

# Saudi Arabia: Ministerial Decision No. 1/4985

|                         |   |
|-------------------------|---|
| <b>Title</b>            | Saudi Arabia: Ministerial Decision No. 1/4985   |
| <b>Date of adoption</b> | 30 October 2011   |
| <b>Entry into force</b> | In effect   |
| <b>Text versions</b>    | <a href="#">Arabic</a><br><b>Source:</b><br><i>The Ministry of Labor – Kingdom of Saudi Arabia, accessed: 20 January 2014,</i><br><a href="http://portal.mol.gov.sa/ar/MinisterDecisions/Documents/D_4985_03_12_1432.jpg">http://portal.mol.gov.sa/ar/MinisterDecisions/Documents/D_4985_03_12_1432.jpg</a>   |
| <b>Abstract</b>         | <p><i>Keywords: Saudi Arabia, Laws &amp; Regulations, Labour Market, Nationals &amp; Foreign Labor, Nationalisation Work Force</i></p> <p>Note: This decision applies to entities. The Saudi Ministry of Labour considers an establishment as consisting of a number of entities depending on the number of different activities it conducts. If, for example, an establishment conducts two different business activities such as transport and retail then it is considered to consist of two entities.<sup>[1]</sup></p> <p>Any Saudi worker who works for one of his employer's entities on a part-time basis may be counted as half an employee for the purpose of calculating the nationalization percentage as long as he is registered for the social insurances program of the Labour Law for some time (Art. 1).</p> <p>A part-time worker cannot be included in the nationalisation percentage of more than two entities at the same time (Art. 2)</p> <p>The percentage of part-time workers for any given entity shall not exceed 10% of all Saudi workers. Excluded from this stipulation are entities engaged in wholesale and retail trade and nutrition activities where the percentage shall be 50% of all Saudi workers (Art. 3)</p> |

---

<sup>[1]</sup> Explanation obtained from the Human Resources Development Fund (HRDF), accessed 01 March 2014, <https://online.hrdf.org.sa/FAQ/faq.html>.