



# Overtime Calculation in Saudi Arabia

A Complete Guide 2026

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WHITEPAPER

# What Is Overtime in Saudi Arabia?

Overtime refers to **any hours worked beyond the legally mandated working hours** as defined by the Saudi Labor Law. It typically applies to hours worked:

- **After 48 hours** per week or 8 hours per day
- **On weekends** or official holidays
- During **night shifts** (with additional rules)

Overtime pay is legally required in most cases unless the employee is in a position exempt from overtime, such as a managerial role.

## Standard Working Hours in Saudi Arabia

Under the Saudi Labor Law:



The maximum working hours are **8 hours per day** or **48 hours per week**.




During Ramadan, working hours for Muslim employees are **reduced to 6 hours per day** or **36 hours per week**.

**Any hours worked beyond these limits are considered overtime and must be compensated accordingly.**

# Overtime Calculation Formula in Saudi Arabia

The basic overtime calculation formula is as follows:

$$\text{Overtime Pay} = \frac{\text{Regular Hourly Wage} \times 1.5 \times \text{Overtime Hours Worked}}{}$$


**TO BREAK IT DOWN:**

$$\text{MONTHLY SALARY} \div 30 \div 8 = \text{HOURLY WAGE}$$

$$\text{HOURLY WAGE} \times 1.5 = \text{OVERTIME RATE}$$

$$\text{OVERTIME RATE} \times \text{EXTRA HOURS} = \text{TOTAL OVERTIME PAY}$$

## EXAMPLE

If an employee earns SAR 6,000/month and works 10 extra hours:

$$\text{HOURLY WAGE} = 6,000 \div 30 \div 8 = \text{SAR } 25$$

$$\text{OVERTIME RATE} = \text{SAR } 25 \times 1.5 = \text{SAR } 37.5$$

$$\text{OVERTIME PAY} = 10 \times \text{SAR } 37.5 = \text{SAR } 375$$

# When Is Overtime Mandatory?

According to **Article 107 of the Saudi Labor Law**, employers must pay overtime in these scenarios:

- If an employee works **more than 8 hours a day**
- If an employee works **more than 48 hours in a week**
- If an employee works **on weekends**
- If an employee works **on public holidays**
- Night work **between 10 PM and 6 AM** (additional rules may apply)

## Overtime Pay on Official Holidays & Weekends

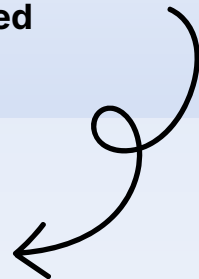
Employees who work on weekends or official public holidays are entitled to:

The regular  
wage for the  
day

+

Overtime pay  
(150%) for each  
hour worked

This means holiday work is essentially  
compensated at double pay.



### EXAMPLE

Working 8 hours on a public holiday would entitle the employee to one day's wage plus 8 hours at 150% of the hourly rate.

# Overtime Pay During Ramadan



During the holy month of **Ramadan**, working hours for **Muslim employees** are legally reduced to **6 hours per day**. Any hours beyond that are counted as overtime and must be compensated at the overtime rate.

Non-Muslim employees generally follow the regular schedule unless the company implements a unified Ramadan policy.



## Who Is Exempt from Overtime Pay?

**Not all employees are entitled to overtime.** According to Saudi labor regulations, overtime exemptions may apply to:

**Managers and supervisors** with hiring or disciplinary authority

**Sales employees** working outside the office premises

**Employees with flexible work contracts**, depending on contract terms

It's essential for employers to clearly define these roles in employment contracts and organizational charts.

## Penalties for Non-Compliance

Employers who fail to compensate for overtime hours may face:

- **Labor court cases**
- **Financial penalties** imposed by the Ministry of Human Resources and Social Development (MHRSD)
- Potential **reputation damage** and employee turnover

Employees can **file complaints** through platforms like **Musaned** or **MHRSD's official portal**.

# Best Practices for Employers

To avoid legal disputes and maintain employee satisfaction, employers should:



Track employee **work hours** accurately using **HR software** or **biometric systems**



Update **employment contracts** to reflect **working hour expectations**.



Ensure **clear policies** for overtime, Ramadan shifts, and holidays.



Use **automated payroll systems** that comply with Saudi labor regulations.

## Overtime and Part-Time Workers

Part-time employees are also entitled to overtime if they exceed the agreed working hours in their contract. The same 150% overtime pay rule applies.

