



UNITED ARAB EMIRATES

Building Towers, Cheating Workers

Exploitation of Migrant Construction Workers
in the United Arab Emirates

HUMAN
RIGHTS
WATCH

Summary and Recommendations

BUILDING TOWERS, CHEATING WORKERS

Dubai, with its glittering new skyline of high-rise buildings and its profusion of luxury resorts and real estate, is the most globally emblematic evidence of the economic rise of the United Arab Emirates (UAE). As the UAE undergoes one of the largest construction booms in the world, at least half a million migrant construction workers are employed there. Behind the glitter and luxury, the experiences of these migrant workers present a much less attractive picture—of wage exploitation, indebtedness to unscrupulous recruiters, and working conditions that are hazardous to the point of being deadly. UAE federal labor law offers a number of protections, but for migrant construction workers these are largely unenforced.

This Human Rights Watch report addresses the abusive conditions faced by migrant construction workers in the UAE, specifically their exploitation by employers, and the UAE federal government's failure adequately to address these abuses. Through interviews with workers, government officials, and foreign embassy representatives, as well as a survey of media reports in news and trade journal publications, we highlight what appears to be the most common concern of the construction workers: extremely low wages, typically withheld by employers for a minimum of two months along with their passports, as "security" to keep the worker from quitting. Having incurred large debts to recruitment agencies in their home countries, paid to finance visa and travel costs, notwithstanding the legal prohibition against charging workers such fees, the workers feel compelled to remain in these jobs, despite the low—and in some cases, more protractedly unpaid—wages.

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Workers renovate the Arab quarter of Bastakia.

استثمر في
نفسك

A foreign worker waits for the company's bus service to take him home after his day at work. Behind him is an advertisement for the Jumeirah Beach apartment complex he is helping to build.



استثمر في

السعادة





(above) A hand-painted sign instructs the workers to line-up for the company's bus service which brings them to construction sites.

(opposite) Foreign workers stand in line for the bus that takes them home after a day at work.

Moreover, while engaged in the hazardous work of constructing high-rises, workers face apparently high rates of injury and death with little assurance that their employers will cover their health care needs. A lack of reliable and comprehensive statistics, including the failure to enforce company reporting requirements about deaths and injuries, is indicative of the entirely deficient capacities of the agencies tasked with investigating labor practices. Human Rights Watch learned that 140 government inspectors were responsible for overseeing the labor practices of more than 240,000 businesses employing migrant workers. Of greater concern is that the same deficiency of oversight may mean an absence of appropriate enforcement of health and safety standards, which may directly account for worker deaths and injuries.

Foreigners constitute 95 percent of the workforce in the UAE, and as of 2005, there were 2,738,000 migrant workers in the country. The roughly 20 percent of migrant workers who are employed in construction are



overwhelmingly men from South Asia, many of them illiterate and from impoverished rural communities.

UAE federal labor law provisions apply to both UAE nationals and migrant workers. But the federal government of the UAE has abdicated almost entirely from its responsibility to protect workers' rights by investigating, prosecuting and remedying abusive and unlawful conduct by employers towards the construction workers. It has failed to enforce UAE law that since 1980 has required the government to implement a minimum wage, evidently choosing to uphold the interests of generally powerful and extremely profitable construction companies over the most basic rights of the migrant worker, who on average receives the equivalent of US\$175 a month for his labor on a construction site. This stands in stark contrast to the average per capita income in the UAE of \$2,106 a month.

Moreover, the government has refused to allow workers to organize trade unions and to bargain collectively with their employers (a deficit compounded by official obstruc-

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tiveness toward development of a civil society sector that could monitor and bring to light human rights abuses, including abuses against workers). In March 2006, the Ministry of Labor announced that it will institute a law allowing trade unions and collective bargaining by the end of 2006, but as of early October the government has not published any details of this law or of proposed



mechanisms for its implementation. Instead, in September the Ministry of Labor issued a resolution banning striking migrant workers from further employment in the country for at least one year (the government had deported workers suspected of organizing strikes on several occasions prior to this resolution).

