

# 2022 GUIDE ON MALDIVES EMPLOYMENT LAW



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# INTRODUCTION

This Guide provides key information to employers on the relevant employment law rules applicable to the Maldives employment landscape.

It is essential that all employers familiarize themselves with the employment rules outlined in this Guide to ensure that an employer's HR policies and employment contracts are aligned with these rules.

Additionally, employment law provides employees with an avenue to file employment disputes or grievances with the Employment Tribunal for due resolution.

As such, to avoid any unfavourable tribunal decisions against an employer, it is important that all employers comply with their statutory requirements and any actions taken must align with employment law rules.

#### Key areas covered in this Guide are:

- Employment Law
- Employment Contracts
- Training Contracts
- On-the-Job Training Contracts
- Remuneration
- Working Hours
- Leave Entitlements

- Disciplinary Measures
- Termination of Employment
- Workplace Safety
- Sexual Abuse and HarassmentComplaints
- Transfer of Employment
- Bankruptcy or Cessation

# **EMPLOYMENT LAW**

The 'Employment Act [Law No. 2/2008]' (Employment Law) came into force in 2008.

Over the years, the law has undergone several amendments to it to cater to the evolution of the labour market throughout the country along with HR best practices.

The most recent of which includes the Sixth Amendment to the Employment Law along with the introduction of the Employment General Regulations.

The Employment Law and its subsequent regulations applies to all foreign employees who work in the Maldives unless such foreign employees are expressly exempt from certain governing areas.

Foreign employees will therefore receive the rights and protections afforded under the laws and regulations of the Maldives.

There are specific rules governing the employment of foreign employees under the 'Regulations on Employment of Foreigners' [Reg No. 2021/R-16] and the 'Regulations on Standards of Accommodation Facilities for Foreign Employees' [Reg No. 2021/R-15].

Minimum age for recruitment of Maldivian employees is set as 16 years unless, they are employed in the following circumstances:

- Training associated with their education or upbringing; or
- Where the minor consents to working in their family business.

Minimum age for recruitment of a foreign employee is set at 18 years.

The government's regulatory body tasked with the regulation of labour and employment matters is the Labour Relations Authority (LRA). Whereas the Employment Tribunal is tasked with resolution of employer-employee disputes.

# **EMPLOYMENT CONTRACTS**

There should be a written employment contract signed between an employer and employee to govern the employer-employee relationship (Employment Contract) and a copy of it must be provided to the employee.

#### **Employment Contracts must contain:**

- Employers' details name, registration number, address;
- Employees' details name, permanent address (if a foreign worker than this will be their home country address), current address, identity card number/ passport number, date of birth, nationality;
- Emergency contact person's name/address/phone number;
- Type of employment permanent (2+years in employment)/ fixed term (maximum period of 2 years)/ temporary;
- Commencement date of employment;
- Basic salary (where applicable pensionable wage) and other allowances (collectively "Remuneration");
- Method and calculation of Remuneration;
- Date on which Remuneration will be paid;
- Leave entitlements:
- Grounds for disciplinary measures / actions;
- Performance appraisal policies; and
- Dismissal from employment.

Under Employment Law, a penalty sum between MVR 2000-MVR 20,000 will be

attracted where an employer fails to provide a copy of the Employment Contract to their employee.

A written job description outlining an employee's duties and scope of work (Job Description) must be provided to employees within 1 month from the commencement of employment.

#### The Job Description is to be:

- Provided to employees who work more than 16 hours per week or whose fixed term is longer than 6 weeks; and
- Renewed where the employee's designation and the scope of work changes.

#### The Job Description must contain:

- Employers' name, address, nationality, and type of work performed;
- Employees' name, permanent address, current address, identity card number/passport number, date of birth, and nationality;
- Job title /type / brief description;
- Place of employment; and
- Normal working hours.

Under Employment Law, a penalty sum of MVR 1000 will be attracted where an employer fails to provide the Job Description to their employee.

# TRAINING CONTRACTS

Where an employee is required to undertake a formal training programme or course, a training contract must be signed prior to commencement of the training between an employer and employee to govern the terms of the training arrangements (Training Contracts).

#### Training Contracts must contain:

- Employers' details name, registration number, address;
- Employees' details name, permanent address (if a foreign worker than this will be their home country address), current address, identity card number/ passport number;
- Training details;
- Training period;

- Cost incurred by the Employer for the training;
- Rights and obligations of both the employer and employee where the training has not been completed by the employee.

