

# UAE residency visa, labour card validity cut to two years

New rule to reduce the life of the labour card for all workers and employees in the private sector to come into effect next month

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Dubai: A new decision has been approved to reduce the life of the labour card for all workers and employees in the private sector, to two years from the current three, officials confirmed on Tuesday.

A senior official at the Labour Ministry told *Gulf News* the rule will be implemented in January 2011. "As the labour card will be for only two years, naturally the residency visa will also be for two years," the official explained.

According to a statement by Humaid Bin Deemas, Acting Director-General of the Ministry of Labour, carried by WAM, "The UAE Cabinet has reduced the validity of labour cards of all categories of people who work in private sector from three years to two years in a bid to regulate the labour market."

The Cabinet decision aims to unify the labour card validity for all work categories to be similar to that of drivers, domestic helpers and other similar categories who are given only two-year labour cards and residence visas by the Department of Residency and Foreigners Affairs, while other professions currently get three-year labour cards and three-year residence visa.

Major General Nasser Al Awadi Al Minhali, Assistant Undersecretary at the ministry's Naturalisation and Residency Affairs department told *Gulf News* the change in the validity of the labour card will impact the expiry date of the residence visa issued to expatriates.

"When we get an application for a residence visa we look at the validity of the labour card issued by the Ministry of Labour; if it is for two years then we will issue a two-year residence visa," he explained.

## Significant amendments

He also revealed that the ministry is currently studying significant amendments to the current law which deals with residency and foreigners' affairs.

Bin Deemas said the decision will help private sector employers to "save Dh678 million annually", as ministry statistics show that 70 per cent of labour cards are cancelled before two years have passed.

He said total licence and work permit fees for 2009 were Dh2.25 billion, and that it cost 70 per cent of employers who paid the three-year irretrievable fees, a sum of Dh1.757 billion.

However, they could have saved Dh678 million if the cards were valid for two years.

"The decision would also achieve certain flexibility in the relationship between employers and employees; it would give both parties the ability to end the relationship without big losses for the employers and in a way that will not violate the labour laws," he said, adding that for the employees, the decision will help enhance competitiveness and movement in the job market.

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