The plight of migrant construction workers begins in their home countries, where they pay local recruitment agencies exorbitant fees (in the range of \$2,000-\$3,000) to arrange for their employment contract, obtain an employment visa for the UAE, and purchase their air travel. Typically, they take loans, either directly from the recruitment agents or from a third party, to pay for these fees. Coming up with the monthly repayment becomes the prime focus of the workers, who devote most of their pay during their first two years of employment to servicing the loans. When construction firms immediately withhold a worker's first two months of wages—which is apparently so common that it is said to be a “custom”—the worker almost

(above) Foreign workers share a meal in their dormitory. These men are out of work, having been abandoned by their employer who left the country.

(opposite) Housing is provided to foreign workers in an area known as Labor Camp.





(above) Foreign tourists relax on the beach of a five-star hotel in Jumeirah Beach. Behind them skyscraper apartment towers are being built.

(opposite) Prefabricated housing is provided to foreign workers in an area known as Labor Camp.

immediately falls into arrears on his debt, and additional charges start to accrue. Workers continue in their jobs even when faced with employers who fail to pay wages for much longer periods of time; the only practical alternative open to them is to quit their jobs and return home, debts unpaid.

All of the construction workers interviewed for this report said that their employers confiscated their passports upon their arrival in the UAE, also commonly known to be a “custom” of employers in the UAE to protect against their migrant workers’ absconding. Although UAE courts have ruled that employer confiscation of passports is illegal, employers continue the practice totally unfettered by any concern that the government will enforce the law.

At the same time, construction workers face some of the most hazardous working conditions in the country. The extent of death and injury of migrant construction workers is one of the most troubling, if poorly documented,



aspects of the construction sector in the UAE, with government and private sources diverging as to the numbers involved. According to government figures available for Dubai, 34 construction workers died at their work sites in 2004, and 39 in 2005, but based on figures from an independent investigation by a local trade publication, it appears that in 2004 the number of work-site deaths of Indian workers alone was certainly higher than the 34 recorded for all nationalities in Dubai. The low number of construction companies complying with the legal requirement to report cases of workplace death and injury to the government is strongly suggestive of a cover up of their true extent by the construction sector, an allegation made in a number of media reports.

In most other places, a worker faced with hazardous working conditions and unpaid wages, in a free market economy that has an extreme shortage of labor, would move to a different job. But this is not an option for the

migrant construction workers of the UAE, who like all other migrant workers in the country are contracted to work only for a specific employer. A worker seeking to move to a different employer is eligible to do so only after working for two years for the present employer and obtaining his or her consent to the move.

In each aspect of the troubled working conditions faced by construction workers in the UAE, the federal government has done little or nothing. It has failed to create adequate mechanisms to investigate, prosecute, penalize, or remedy breaches of its own laws. For example, having made a point of passing a law that bans both local recruitment agencies and local employers from charging workers any fee in connection with the recruitment or employment process, it has made little effort to punish recruiting agents who persist in making these charges, or the employers who are complicit, nor has it acted against the circumvention of the law by UAE employers and



While aggrieved workers are entitled to seek a hearing before the Ministry of Labor, which arbitrates disputes and refers unresolved cases to the judiciary, the availability of arbitration remains a limited option.

recruitment agents who “outsource” charging workers fees to recruitment agents located in source countries. The federal government’s efforts to counter employers’ withholding of wages has been sporadic, at best.

While aggrieved workers are entitled to seek a hearing before the Ministry of Labor, which arbitrates disputes and refers unresolved cases to the judiciary, the availability of arbitration remains a limited option. Government officials,

including the minister of labor, have themselves criticized the arbitration process as inadequate and in need of urgent reform. Some of the ministry’s arbitrators have been accused of protecting the interests of construction businesses instead of implementing the provisions of the labor law in a just and fair manner. The ministry apparently keeps no comprehensive information (including statistics) about the cases it arbitrates.

Recourse to the judiciary has also proved to be of limited use to workers. In theory, UAE labor law provides penalties for any violation of its provisions, including non-payment of wages, but Human Rights Watch has not been able to document a single instance where an employer was sanctioned, either by prison time or financial penalties, for failing to pay its workers. Even workers who have succeeded in obtaining judgments against their employers have been unable to enforce them to recover their wages, much less succeed in seeing the employer punished with fines or imprisonment.



