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Employment in Oman: Key Legal Updates

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Agenda

01

Scene-setting

02

Pre-Employment and
Immigration

03

Employment Benefits

04

Remote Working

05

The Social Protection Law

06

Termination

07

Additional Considerations

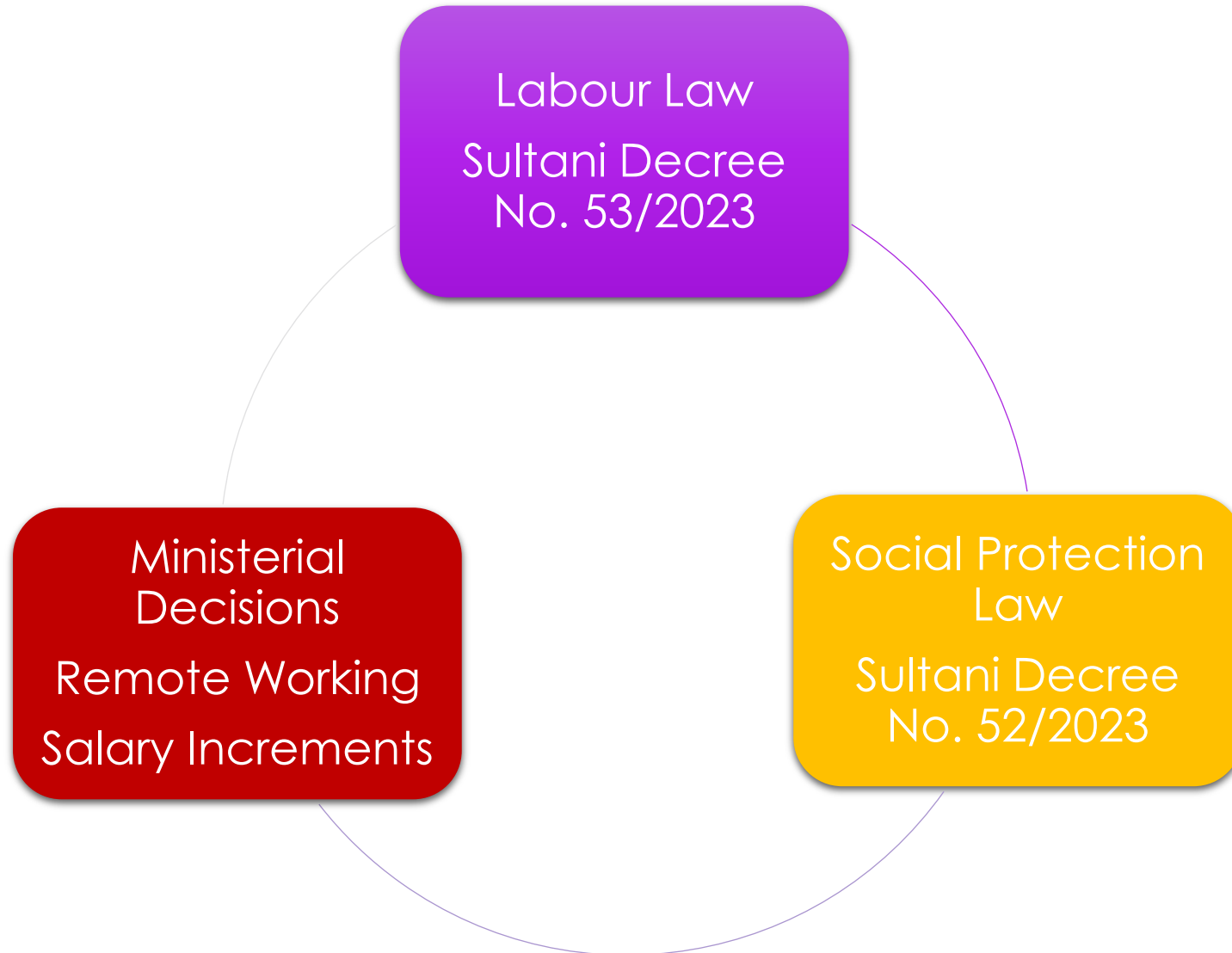
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Q&A



Setting the Scene

Setting the Scene





Pre – Employment and Immigration

Types of Employee

- Full time
- Temporary
- Casual
- Remote



Pre-Employment Considerations

Advertising

- Prohibition on advertising jobs which refer to creed, colour, remuneration packages or which may demean human dignity