For example, if a part-time employee is contracted for 4 hours per day but works 6, the extra 2 hours are considered overtime.

# FAQs



## **1. What is the overtime pay rate in Saudi Arabia?**

Overtime pay is calculated at 150% of the employee's hourly wage for each additional hour worked beyond standard hours.

## **2. How is the hourly wage calculated in Saudi Arabia?**

Divide the monthly salary by 30 days, then divide by 8 hours to get the hourly rate.

## **3. Are weekends and holidays considered overtime in Saudi Arabia?**

Yes. Any work done on weekends or public holidays must be compensated at double pay (regular wage + 150%).

## **4. What are the working hours during Ramadan in KSA?**

For Muslim employees, the maximum is 6 hours per day or 36 hours per week.

## **5. Is the night shift considered overtime in Saudi labor law?**

Yes. Work done between 10 PM and 6 AM may require additional compensation, especially for non-shift-based roles.

## **6. Can overtime be compensated with time off instead of pay?**

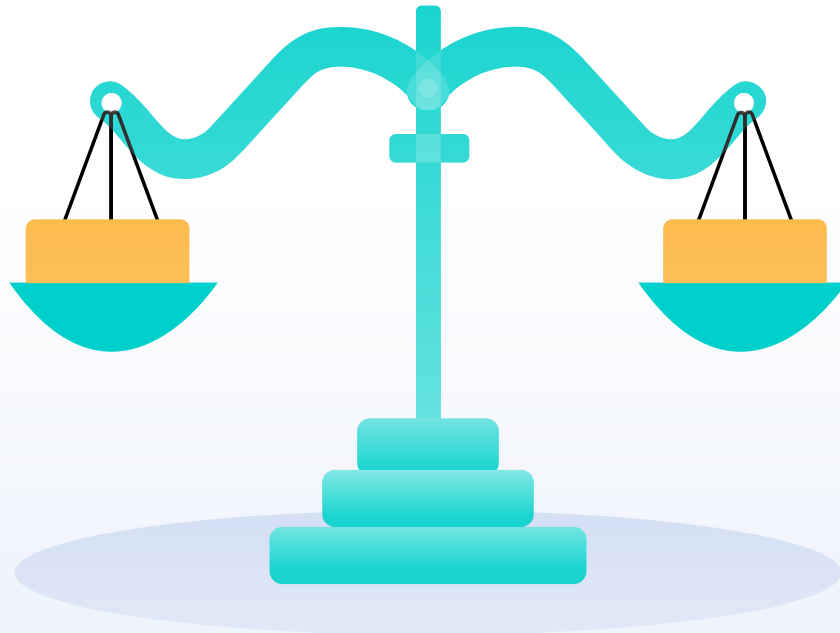
Yes, but only if agreed upon in the employment contract and in line with labor regulations.

# Understanding Your Rights and Responsibilities

Whether you are an **employee calculating your overtime pay** or an **employer managing payroll**, understanding the rules around **overtime in Saudi Arabia** is essential for compliance and fairness.

With labor laws updated regularly and enforcement becoming stricter, using **reliable HR systems** and keeping your company policies aligned with the latest **Ministry of Human Resources regulations** is the best way to stay compliant.

For the most accurate and up-to-date information, refer to the official **Saudi Labor Law 2026** or consult with certified HR professionals in the Kingdom.





# Simplify Overtime Management with zenHR

Managing overtime calculations manually can be **time-consuming and error-prone**, especially when dealing with shift variations, holiday work, and employee-specific exceptions. That's where ZenHR comes in.

**ZenHR's overtime management tools** help HR teams and payroll professionals in Saudi Arabia stay compliant with labor laws while simplifying the entire overtime process.

## With ZenHR, you can:



View all **overtime records in one place** and filter based on employee, date, or status



**Add new overtime entries** or import them in bulk.



Create **overtime batches as income** or convert extra hours into vacation balances.



**Automate overtime transactions** based on actual working hours and shifts.



Allow employees to **submit overtime requests** directly through their portal.



Analyze trends through the **Accumulative Attendance Report**, which now includes more filters, expanded columns, and actionable insights.

Whether you're managing a small business or a large enterprise, ZenHR ensures you're always in control, accurately tracking extra hours, reducing manual work, and staying aligned with Saudi labor regulations.

Learn more about how [\*\*ZenHR\*\*](#) can help you automate overtime calculations and optimize payroll accuracy in Saudi Arabia.



# Get in touch

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