Individual emirate governments have made some attempts to address the problems faced by migrant workers on their territory. Following a spike in labor unrest in the previous two years, in 2005 the Dubai government established two agencies, the Permanent Committee for Labor Affairs (PCLA) and a human rights department in the Dubai Police, to arbitrate disputes between workers and their employers. Since their inception, they have handled tens of thousands of cases of labor disputes and have played an important role in collecting unpaid wages. More recently, the government of Abu Dhabi passed a law requiring all companies to provide private medical health insurance for their employees. But such ad hoc remedies are not the proper substitute for remedies applied by federal agencies, with countrywide application.

The federal government needs to take the lead in tackling problems faced by migrant construction workers. It should immediately initiate an independent inquiry into the

(above) A foreign worker uses a public telephone to call his family.

(opposite) One man sleeps on the floor in a dormitory where workers share a small room.

abuses they experience. It should prohibit UAE companies from doing business with recruitment agencies that flout the ban on charging fees to workers. It should vigorously prosecute violations of UAE labor law, imposing meaningful penalties, and should enforce the labor law's minimum wage provision. It should improve data collection about migrant workers, and substantially increase labor inspection capacity. The UAE government should also ratify international instruments protecting workers' and migrant workers' rights.

Foreign governments have a role to play in ensuring respect for the rights of migrant construction workers in the UAE. The economies of source countries benefit tremendously from the remittances of expatriate workers in the UAE; their governments have a great interest in ensuring that the workers are compensated and treated fairly. They need to clamp down on local recruitment agents who charge workers fees in connection with their employment in the UAE, and they should prohibit the charging of such fees entirely. Their embassies in the UAE should also make proactive efforts to address the needs of their expatriate citizens, providing them with advice and assistance should they encounter difficulties with employers.

The United States, the European Union and Australia also have an important opportunity to urge the UAE to address its failure to protect workers' rights, as they negotiate free trade agreements (FTAs) with the UAE. At a minimum, they should condition any agreement on labor law reform in the UAE that explicitly allows workers to form trade unions and to bargain collectively with their employers, and establishes sufficient protections to adequately safeguard these rights. They should also establish as a precondition for any FTA that the UAE adopt the measures necessary to effectively enforce UAE labor law, including by substantially increasing the number of labor inspectors, and demonstrate the efficacy of these measures with specific data on government labor law enforcement activity.

¹ The UAE is a federation of seven emirates: Abu Dhabi, Ajman, Al Fujayrah, Dubai, Ra's al Khaymah, Sharjah, and Umm al Qaywayn.





In front of the beach apartment complex they are helping to build, foreign workers wait for the bus that will take them home.

Recommendations

To the Government of the United Arab Emirates

1 Establish an independent commission to investigate and publicly report on the situation of migrant workers in the country.

The government of the UAE should directly confront and seek to address the abuse of migrant construction workers in the country. As there is limited official information available on their extent, the government should immediately initiate an independent inquiry into these abuses by establishing an independent commission.

The commission should investigate the federal government's failure to enforce the protective provisions of the current legal framework. As part of its mandate, the commission should be empowered to have unfettered access to government records on worker disputes; to hold public hearings; and to collect testimonies from migrant workers and their advocates as well as from regional and international nongovernmental organizations with expertise on migrant workers' issues and rights.

The commission should be required by law to complete its inquiry within a defined period of time, and make its findings and recommendations public.

2 Prohibit companies from doing business with recruitment agencies, in the UAE and abroad, that charge workers fees for travel, visas, employment contracts, or anything else. Prosecute and implement significant penalties for employers and recruiting agencies that violate the law.

UAE law prohibits local construction companies and recruitment agencies from charging migrant workers any fees in connection with their employment in the UAE. However, the government appears to be doing little to prosecute the commonplace violation of this law by recruiting agencies and employers whereby recruiting agencies (or proxy agencies in source countries) charge workers the fees, from which employers are reimbursed whatever fees they have paid for the record. The government must take affirmative steps to prosecute the widescale violation of this law, impose substantial fines on employers and recruiting agencies found guilty, and should require construction companies to reimburse employees who are found to have paid fees to the recruiting agent arranging their employment. Furthermore, UAE law should be amended to ban construction companies from recruiting through agencies in source countries that require workers to pay fees. Finally, the UAE government should work with the governments of the source countries to prosecute and prohibit local recruiting agencies who engage in this practice.

