

EMPLOYMENT

On Jobs Directly Linked To The Unlawful

What is said of doing a job directly linked to the unlawful, or working for an employer whose primary business is unlawful?

It is unlawful to perform work that is directly unlawful (i.e. work that is itself unlawful or even assists in the unlawful) or to work for an employer (even if one does not participate directly in the transactions) whose primary business is unlawful (e.g. interest-based banking).

Doing Lawful Jobs For Unlawful Businesses

May one continue doing his job with an employer whose primary business is unlawful, given the job he does is not directly linked to the unlawful?

If one is employed in lawful work (e.g. working as a security guard for an interest-based bank) or work that is not directly unlawful (e.g. working as a secretary for an interest-based bank) with an employer whose primary business is unlawful, it is permissible, though disliked, to continue with the work but superior to find work with an employer whose primary business is lawful.

On Lawful Jobs Involving Occasional Unlawful Acts

If one is required to perform occasional unlawful acts during the course of an otherwise lawful job, should one continue working with such an employer?

If one is employed in lawful work that occasionally requires one to perform something unlawful, one must leave the employer unless one's obligation to perform the unlawful work is waived.

Cancellation Of Employment Contract

Who is entitled to initiate the cancellation of an employment contract?

Both employer and employee are entitled to cancel the employment contract at any time given an agreed upon notice period, though if the employer cancels the contract after the employee begins work, the employer is obligated to pay for work done at the agreed upon rate; but if the employee cancels, whether work had begun or not, the employee is entitled to nothing.

Recording Interest-Based Transactions

Is it permissible to record interest-based transactions?

The unlawfulness of any form of employment depends on how direct one's involvement is to the unlawful: direct involvement entails that one participates in the actual execution of an unlawful transaction; using interest-based transactions as an example, the one who buys, sells, trades, witnesses, records, calculates or in any way directly assists in an interest-based transaction during its execution is culpable (e.g. car buyer who contracts an interest-based lease; homeowner who takes a mortgage; futures and options trader; insurance salesman; loan officer); if an accountant, for instance, merely records a transaction that has already taken place, the involvement is not considered direct, and therefore remains permissible, though it is always superior to avoid the doubtful.

Worker's Compensation

To what permissible extent may I claim worker's compensation from my employer?

Provided the employment contract entitles the employee to worker's compensation, it is permissible to take worker's compensation from one's employer for injuries sustained on the job and, if necessary, to contest disputes over financial settlements in court; worker's compensation permissibly includes, but is not limited to, payment for medical expenses, lost wages and emotional distress; if there is no provision in the contract, the employer is recommended, but not obligated, to provide worker's compensation unless injury is caused directly by the employer's negligence (and not merely by the employee having injured himself due to his own negligence).

Secretly Monitoring Employees

What are the rulings regarding secretly monitoring employees?

It is impermissible for an employer or his agent to secretly monitor the private dealings of his employees outside the workplace (e.g. hiring private detectives). The employer is entitled to monitor the employee's work-related activities at the workplace and, with the employee's consent, private activities at the workplace (e.g. personal emails and phone calls).

Working For Company That Facilitates Interest-Based Investments

Is it permissible to provide investment consultancy services at a company that solicits interest-based loans for its clients from conventional banks and carries out feasibility studies for investments based

on these interest-based loans?

There are two considerations with respect to the permissibility of working in such a company; timing and level of involvement.

Timing: If one assists in an impermissible transaction before the point of execution, one may fall into the impermissible. If one merely records an impermissible transaction that has already been executed (i.e. postmortem auditing and accounting), one does not fall into an area of clear prohibition, though the scholars state that this is better to avoid.

Level of involvement: If one is involved in initiating, proposing, assisting, or executing an impermissible transaction, one is culpable.

Since the company facilitates in obtaining of interest-based loans for its client and advises on them, providing investment consultancy services for such a company would be equivalent to assisting in prohibited transactions and, therefore, impermissible.

On Accepting Wages For Work Not Done

An employee believes that a portion of his wages was taken for work not done altogether. What should he do?

If an employee is certain that wages were taken for work not done altogether, those wages must be returned to the employer, unless the employer forgives the employee; if the wages were taken for work done partially or poorly, those wages may be kept by the employee.

Employees And Temporary Workers Not Held Accountable For Loss

Are employees and temporary workers held accountable for loss, damage or theft resulting from their negligence?

Employees and temporary workers do not count as individuals who rent out their services, and therefore may not be asked for compensation for loss, damage or theft, even due to their own negligence, unless the loss, damage or theft is intentional, in which case compensation may be demanded.

Non-Compete Clauses

Are non-compete clauses that restrict an employee's ability to work in another company valid?

Non-compete clauses that restrict an employee's ability to work in another company are impermissible and corrupt the entire contract, though the contract itself remains valid and the clause would only have the effect of a non-binding promise.

Working For Employer Dealing In Futures And Options

May I work for an employer dealing in futures and options?

It is unlawful to work for an employer whose primary business is futures and options (even if one does not participate directly in the transactions), unless one has absolutely no other means of supporting one's dependents (such as selling the excess of one's saleable wealth or accepting work at a low-paying job), in which case one may remain with the unlawful work as long as one is actively looking for another source of income and seeking God's forgiveness and help in the process. Insurance.

Permissibility of 401K Plan

In order to have my 401K contribution matched by my employer, I must either invest 30% of my money in mutual funds that may or may not be Shariah-compliant or in government bonds that would give me a small interest rate. Would investing in the government bonds and donating the interest to charity be my best alternative?

This is not investment advice but a general answer to the Shariah-compliance aspect of your question. If your company permitted you to choose your stocks, say a small basket of Shariah-compliant stocks prescreened by you, this would be permissible. It would not be permissible to invest in a bond with the intention of donating the charity. The following link has further information on 401Ks: http://spa.qibla.com/issue_view.asp?HD=1&ID=4348&CATE=5