An employer cannot take any direct or indirect charges from an employee due to the employee taking part in the training.

# ON-THE-JOB TRAINING CONTRACTS

Where an employee is required to undertake on-the-job training for development of specific skills, an on-the-job training contract must be signed prior to commencement of such training between an employer and employee to govern the terms of the training arrangements (OTJ Contracts).

Alternatively, an employer may incorporate terms specific to this training into an existing Employment Contract as well.

OTJ Contracts or terms specific to an OTJ arrangement must contain:

- Employers' details name, registration number, address;
- Employees' details name, permanent address (if a foreign worker than this will be their home country address), current address, identity card number/ passport number;
- Training details;
- Training period which must not exceed 6 months;
- Terms of employment and remuneration (must ensure minimum wage is given) and other benefits given.

An employer cannot take any direct or indirect charges from an employee due to the employee taking part in the OTJ.

# REMUNERATION

#### **Minimum Wage**

At present, minimum wage has only been set for Maldivian employees and not foreign employees.

Minimum wage for the private sector is categorized and set as follows:

| Private Sector                       |                      |                    |  |  |
|--------------------------------------|----------------------|--------------------|--|--|
| Size of Business / Employer Category | Hourly Rate          | Monthly Rate       |  |  |
| Micro: Less than 6 employees         | Not applicable       | Not applicable     |  |  |
| Small: 6 – 30 employees              | MVR 21.63 (USD 1.40) | MVR 4511 (USD 293) |  |  |
| Medium: 31 – 100 employees           | MVR 33.65 (USD 2.18) | MVR 7018 (USD 455) |  |  |
| Large: 101 + employees               | MVR 38.46 (USD 2.49) | MVR 8021 (USD 520) |  |  |

#### In Calculating Minimum Wage:

#### Employers can include:

- Basic salary less of the below allowed deductions:
  - Penalties for unauthorized absenteeism during working hours;
  - Compensation on account of loss or detriment to an employer's property or business of due to a wilful act or omission by an employee;
  - Pension payment; and
  - Employee Withholding Tax (WHT).
- Fixed allowances given monthly in accordance with the Employment Contract.

#### Employers cannot include:

- Overtime pay;
- Ramazan allowance;
- Service charge;
- Allowances connected with certain circumstances or responsibilities;
- Allowances or bonuses distributed at a certain period; or
- In-Kind benefits or expenses paid in relation to benefits.

#### **Salary**

Employees on a fixed term or permanent employment are to be paid their salary on a monthly basis whereas, temporary employees may be paid on a shorter duration basis such as weekly.

Salary in monetary form is to be paid:

- Directly to the employee directly or a person nominated by the employee; or
- either in the form of cash or cheque.

Salary in non-monetary form is allowed in for industrial nature work or for work done in the nature where it is customary to provide such non-monetary forms provided:

- it is not something which is prohibited by law;
- it can be utilized for the benefit of the employee or his/her family; and
- it is of reasonable value.

#### Ramadan Allowance

A Ramadan allowance in a minimum sum of MVR 3000 must be provided to all Maldivian employees before the beginning of

Ramadan. each year. It is at the employer's discretion to give this allowance to foreign Muslim employees.

# Maldives Retirement Pension Scheme

The retirement age in the Maldives in 65 years.

The Maldives Retirement Pension Scheme is mandatory for all Maldivian employees and allows for foreign employees (aged between 18 – 65 years) who wish to participate in this scheme to do so provided that the employer does not object to it.

The employee is to contribute 7% of the pensionable wage of the employee and the employer is to contribute 7% of the pension wage of the employee to the Maldives Pension Office from the month of enrolment to or before the 15<sup>th</sup> of the following month.

#### **Record Maintenance**

Records of salary payments and Ramadan allowances paid to employees are required

to be maintained for a 2-year minimum period from the date of record.

#### **Service Charge**

All tourism sector businesses are required to charge a service charge that is not less than 10 % on the price of each service provided.

Tourism sector businesses eligible for service charge include:

- Tourist establishments operating licensed under the Maldives Tourism Act; and
- Tourist establishments identified under the said law but operating without due licenses.

Tourism sector businesses not eligible for service charge include:

- Facilities within a tourist establishment which are solely servicing staff needs; and
- Goods outlets on tourist establishments.

Non-tourism sector businesses have the discretion to levy a service charge on each service provided by such businesses.