FTCs

- No automatic unlimited transition
- Unless over 5 years service



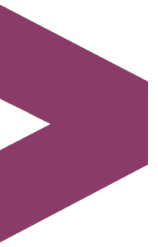
Documents

- Arabic Language (+others)
- Performance appraisal system (25+)
- Grievance system (50+)

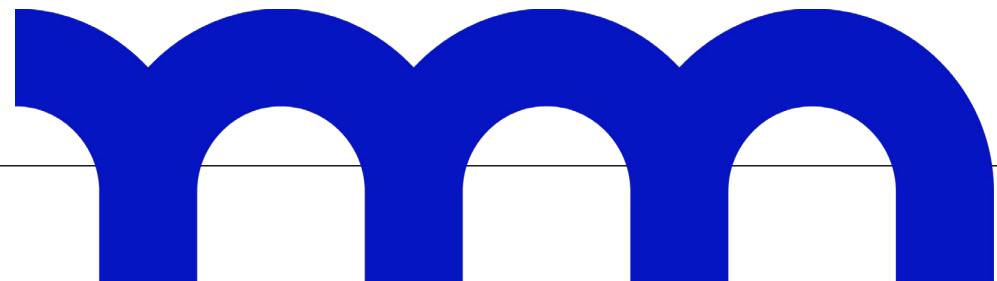
Rest Areas

- 25 or more female employees → separate rest place for female employees





Employment Benefits



Probation

Term

- Maximum 3 months



Law

- Termination with notice
- Potential penalties



The New Leave Landscape

	Old Law	New Law
Emergency Leave	6 days	Removed
Maternity Leave	50 days (one years' service)	<ul style="list-style-type: none">• 98 days (no prerequisite service)• One year unpaid child leave care (social contribution obligations apply)• One hour daily nursing break
Paternity Leave	-	7 days to be taken within 98 days of DOB
Unpaid Leave	-	Subject to employer's agreement (social contribution obligations apply)
Sick Leave	10 weeks	182 days: 100% -> 21 days; 75% -> 22nd to 35th days; 50% -> 36th to 70th days; 35% -> 71st to 182nd days.
Annual Leave	No cap on carry over	30 day cap

Working Hours and Overtime

Old Position

8.5 - 9 hours per day (+3)



- 25% uplift during the day
- 50% uplift during the night
- 100% uplift on rest days or TOIL

New Position

8 hours per day (+4)



NORMAL:

- 25% uplift for daytime hours
- 50% for night-time hours
- 100% uplift on rest days or TOIL



EXTRAORDINARY:

- 50% uplift for daytime hours
- 75% for night-time hours
- 200% uplift or two x TOIL on rest days



