

CLIENT ALERT | EMPLOYMENT ISSUES FOR BUSINESS IN RWANDA

There are several employment law issues that every employer encounters during the course of employment. Understanding how to approach these issues can help employers minimise liability arising from the employment relationship or regulatory compliance. These issues range from recruitment to termination of employment and these can further be expounded on below:

RECRUITMENT

- The decision of who to employ is at the discretion of the employer but once employees are recruited, employers are forbidden from acting in a discriminatory manner. An offer of employment can be made orally or in writing but certain contracts must be concluded in writing.
- Contracts concluded for a continuous period of three (3) or more consecutive months and employment contracts concluded in Rwanda for rendering of services in a foreign country must be in written form.
- The law prescribes the content of an employment contract which must include among others the language of usage, obligations of the parties, termination, dispute resolution, among others.

FIXED TERM AND OPEN ENDED CONTRACTS

- It is important to consider the effect of entering into either fixed term or open ended contracts particularly in relation to termination.
- Upon expiry of the period of a fixed term contract, employers are not obliged to give reasons for non-renewal, however with open ended contracts employers are required to provide legitimate reasons prior to termination based on grounds such as poor performance or gross misconduct among others.
- In case a fixed term contract expires, and the employee continues working, he or she is paid based on the days worked.
- Further, in the event of termination of open ended contracts or fixed term contracts an employer must be aware of the different legal implications.

EMPLOYMENT OF FOREIGNERS

- When choosing to employ foreigners, employers are required to ensure that they have valid work permits for at least the duration of their contracts (if fixed term). It should be noted that citizens of East African Community states, who are eligible for residence permits, are entitled to be issued with the same permits at no government fee.
- In addition, foreigners whose qualifications fall under the occupation on demand list are entitled to apply for work permits without the need for their employers to carry out a labour market test.

EMPLOYERS' OBLIGATIONS

- Providing their employees with the agreed work, under agreed working conditions and at the time and place as agreed.
- Implementing the employment contract.
- Supervising employees and making sure that the work is done in suitable conditions, as far as security, health and dignity of the employee are concerned.
- Paying the employee the agreed remuneration, regularly and timely (including withholding the appropriate income tax and remitting it to the tax authorities).

- Ensuring that employees receive the statutory benefits such as leave (annual, circumstantial and medical), compensation for overtime (where the statutory working hours are exceeded), medical insurance and enrolling them for the social security scheme.

INTERNAL RULES OF PROCEDURE

- Every employer with more than 5 employees is required by law to have internal rules and regulation which must be in Kinyarwanda and one of the other official languages in Rwanda (either English or French). These rules are required to provide policies relating to the organization of the business, disciplinary procedures and health and security among others.

TERMINATION

- The most common legal risk faced by employers relates to termination of employment, in particular the procedures followed when terminating the employment relationship. These can be summarized into three requirements, namely:
 - Issuing the appropriate termination notice;
 - Payment of the appropriate termination benefits (such as severance pay, compensation for unused annual leave and the value of any other benefits owed to the employee in the contract); and
 - Issuing a certificate of rendered services within the prescribed period after a request has been made by the employee.
- The failure to comply with the above requirements can render an employer liable for unlawful termination which can result in payment of damages to the employee.

ROLE OF THE LABOUR INSPECTOR

- Every district has a relevant labour inspector who plays a significant role in ensuring that employers are compliant with the relevant laws relating to employment in Rwanda.
- The following are some of the notable powers that may be exercised by the labour inspector:
 - To enter, during working hours whether at night or during the day, any business premises in his/her area for inspection;
 - To initiate any investigation considered necessary to ensure that legal provisions are actually observed by the employer and particularly, to question, alone or before witnesses, an employer or employees on all issues relating to the business, and compliance with the laws and regulations in force; and to request to see whether the registers and other documents for the business are kept in such a manner as provided for by the labour law. The labour inspector may request a copy of any document provided for by the labour law;
 - To order the employer to display any notices provided for by law on the work premises; and
 - To take a sample of any substance found on the work premises in the presence of the employer for further analysis. If it is established that these substances may be harmful to the health of the employees, the labour inspector can order protection measures to be put in place by the employer.
- Employers are also required to notify the labour inspector of any occupational risks identified by the employer, suspension of employees, relocation or termination of an employee who was involved in an accident, termination of employees for economic and technological reasons and employee disputes.

For more information or if you would like advice in relation to any particular aspect mentioned above, please do not hesitate to get in touch.

To get in touch or unsubscribe please [email us](#)

Visit www.equityjuris.com

DLA Piper Africa

Equity Juris Chambers is a member of DLA Piper Africa, a Swiss Verein whose members are comprised of independent law firms in Africa working with DLA Piper.

DLA Piper is a global law firm operating through various separate and distinct legal entities.

Further information on DLA Piper Africa can be found at www.dlapiper.com/africa.

This publication is intended as a general overview and discussion of the subjects dealt with, and does not create a lawyer-client relationship. It is not intended to be, and should not be used as, a substitute for taking legal advice in any specific situation. EJC Advocates will accept no responsibility for any actions taken or not taken on the basis of this publication. This may qualify as "Lawyer Advertising" requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.

Copyright © 2018 DLA Piper. All rights reserved. | MAY18 | 3304882