



## Landmark Reform of KSA Labor Law

**The KSA Council of Ministers has passed a transformative labor law reform with innovations designed to foster a more inclusive and high-performance work environment for employees and employers alike.**

Amongst the most significant key amendments is the extension of employer-paid maternity leave, which now increases from 10 to 12 weeks, with six weeks required post-delivery – bereavement leave has also been increased to provide three days of paid leave for employees mourning the loss of a sibling, in a solicitous step ahead towards strengthening kinship ties.

The reforms also shed light on resignation protocols, particularly for non-Saudi employees in regard to fixed-term contracts as they can now resign with a 30-day notice. Employers, however, can delay acceptance of resignation by up to 60 days if operationally necessary, provided they notify the employee in writing with justification. The notice period for indefinite-term contracts for Saudi nationals has also been reduced, requiring only 30 days' notice from employees for voluntary termination, though the employer remains obliged to provide a 60-day notice for terminations.

The amendments bring clarity to the adaptability in overtime arrangements, permitting employers, with employee consent, to offer paid leave in lieu of overtime compensation, promoting work-life integration. The probation period for new hires has also been extended, allowing employers to define up to 180 days of probation in employment contracts.

The reforms address essential living conditions as well. Employers are now mandated to provide either adequate housing and transportation or allowances to cover these needs, bolstering employee welfare and convenience.

A pivotal enactment is the prohibition of discrimination based on race, color, gender, disability, or age in recruitment practices.

Set to come into force 180 days after its publication in the Official Gazette on 23/08/2024 – in a sweeping reform to underscore Saudi Arabia's commitment to labor integrity and contribution to its ever-evolving workforce demands.

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