Where service charge is levied it must be distributed equally amongst all employees of a business irrespective of an employee's rank or designation or whether they are involved directly or indirectly in the provision of services to customers.

Service charge collected for the previous month is to be distributed to employees before the end of the current month.

Employers may withhold only 1% of the total monthly service charge levied as an administrative fee.

# **WORKING HOURS**

#### 48-Hour Work Week

The maximum working hours per week must be 48 hours and any additional hours are to fall under overtime hours.

Employees must be provided with 1 off day after working 6 consecutive days a week. This off day can be accumulated where the employee works in a tourist establishment, or an industrial project located on an uninhabited island.

Certain circumstances are exempt from this 48-hours rule:

- occurrences of accidents/incidents/events beyond employers control;
- special circumstances to meet deadlines; and
- prevention of spoilage of perishable goods.

However, in such circumstances, on completion of work, employees must be provided with an off-day and overtime pay.

An employee must be allowed the right to leave their work site (island/resort/vessel etc.) once their working hours have concluded.

#### **Mealtimes**

A 30-minute break must be given to an employee for mealtimes after a period of

5 consecutive working hours.

#### **Prayer Time and Break Time**

A 15-minute prayer break in a manner not disruptive to work or a 15-minute break time

must be given to employees after 4 consecutive hours of work.

#### **Overtime**

Overtime work must be agreed upon and provided for in the Employment Contract.

Overtime pay for a normal working day is set as 1.25 an employee's hourly salary rate.

Overtime pay for Fridays or Public Holidays is set at 1.5 an employee's hourly salary rate.

Overtime payments (if any) should be separately distinguished by specific reference in an employee's salary slip.

#### **Public Holiday**

Maldives Public Holidays are:

- Friday
- National Day
- Day of commemoration of the birth of Prophet Mohamed
- Day of commemoration of Maldives converting to Islam
- Independence Day
- First day of Ramadan
- Eid-ul-fitr
- Victory Day
- Republic Day
- Hajj Day
- Eid-al'haa

Additionally, the President may declare designated Public Holidays in each given calendar year.

#### **Exempted Employees**

The below types of employees are exempt from the above listed rules on the 48-hour work week, mealtimes, overtime pay and Public Holidays:

- Senior management;
- Attending to emergency situations;
- Crew of vessels or aircraft;
- Mosque employees; and
- Employees on on-call duty.

#### **Record Maintenance**

Attendance records are required to be maintained for a 2-year minimum period from the date of record.

Attendance records are to be made accessible to an employee for verification from their as well and must include:

- Agreed working days as per the Employment Contract;
- Start time and end time of an employees agreed working hours as per the Employment Contract;

- Start time and end time of which an employee actually attended work (applies to shift basis work as well);
- Days worked in overtime;
- Start time and end time of overtime hours worked;
- Payments made as overtime pay;
- Days on which an employee did not attend to work;
- Days on which an employee was on leave.

#### **Reporting Duty**

LRA may require disclosure of employee records within a period of 7 days of receiving their notification. However, where the LRA

requires disclosure of employee records in connection with an inspection, it must be so disclosed without due delays.

#### **Penalties**

Where an employer fails to share employee records with the LRA within the timeframe stated in the notice, LRA may at their discretion:

- Impose a penalty under Section 86 of the Employment Law ranging between ranging between MVR 500-MVR 50,000 or a 1-year jail term with a minimum fine of MVR 25,000.
- Impose a penalty under Section 32 of the Employment Law with a maximum fine of MVR 5000.

# LEAVE ENTITLEMENTS

#### **Annual Leave**

Employees must be granted 30-days of paid annual leave upon completion of 1 year of employment.

Employers cannot engage any work duties while an employee is on their annual leave.

Dates of annual leave should not conflict with:

- Operational requirements.
- Dates of sick leave or other allowed types of leaves.
- Dates of a period of notice in connection with termination of employment.

Dates of Public Holidays.

Provided it is specifically agreed upon in the Employment Contract, an employee can request for an advance payment of their salary prior to commencement of their annual leave period.

Unutilized annual leave entitlements are to be settled at the time of termination from employment.

Employment Law doesn't allow any arrangements where an employee can forgo or forfeit their annual leave entitlements.

#### **Sick Leave**

Employees are entitled to 30 days of paid sick leave during every year of employment. Out of which:

Sick leave not exceeding 2 consecutive days are to be granted without presenting a medical certificate provided that a maximum of 15 days out of the 30 days are utilized in this manner. Sick leave exceeding 2 consecutive days are to be granted with a medical certificate specifying the nature of the employee's illness and recommended duration of leave issued by a license medical practitioner. The medical certificate must be submitted on the first day back at work.