Salary Increments – Omani Nationals

**Ministerial
Resolution**

317/2025



5% basic - excellent

4% basic – very good

3% basic - good

2% basic - average

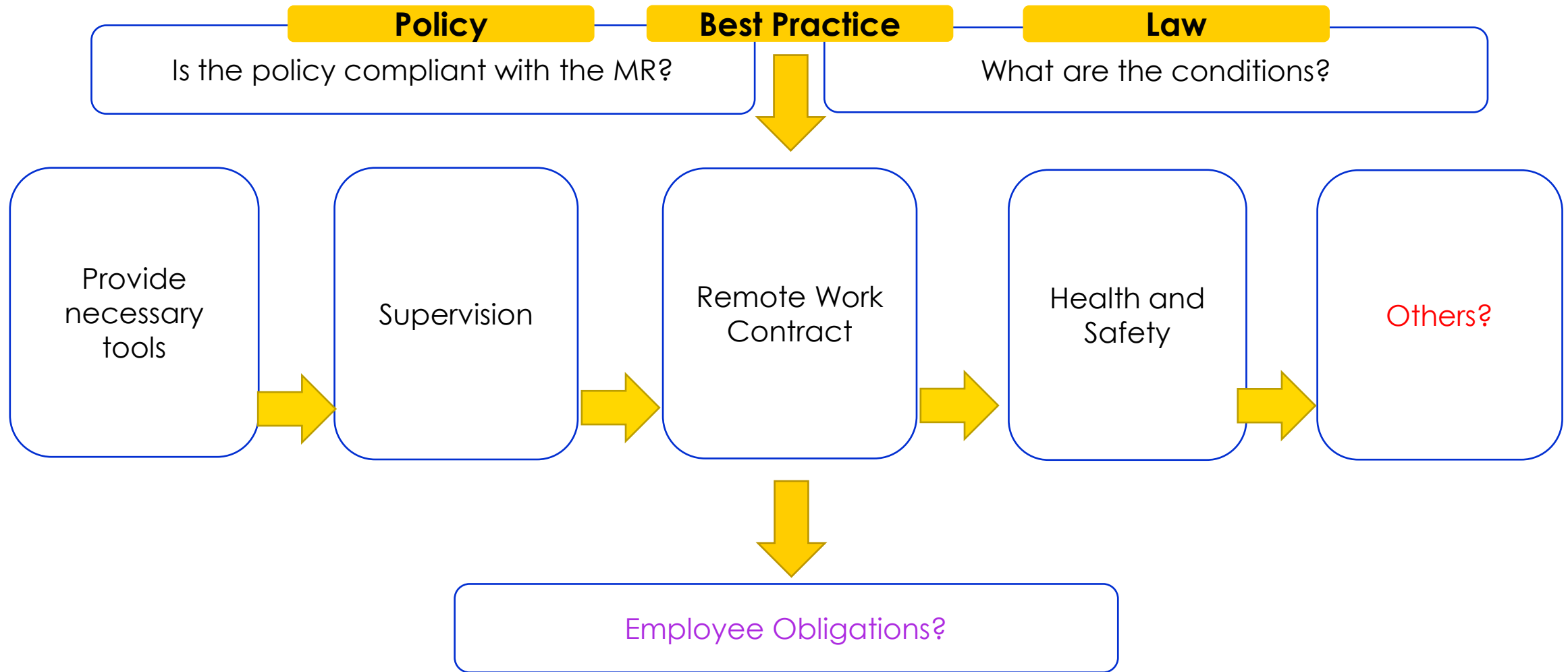
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Remote Working

Remote Working (523/2025)





Social Protection Law

Pension

Oman

Social Protection Fund

- Employer: 11%
- Employee: 7.5%

Registration criteria

- Omani National
- Employer must be subject to the SPL
- Over 15 and under 60

Considerations

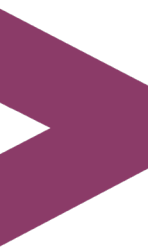
- Cap: OMR 3,000
- Late contributions – 12 months limit
- Retirement → 60 years
- Early Retirement → subject to deductions based on age and length of service
- Penalties for non-compliance?



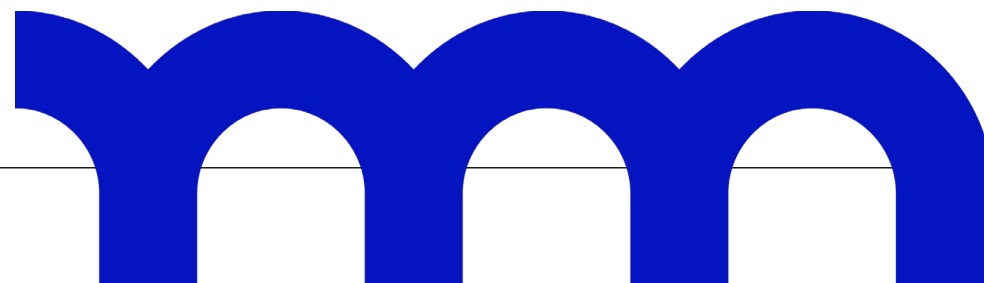
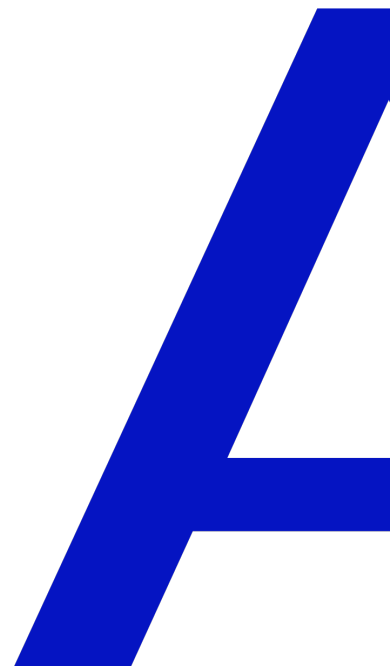
Social Insurance

