

## Institut de Droit des Affaires Internationales (IDAI)

**LICENCE 3 – Anglais Juridique**  
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Séances 2 et 3

### **Employment Contract: General Law and Special Law** (Unofficial English translation of selected articles)

#### **Civil Code Articles (Law no. 131/1948):**

##### **Article 677**

The employment contract does not require any special form unless the laws and administrative regulations stipulate otherwise.

##### **Article 678**

1- The employment contract may be concluded for a specific service or for a specific period. It may also be concluded for an unspecified period.

##### **Article 679**

1- If the employment contract was for a fixed term, it expires on its own with the expiry of its term.  
2- If the two parties continue to implement the contract after the expiry of its term, this shall be considered a renewal of the contract for an unspecified period.

##### **Article 680**

1- If the contract is concluded to carry out a specific work, it ends with the expiry of the agreed work.  
2- If such work can be by its nature renewable, and the implementation of the contract continues after the end of the agreed-upon work, the contract shall be deemed tacitly renewed for the period necessary to perform the same work again.

##### **Article 685**

The worker must:

1. Perform the work by himself while exerting the diligence that a normal person would do.
2. Follow the orders given by the employer regarding the implementation of the agreed work within the scope of the employee's job, as long as these orders do not contradict the contract, the law or morals, and as long as following the orders do not endanger.
3. Be keen to preserve the things handed over to him for the performance of his work.
4. Keep the industrial and commercial secrets of work even after the expiry of the contract.

### Article 686

- 1- If the work entrusted to the worker allows him to know the clients of the employer or to see the secret of his business, the two parties may agree that the worker may not, after the expiry of the contract, compete with the employer, nor participate in any project that competes with him.
- 2- However, for the validity of such agreement, the following is required:
  - a. That the worker has reached the age of majority at the time of concluding the contract.
  - b. That such restriction would be limited to the extent necessary to protect the legitimate interests of the employer in terms of time, place and type of work.
- 3- It is not permissible for the employer to adhere to this agreement if he rescinded the contract or refused to renew it without any justification pertinent to the worker's actions, and it is not permissible for the employer to adhere to the agreement if his actions justified the termination of the contract by the worker.

### Article 687

If the employment contract includes a penalty clause applicable in the event of a breaching the obligation to refrain from competition, and such penalty is exaggerated to the extent of becoming a way of forcing the worker to remain employed by that same employer for a longer period than the one agreed upon, then this condition is void and its invalidity also extends to the non-competition clause in whole.

### Article 688

- 1- If the worker succeeds in inventing an invention during the service of the employer, the latter shall not have any rights to that invention, even if the worker has invented it within the scope of work performed in the service of the employer.
- 2- However, the employer shall have the rights to the inventions that the worker invents during his work if the nature of agreed work requires that the worker spends his effort in innovation, or if the employer has explicitly stipulated in the contract that he has the rights to the inventions resulting of such work.
- 3- If the invention is of serious economic importance, the worker may, in the cases stipulated in the previous paragraph, demand a special consideration to be estimated with fairness. While estimating such consideration, the amount of aid provided by the employer and the facilities used for this purpose shall be taken into account.

### Article 690

The employer is obliged to pay the worker his wages at the time and place specified by the contract or by custom, while considering special laws' requirements in that regard.

### Article 694

- 1- The employment contract ends with the expiry of its term or the completion of the work for which it was concluded, without prejudice to the provisions of Articles 678 and 679.
- 2- If the term of the contract is not determined by agreement or by the type of work or its purpose, each of the contracting parties may put an end to this contractual relationship. The use of such right must be preceded by a notification. The method and duration of the notification shall be specified by special laws.

## Employment Law no. 12/2003

### Article: 1 (Not complete)

In applying the provisions of the present law, the following terms shall denote the meanings indicated next to each of them:

(A) **Worker:** Any natural person working in return for a wage with and under The management or supervision of the employer.

(B) **Employer:** Any natural or juridical person employing one or more workers In return for a wage.

(C) **Wage:** All that the worker obtains in return for his work, whether Fixed or variable, in cash or in kind.

## Book II – Individual Labour Relationship

### Part II – Individual Labour Contract

#### Article: 31

The provisions of the present part shall apply to the contract by virtue of which a worker undertakes to work with and under the management or supervision of an employer in return for a wage.