#### **Maternity Leave**

Every pregnant employee is entitled to a maximum of 60 (Sixty) calendar days paid maternity leave based on a certificate specifying the estimated date of deliver by a licensed medical practitioner and to commence 30 (Thirty) days before the

estimate date of delivery. An additional 28 (Twenty-Eight) days of maternity leave may be granted without pay, where a licensed medical practitioner has certified that the employee is unable to return to work.

#### **Family Responsibility Leave**

Each employee is entitled to 10 days paid leave in one employment year to attend to

sicknesses of immediate family membersparents, spouses or children.

#### **Paternity Leave**

Male employees are entitled to 3 days of paid leave on birth of a child to commence

from the date of birth.

#### **Circumcision Leave**

All employees are entitled to 5 days of paid leave on circumcision of a child to

commence from the date of the circumcision.

# **DISCIPLINAY MEASURES**

Employment Law allows the following disciplinary measures against employees who breach work ethics or conduct:

- verbal warning;
- written warning;
- suspension from employment for a period not exceeding 14 days; or
- demotion.

Although, the law allows the above listed measures to be imposed on employees, the measure imposed must be reasonable and in ascertaining reasonableness, due regard should be given to:

- extent of the breach of work ethics or conduct;
- employee's duties;

- measures imposed and manner of imposition;
- loss due to the breach of work ethics;
   and
- employee's conduct prior to such incident.

An employee is entitled to file a complaint at the Employment Tribunal concerning the reasonableness of the disciplinary measures imposed. As such, it is vital that all employers keep records of written disciplinary measures taken against employees.

It is also important that employers HR policies adequately describe acts which would classify as gross misconduct, gross negligence or fraudulent and that employees are made aware of such policies at the time they are employed.

### TERMINATION OF EMPLOYMENT

#### Redundancy

Employment Law recognizes economic circumstances under which redundancy of positions within an employers' organization (not the individuals itself) will be regarded as a reasonable cause for termination of employees (Redundancy Action).

These circumstances are:

- discontinuation of a business or service (Discontinuance);
- restructuring of business operations (Restructuring); or
- decline in financial stability of a business (Financial Decline).

It is the employer's obligation to prove that the employer acted in good faith in taking a Redundancy Action and that it was not targeted at a specific individual or group of individuals where an employee(s) challenges such redundancy termination at the Employment Tribunal.

# a. Establishing an Economic Circumstance

The first step is to establish or identify the economic circumstances listed above and further detailed below.

#### b. Cause 1 - Discontinuance

Discontinuance of a business or service must be for a minimum of 12 months from the date of discontinuance.

The condition to be met in taking a Redundancy Action due to Discontinuance are either that:

- the employees' position is directly involved in providing business operations or services; or
- the employees' position is directly involved in the provision of business operations or services and at least 50% of the position's responsibilities are connected to the said business.

#### c. Cause 2 - Restructuring

In restructuring business operations, the position(s) made redundant must not be created within 12 months from the date the Redundancy Action was taken.

Where an employer creates a similar position with the same duties and responsibilities under a different designation name, would qualify as a creation of the position made redundant.

#### d. Cause 3 - Financial Decline

The condition to be met to qualify as a Financial Decline is either that:

- there is a decline in revenue received a for minimum period of 6 months.
- there is a decline in estimated upcoming revenue for a minimum period of 6 months.

It is the employer's obligation to prove that the employer faced difficulties or will face difficulties in providing salary and allowances due to the Financial Decline where an employee(s) challenges a Redundancy Action at the Employment Tribunal.

# e. Steps to be Taken Prior to a Redundancy Action

Once an economic need for redundancy has been established, an employer is required to take certain steps or actions to ensure that proper procedure was adhered to so by following the established rules on procedural fairness in taking a Redundancy Action.

To begin with, an employer is required to take either of the following step(s) with an intention to prevent or reduce the number of employees to be terminated:

- granting employee(s) an opportunity to resign;
- changing employee(s) to another business operated by the employer or to another position within the current business with different duties and responsibilities;
- granting employee(s) an opportunity to take no pay leave for a specified period;
- reducing or halting hiring of new employees;
- reducing the number of temporary employees; and/or
- arranging flexible work options and reducing the salary and allowances.