Type	Contribution	Omani	Non-Omani	Calculation
Insurance for Elderly, Disability and Death	11% employer 7.5% employee	✓ (1 January 2024)	✗	Full Salary
Work Injuries / Occupational Diseases	1% employer 0% employee	✓ (1 January 2024)	✓ (23 July 2028)	Full Salary
Employment Security	0.5% employer 0.5% employee	✓ (1 January 2024)	✗	Full Salary
Sick Leave / Non-Ordinary Leave	1% employer 0% employee	✓ (23 July 2026)	TBC	Full Salary
Maternity Leave	1% employer 0% employee	✓ (23 July 2024)	TBC	Full Salary
	14.5% EMPLOYER 8% EMPLOYEE			

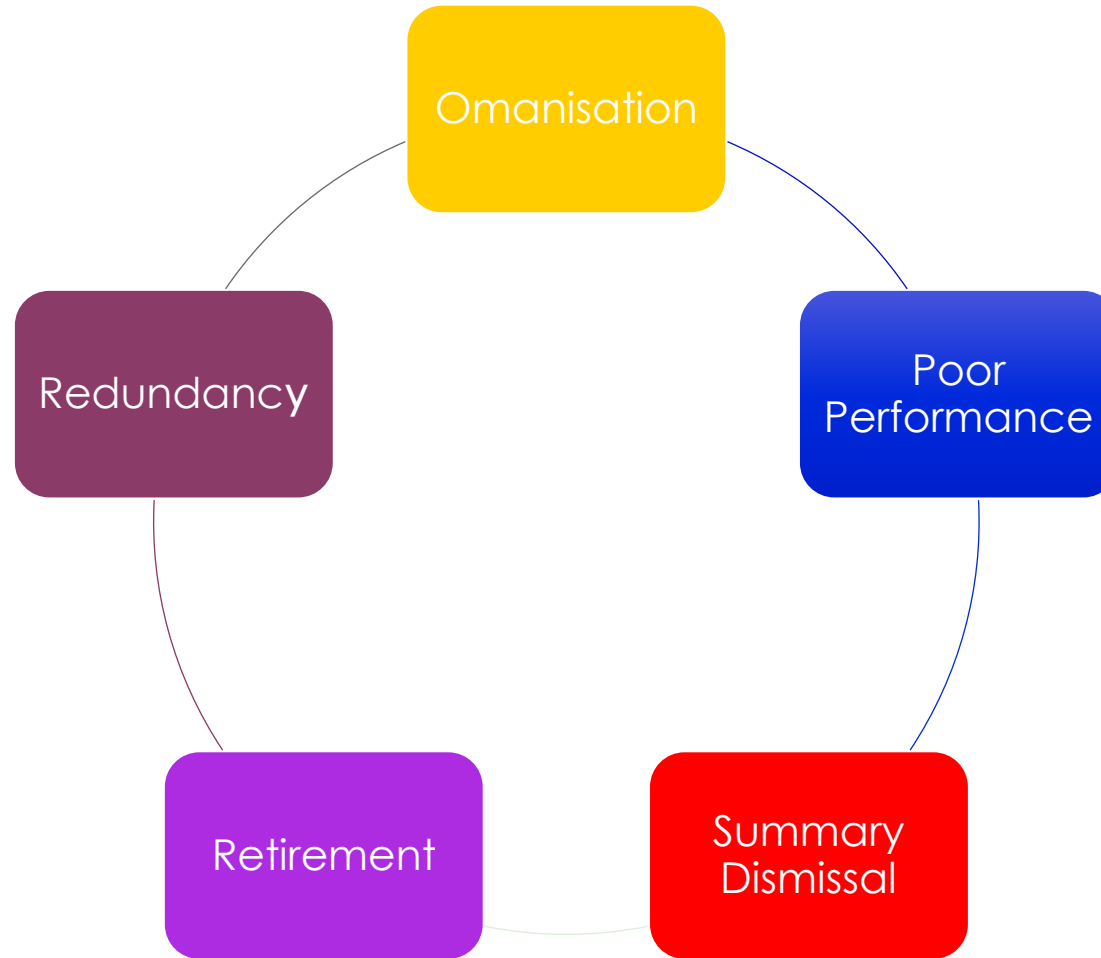




Termination



How can employment be terminated?



