The UAE has an insurance policy system in place for private-sector workers. The insurance policy is called Taa-meen, and it's an alternative option for employers keeping a bank guarantee of AED 3,000 when recruiting a new employee.

According to Ministerial Resolution No. 318 of 2022 Concerning Bank Guarantees and Employees Protection Insurance Scheme, employers can either:

- Procure a bank guarantee issued from a bank operating in the UAE. The bank guarantee must be no less than AED 3,000 for each worker. The guarantee must be valid for one year from the issue date and renewed automatically.
- Buy an insurance policy for the worker.

Unemployment Insurance Scheme

There is also an unemployment insurance scheme for Emiratis and residents working in the federal and private sectors. The scheme provides financial support if you lose a job due to termination by the employer.

End-Of-Service Benefits In The Private Sector

UAE nationals under full-time contracts are eligible for pensions and end-of-service benefits.

Employers must register entitled employees to the General Pension and Social Security Authority pension schemes within 30 days of the employee joining the company.

Foreign workers in the private sector are entitled to the following:

- A gratuity for the served fraction of a year provided the employee has completed one year of continuous service.
- The gratuity is calculated based on the last wage or the basic salary.
- Money owned by the employer may be deducted from the worker's gratuity.



These end-of-service entitlements should be paid within 14 days from the contract's end date.

MaxHR offers a comprehensive digital benefits platform that allows companies to provide employees with access to top-tier group medical insurance plans. Through MaxHR, businesses can easily compare and select the most suitable policies based on their budget and specific requirements, ensuring employee wellness and satisfaction. Additionally, the platform simplifies benefits administration, allowing employees to enjoy exclusive perks and discounts, contributing to higher employee engagement and well-being.