#### f. Policy Formulation

After the above listed step(s) have been taken, an employer would be required to formulate a policy to establish a selection criterion for employees to be terminated: In doing so, employers are required to take into minimum consideration the:

employment term;

- educational qualifications, work experience and skillset;
- attendance and disciplinary records;
   and
- work performance or staff appraisal.

Additionally, in application of the policy, the employer must adhere to principles of good faith, non-discrimination, and fairness.

#### g. Prior Notification to Employees

An employer is required to give prior notice to the employee(s) of its decision to proceed with a Redundancy Action(s) before terminating employee(s).

Such prior notice should state:

- the relevant economic circumstance or reason (Discontinuance, Restructuring or Financial Decline);
- details of steps taken to prevent termination or reduce the number of employees being terminated; and
- the policy formulated to determine selection criteria for positions to be made redundant.

#### h. Written Notice Period

Employment Law requires prior written or payment in lieu of the notice period be given to employees when terminating them under a Redundancy Action:

| Period<br>Service | of |   | Notice Duration    |
|-------------------|----|---|--------------------|
| Less than         | 1  | • | 1 months' notice   |
| year              |    |   | or remuneration in |
|                   |    |   | lieu of notice     |



| • | Within  | 1-4  | • | 2   | months'     | notice   |
|---|---------|------|---|-----|-------------|----------|
|   | years   |      |   | or  | remuner     | ation in |
|   |         |      |   | lie | eu of notic | e        |
| • | More th | an 4 | • | 3   | months'     | notice   |
|   | years   |      |   | or  | remuner     | ation in |
|   |         |      |   | lie | eu of notic | e        |

#### i. Remuneration Settlement

Lastly, employers would be required to settle other remuneration payments entitled to employees at the time of termination, these will include:

- due salary up till the end of the notice period;
- payment of any unutilized annual leave entitlement up till the end of the notice period;
- overtime payments subject to employee eligibility for overtime up till end of the notice period; and
- payment of service charge entitlements up till end of the notice period.

Where a complaint is filed in the Employment Tribunal due to termination in connection to a Redundancy Action, it is an employer's obligation to prove termination was for reasonable cause and due procedure was followed so that the rules on substantive fairness and procedural fairness were adhered to.

#### j. Reporting Duty

MED will require disclosure of redundancy records within a period of 5 days of receiving their notification.

#### k. Penalty

Where an employer fails to share redundancy records with MED within the timeframe stated in the notice, MED may at their discretion impose a penalty in the maximum sum of MVR 2000.

# **Termination Or Resignation with Notice**

Under Employment Law, an employer is required to give reasonable cause when terminating an employee and to give notice of the termination.

Fixed term employees can be terminated or can resign by giving the minimum notice period specified under the Employment Contract in writing.

A permanent employee (not fixed term) can be terminated or can resign by giving the minimum notice period specified below in writing:

|   | Period of     | Notice Duration    |
|---|---------------|--------------------|
|   | Service       |                    |
| • | More than 6   | 2 weeks' notice or |
|   | months but    | remuneration in    |
|   | less than 1   | lieu of notice     |
|   | year          |                    |
| • | More than 1   | 1 months' notice   |
|   | year but less | or remuneration    |
|   | than 5 years  | in lieu of notice  |
| • | More than 5   | 2 months' notice   |
|   | years         | or remuneration    |
|   |               | in lieu of notice  |

This notice is not to be served while an employee is on any form of eligible leave.

Alternatively, employment can be terminated provided the employee's remuneration (ie: salary and benefits) for the required duration of the notice period is paid in lieu of the notice.

An employer will be required to settle all due remuneration payments within 7 days from expiry of the notice period.

Where a complaint is filed in the Employment Tribunal it is an employer's obligation to prove termination was for reasonable cause and due procedure were followed so that the rules on substantive fairness and procedural fairness were adhered to.

#### **Termination Without Notice**

An employer can terminate an employee without notice where an employee commits an act of gross misconduct, negligence, or fraud, which shall be regarded as reasonable cause. In these circumstances, due procedure must be followed in line with an employers policies in the collection of evidence and investigation based on the gravity of the offence carried out the employee.

An employer will be required to settle all due remuneration payments within 7 days from the date of termination.

Where a complaint is filed in the Employment Tribunal, it is an employer's obligation to prove termination was for reasonable cause and due procedure was followed so that the rules on substantive fairness and procedural fairness were adhered to.