Redundancy



"Complete or partial closure of, *bankruptcy* of, or *reduction the size* of the activities of the establishment, or *replacement of the production system* with another in a way that affects the size of the workforce"

"In cases other than the complete closure or *bankruptcy* of the establishment, the contract of the *Omani worker* who has the same competence and experience as the non-Omani who works with him in the establishment, *shall not be terminated*"

"If the establishment has an *economic reason*"

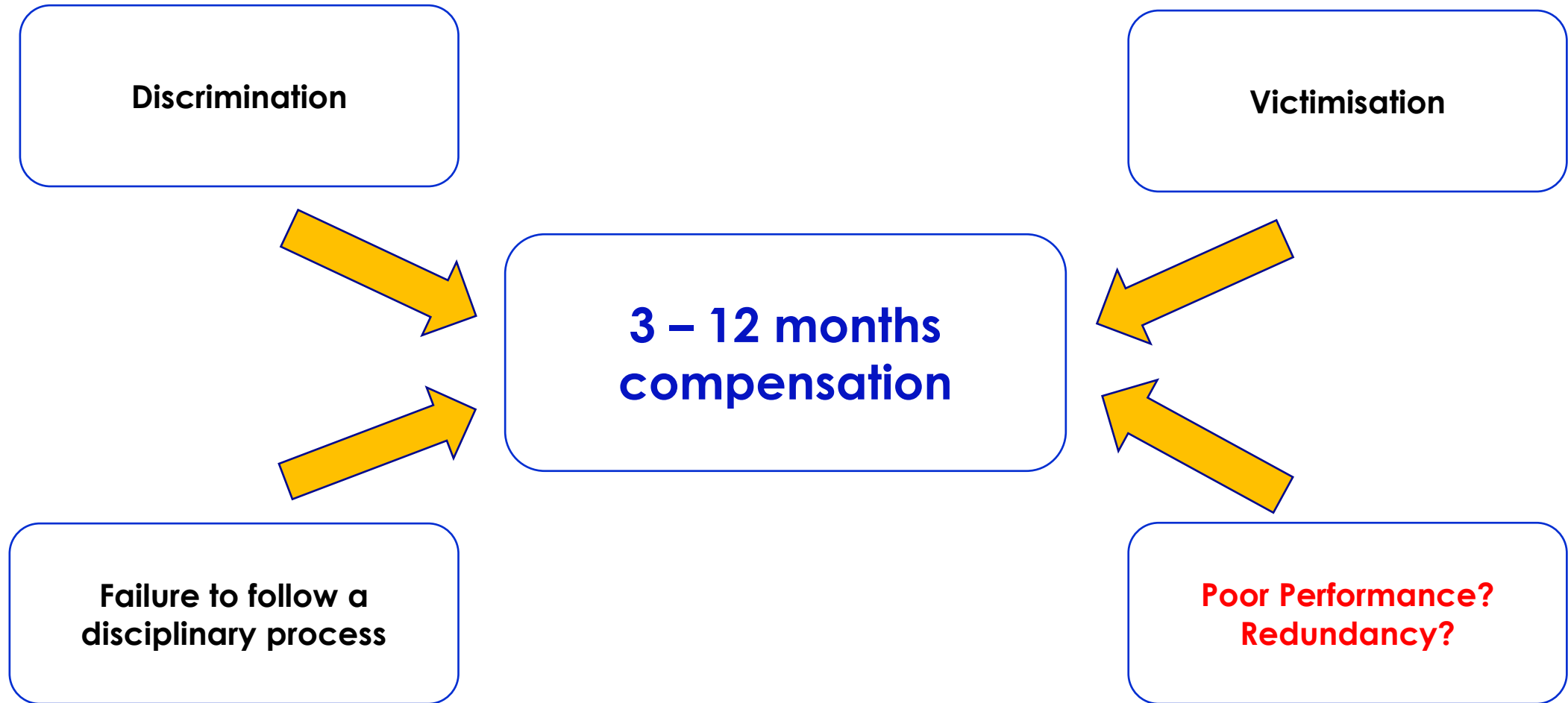


Summary Dismissal: Article 40

False identity or forgery	makes a mistake resulting in substantial material loss (3 days -> 30 days)	disobeys instructions respecting safety of employees and workplace
AWOL >10 non-consecutive days or >7 consecutive days	discloses confidential information	offence involving honour, trust, or a misdemeanour at work
under the influence or offence against public morals	assaults the employer/colleagues	breach of the employment contract