#### Article: 32

1. The employer shall draw up a employment contract in Arabic writing, in three copies, of which one copy shall be kept by the employer, one copy to be delivered to the worker, and the third copy shall be deposited with the concerned social insurance office. The contract shall in particular comprise the following data:
  - a. Name of the employer and the address of the place of work.
  - b. The worker's name, qualifications, and profession or craft, his social insurance number and home address, and all that is necessary for his identification.
  - c. Nature and kind of work subject of the contract.
  - d. The wage agreed upon, and the method and time of its payment, as well as the rest of evaluation copy.
2. If no written contract exists, the worker may alone establish his rights by all methods of evidence. The employer shall deliver to the worker a receipt for the papers and certificates he has deposited with the employer.

#### Article: 33

The period of probation shall be determined in the employment contract and the worker shall not be appointed under probation for a period exceeding three months; nor shall he be appointed under probation more than once with the same employer.

#### Article: 35

Discrimination in wages is prohibited if it is based on gender, origin, language, religion or believes.

#### Article 37

If it is agreed to determine the wage by production or by commission, the amount received by the worker shall not be less than the minimum wage\*.

\* *Minimum wage as of January 2022 shall be EGP 2400 (Ministerial Decree 57/2021).*

#### **Article 45**

The employer shall not be discharged of wage payment obligation except after the worker signs for receiving the wage in the register provided for the purpose or in the payrolls, provided that such documents shall include the itemized wage data.

#### **Article 47**

1- Annual leave shall be twenty-one (21) days fully paid for those who have spent a full year in service, the number of days shall be increased to thirty (30) days when the worker has spent ten years in service with an employer or more, or for those over the age of fifty. Annual leave does not include festive holidays, formal occasions, and weekends.

#### **Article 80**

1- Without prejudice to the provisions of Law No. 133 of 1961 regulating the employment of workers in industrial establishments, the worker may not actually be employed for more than eight hours a day or forty-eight hours a week, excluding break times.

#### **Article 81**

1- The working hours must include one or more periods for eating and resting, break periods per day must not be less than one hour in total, taking into consideration that the worker does not work more than five consecutive hours.

#### **Article 82**

1- Work hours and rest periods must be organized in a way that the number of hours counting between the beginning and end of working hours do not exceed ten hours per day.

#### **Article 83**

The work in the establishment must be organized so that each worker gets a weekly rest of not less than twenty-four full hours after six consecutive working days at most, and in all cases the weekly rest shall be paid.

#### **Article 104**

- 1- An employment contract concluded with a definite period shall terminate with the expiry of its period.
- 2- If the contract is concluded for a period of more than five years, the worker may terminate it without indemnity upon the lapse of five years, after notifying the employer three months before its termination.

#### **Article: 105**

Subject to the provisions of article (106) of the present Law, if the period of a definite term employment contract expires and its parties continue to implement it, the contract shall be considered renewed by them for an indefinite period.

#### **Article: 106**

- 1- If an employment contract concluded with a definite period has terminated with the expiry of its period, it may be renewed by express agreement between its two parties for one or more other periods.
- 2- If the original and renewed periods of the contract exceed five years, the worker may terminate it according to the provisions of article (104) of the present Law.

**Article: 107**

- 1- If the employment contract is concluded for accomplishing a specific work, the contract shall terminate with accomplishing that work.
- 2- If accomplishing that work lasts for a period exceeding five years, the worker shall not terminate the contract before accomplishing that work totally.

**Article: 108**

If an employment contract concluded for accomplishing a specific work expires and its two parties continue to execute the contract following accomplishment of the work, it shall be considered by them as renewal of the contract for an indefinite period.

**Article: 109**

- 1- If the labour contract concluded for a specific work terminates with accomplishing that work, it may be renewed by express agreement between its two parties for other similar work(s).
- 2- If the period for accomplishing the original work and the works for which the contract is renewed exceed five years, the worker may not terminate the contract before accomplishing these works totally.

**Assignment:**

After reading and thoroughly analyzing the articles of the Civil Code (employment section) and the articles of the Employment Law, from your point of view what are the essential points that should exist in an employment contract and why? (5 points)