#### **Employment Reference Letter**

Where an employee requests for a reference letter within 6 months from termination, an employer is required to issue such letter containing:

- Employers details;
- Nature of employer's business;
- Period of employment;
- Worksite:
- Employees position or designation; and
- Salary and benefits.

Unless so requested by an employee, this letter should not include the reason for termination or the employers' views on the employees work performance.

# **WORKPLACE SAFETY**

An employer is required to implement safety measures at the workplace at the employers own cost and expense.

These measures include:

- implement safety procedures or protocols for the safe and proper usage of machinery, equipment and tools;
- ensure machinery, equipment and tools provided are safe for usage;
- provide protective gear and safety equipment in high risk line of work;
- provide training on the use of protective gear and safety equipment,;

- health checks for employees engaged in work which may compromise their health;
- medical care for injured employees;
   and
- first aid facilities for employees in emergencies or accidents.

An employee can refrain from work if he/she reasonably believe that certain work activities may cause serious health hazards.

The LRA must be notified within 48 hours of the death of an employee or the occurrence of a serious medical injury.

# SEXUAL ABUSE AND HARASSMENT COMPLAINTS

The Prevention of Sexual Abuse and Harassment Act [Law No. 16/2014] and the Regulations on Prevention of Sexual Abuse and Harassment [Reg No. 2014/R-377] (collectively the Harassment Law) requires employers to provide and maintain a workplace that is free of sexual abuse/harassment (Sexual Harassment) or other non-sexual harassment (Bullying) so that employees can feel safe and protected within the workplace and work-related business trips or events.

The Harassment Law gives detailed guidance on acts which will constitute within the meaning of Sexual Harassment and Bullying.

Investigations in connections to complaints or allegations of Sexual Harassment and Bullying allegations may only conducted by:

- a 3-member internal committee for workplaces with 30 or more employees. This committee is to be set up internally within the employer's company itself and it should be titled the "Committee on Prevention of Sexual Abuse and Harassment" (Committee); or
- the Employment Tribunal where a workplace has less than 29 employees.

The Committee is to be established by the human resources department as follows:

- To comprise of 3 members;
- 1 member is to be female;
- A chairperson is to elected from within the 3 members;
- The person against whom the complaint is filed must not be a member; and

 Workplaces may appoint an outsider (not an employee of the workplace) as a member.

Detailed guidance on the obligations of the Committee and the procedures to be followed are described under the Harassment Law.

Only the Committee may impose disciplinary measures against an alleged perpetrator on conclusion of a proper investigation, based on the gravity of the act committed. These measures include:

- Issuing written advice;
- Issuing written warnings;
- Suspensions;
- Preventing a Perpetrator from carrying out his/ her employment duties;
- Demotions; or
- Termination from employment.

A Sexual Harassment or Bullying complaint filing form must be readily available at the human resources department. complainants are required to complete this form with the following minimum information:

- Complainant name and personal details;
- Perpetrator name and personal details;
- Evidence;
- Description of the place where the Sexual Harassment or Bullying act occurred;
- The date of which the Sexual Harassment or Bullying act occurred; and
- A summary of the allegation.

Where the Committee finds that an act of Sexual Harassment or Bullying has occurred or been established:

- It will be dealt as a case of gross misconduct under an employer's disciplinary procedure;
- Disciplinary action taken against a perpetrator under an employer's disciplinary procedure is to be recorded in his/her employment record; and
- The complainant will be granted with adequate support systems such as counselling and changes to the working arrangements.

Where a complainant is not satisfied with the decision of the Committee, he/ she may appeal in writing to the Employment Tribunal in accordance with the Harassment Law.

# TRANSFER OF EMPLOYMENT

An employee's written consent is required for transfer of his/her Employment Contract to another employer.

An employee's written consent is not required for a transfer where the employer's business is sold, leased, or transferred as in such circumstances, the Employment Contracts of all employees will be transferred to the new employer.

# BANKRUPTCY OR DISCONTINUANCE

Where an employer's business goes bankrupt or the business is discontinued, the Employment Contract will automatically terminate within a period of 1 month from such event provided, the business does not continue to operate in a bankruptcy event, or the business is transferred to another party.

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#### **ABOUT US**

Correl Counsels LLP is a multi-disciplinary firm registered in the Maldives to provide legal, consulting, and tax advisory services for the benefit of foreign and locally owned businesses within the Maldives.

Our team comprises of lawyers and consultants with industry and commercial insights to provide a comprehensive suit of commercial services - be it strategic, operational, or transactional and all under one roof.



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