Arbitrary Dismissal



End of Service Gratuity

	Old Law	New Law
Calculation	Years 1 – 3: 15 days Year 4 +: 30 days	30 days per year (MOL?)
Basis of calculation	Basic salary Calendar days	Basic salary Calendar days
Forfeited when terminated summarily?	✓	✓
Savings Fund?	✗	✓ (TBC – 23 July 2027)





Other Considerations

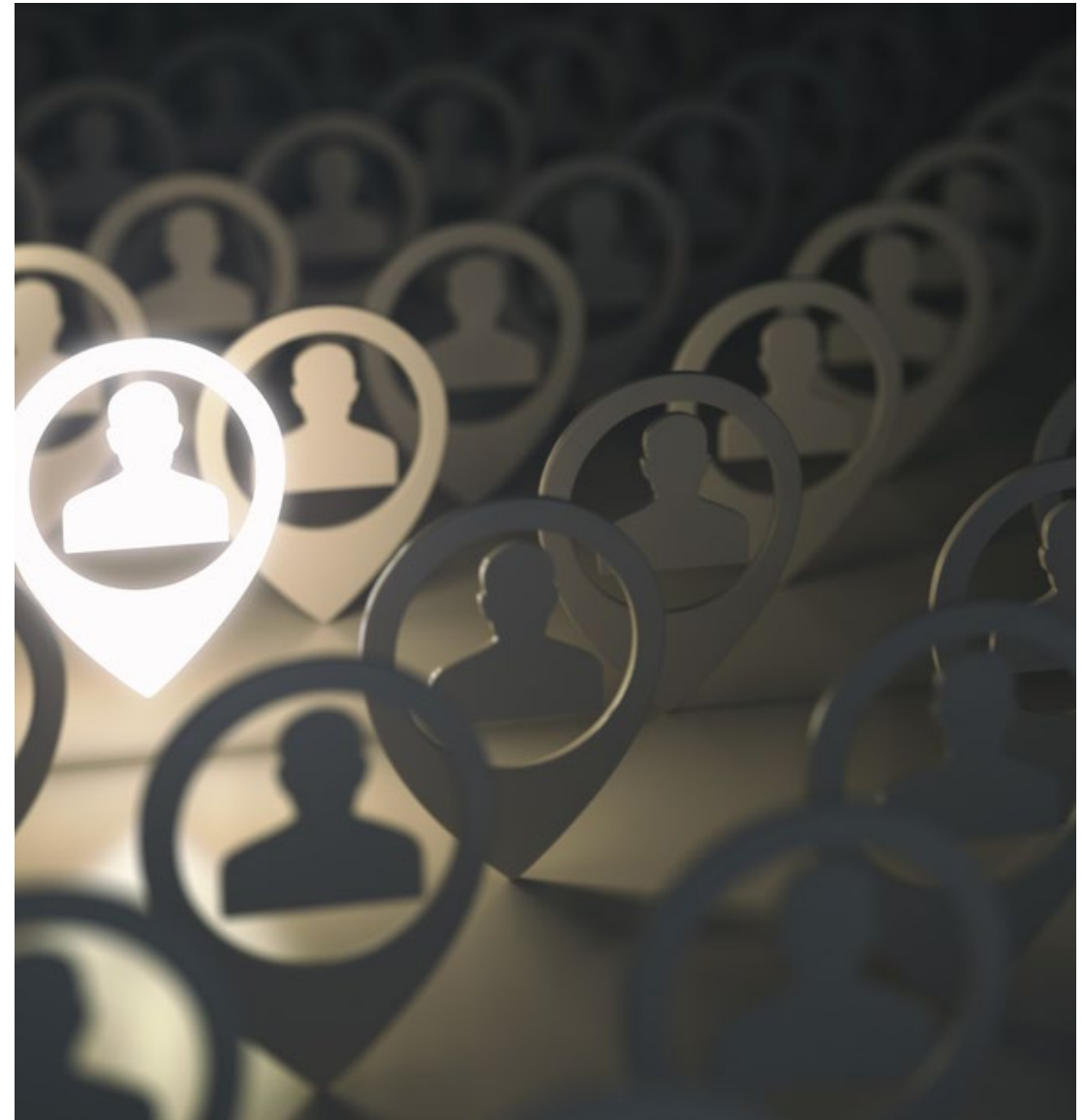
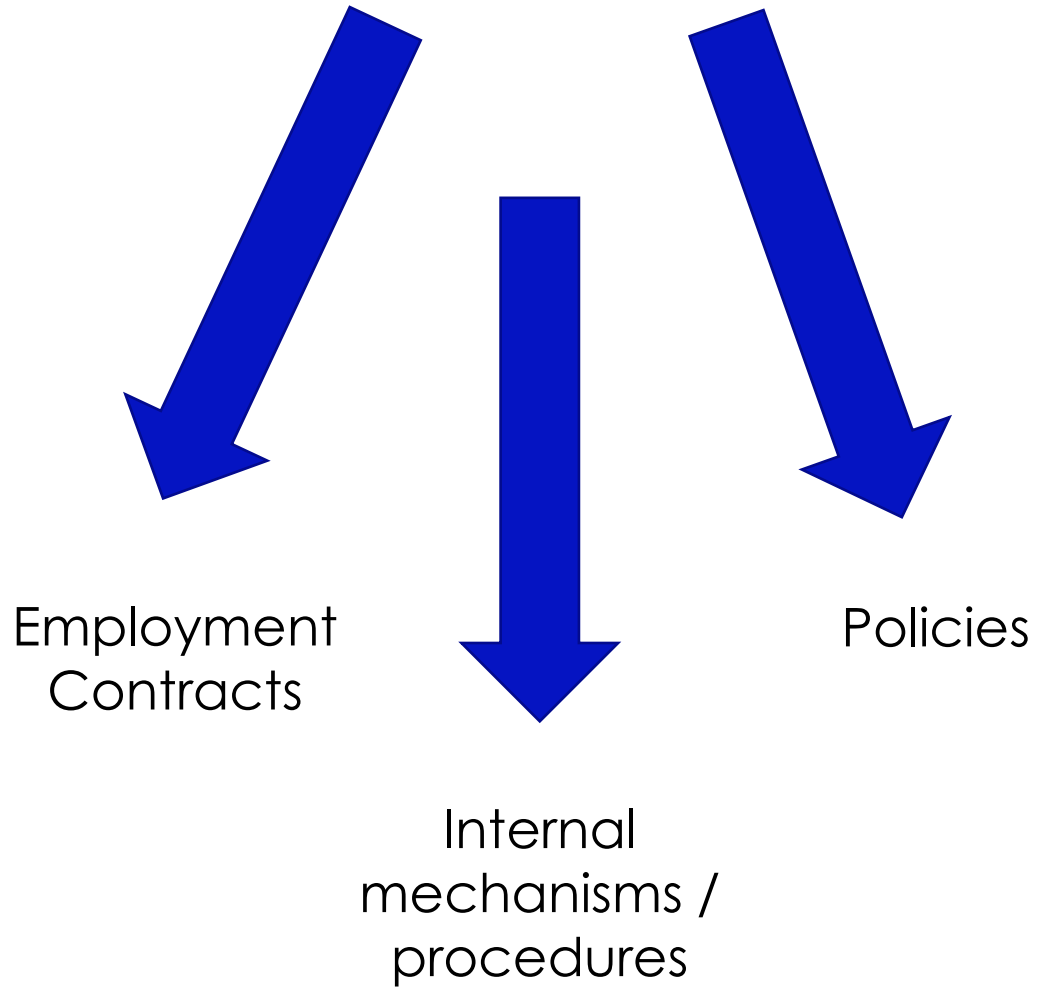
Latest Updates

40 decisions / regulations due to be released

- ❖ Non-Omani Manpower Recruitment Offices
- ❖ Human Resources Supply Companies
- ❖ Working in the Oil & Gas Sector (and related fields)
- ❖ Temporary Work
- ❖ Practicing the Activity of Recruiting Non-Omani Workforce
- ❖ Establishment of a Special Committee (economic reasons)
- ❖ Work without Rest Periods (technical and operational reasons)



What are the next steps





Key Contact



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