

GMS Flash Alert

Employment Law

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UAE – Minimum Wage for Emiratis in Private Sector Increased to AED 6,000

The UAE Ministry of Human Resources and Emiratisation (MoHRE) has announced an increase in the minimum wage for Emiratis employed in the private sector to AED 6,000 per month, effective 1 January 2026. This requirement applies to new, renewed, and amended work permits for Emirati employees, with a transition period for existing staff.

WHY THIS MATTERS

This development will directly impact private sector employers in the UAE with Emirati staff, requiring salary adjustments and contract amendments to meet the new minimum wage threshold. Organizations will need to update payroll systems, review employment contracts, and help achieve compliance with the specified deadlines to avoid operational risks and penalties.

For globally mobile employees and HR leaders, this change may affect compensation benchmarking, cost projections, and Emiratisation strategy planning. Non-compliance will result in exclusion from Emiratisation quota calculations and suspension of new work permits, potentially disrupting business operations and workforce planning. Employees may benefit from improved wage security and alignment with market standards, supporting broader national objectives for private sector participation.

Background

The AED 6,000 minimum wage represents the latest stage in a phased approach by MoHRE, which previously raised the minimum salary for Emiratis from AED 4,000 to AED 5,000, and now to AED 6,000. The initiative forms part of the UAE's Emiratisation strategy, aiming to increase Emirati representation and retention in the private sector while ensuring salary levels reflect market norms.

Key Highlights

MoHRE has increased the minimum wage for Emiratis working in the private sector to AED 6,000 per month, effective 1 January 2026. The requirement applies to all new, renewed, and amended work permits for Emiratis, with employers required to adjust existing employees' salaries by 30 June 2026. Non-compliance from 1 July 2026 will result in exclusion from Emiratisation calculations and suspension of new work permits.

This move supports the UAE's strategic objectives to enhance Emirati participation in the private workforce and support alignment with market norms.

Applicability and Timeline

- New Minimum Wage: AED 6,000 per month for Emiratis in the private sector, effective 1 January 2026.
- Scope: Applies to new, renewed, and amended Emirati work permits.
- Existing Staff: Employers must adjust salaries for Emiratis hired before 2026 to meet the AED 6,000 minimum by 30 June 2026.
- Penalties: From 1 July 2026, Emiratis earning below AED 6,000 will not count towards Emiratisation targets, and establishments risk suspension of new work permits until compliance is achieved.
- Employer Obligations: Amend employment contracts and payroll records and take steps to meet Emiratisation goals.
- Support Programmes: The Nafis programme and other incentives are available to support compliance and Emirati talent acquisition.

KPMG INSIGHTS

The phased implementation provides employers with time to adjust contracts and payroll systems, while aligning Emirati salaries with market rates. The linkage of Emiratisation quotas and permit eligibility to wage compliance increases the importance of meeting the new requirements for operational continuity.

Organizations may wish to:

- Audit existing Emirati employee salaries and contracts to identify required adjustments.
- Update payroll systems and employment documentation to reflect the new minimum wage.
- Update salary information on the competent pension authority's portal to reflect a payment of accurate contribution.
- Communicate with Emirati staff regarding upcoming changes to compensation.
- Monitor MoHRE updates and leverage support programmes such as Nafis to facilitate compliance and talent acquisition.

The wage increase forms part of an ongoing Emiratisation strategy. Further changes to quotas or incentives may be announced, but no additional measures are specified in the current materials. Employers should note that penalties for non-compliance will take effect from 1 July 2026.

If assignees and/or their programme managers have any questions or concerns about the scope of the directive, its application and potential impacts, and appropriate next steps, they should consult with their qualified immigration professional or a member of the GMS/People Services team with KPMG in the Lower Gulf (see the Contacts section).

FOOTNOTE:

1 Ministry of Human Resources and Emiratisation (MoHRE), [“MoHRE raises minimum wage for Emiratis in the private sector to AED 6,000 per month effective 1 January 2026,”](#) published on 31 December 2025.

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Contact Us

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