3 Aggressively investigate and prosecute employers who violate other provisions of the UAE labor law. Impose meaningful and consequential penalties on companies that violate workers' rights, to put an end to the present atmosphere of impunity.

As documented in this report, construction companies routinely withhold wages from employees, and confiscate their passports. Construction companies continue to violate the law because they have not been held responsible in any meaningful way by the government. The government should ensure that government investigators and prosecutors are adequately staffed and trained to prosecute these violations of the law. It should impose substantial penalties on companies found to violate the law; this should have the important effect of deterring other companies from further violations.

In cases in which employers flee or refuse to pay penalties imposed for violating workers' rights, the government should liquidate the employers' bank guarantees (posted as part of the application to sponsor migrant workers) to enforce the judgments on behalf of the affected workers. UAE labor law should be amended to explicitly require the liquidation of employers' bank guarantees in such cases.

4 Provide quantitative and qualitative data on labor disputes, deaths and injuries at construction sites, and government actions to address these issues.

The extent of violations against migrant construction workers is difficult to quantify because data and government transparency are lacking. The government should publicly report the number of labor disputes and how they are resolved, and collect and publicly disclose comprehensive data, information, and statistics on numbers and causes of deaths and injuries in the construction sector. This data should include information on what happens to injured workers, how many are sent home, and how they are compensated by their employers. UAE labor law should be amended to mandate such data collection and public reporting.

- 5 Increase substantially the number of inspectors responsible for overseeing the private sector's treatment of migrant construction workers. Ensure that they carry out their duties to inspect construction sites to verify that they are safe and meet the requirements of law.**

The current number of government inspectors overseeing the construction sector is inadequate. The government should increase the number of inspectors substantially in order to strengthen its ability to oversee construction companies and to compel them to abide by UAE law. The government recently announced that it plans to increase the number of inspectors to 1,000 within the next 18 months. It should make sure that this plan is instituted and that it will result in efficient implementation of the labor law. The government should also ensure that the inspectors are able to communicate with workers in the language of their home countries.

- 6 Take immediate action to inform and educate migrant construction workers arriving for employment in the UAE of their rights under UAE law.**

The majority of migrant construction workers are illiterate and unaware of their rights in the UAE. Upon arrival in the UAE, the government should provide them with information about their rights, both verbally and in writing and in a language they can understand, and how to seek redress in cases where their rights are violated.

- 7 Abide by the obligation under the UAE labor law of 1980 to implement a minimum wage.**

The government should immediately institute a reasonable minimum wage.

- 8 Allow for the establishment of genuine and independent human rights and workers' rights organizations.**

The lack of a broad civil society sector in the UAE is a major impediment to bringing to light the true extent of abuses. The official climate is obstructive toward civil society organizations (for example, without explanation the government has withheld permits from two out of three human rights organizations that have requested them, and the government has repeatedly threatened with prosecution a women's rights group that is operating a shelter for abused women in Dubai). The government should permit the establishment of nongovernmental organizations that can routinely monitor the human rights conditions in the country, report and document abuses, and provide advocacy on behalf of migrant workers.

- 9 Ratify the International Labour Organization's Conventions No. 87 and No. 98 on freedom of association and collective bargaining, and amend UAE labor law to incorporate the conventions' protections.**

UAE law does not contain any provisions on trade unions and collective bargaining. It explicitly prohibits labor strikes. As long as workers are deprived of their rights to have trade union representation and collective bargaining, and their derivative right to strike, their ability to counter the violations committed by their employers is significantly limited. UAE labor law should be amended to comply with international standards and explicitly protect workers' right to organize and bargain collectively; the ban on labor strikes should be repealed. The law should provide for the formation of independent unions free from employer and government interference. The unions should be empowered to represent workers effectively and efficiently and allowed to draw up their rules, elect their representatives, and operate in full freedom. All workers, regardless of their citizenship, should have the right to join trade unions and be allowed to participate fully and have active representation and voting rights.

- 10 Ratify the International Labour Organization's Convention No. 155 on occupational safety and health.**

In light of serious concerns for workers health and safety and the government's lack of comprehensive data, the government should ratify this convention and ensure that international standards with regard to workers health and safety are in place.

- 11 Ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.**

The UAE is a country where migrant workers constitute the majority of residents. The UAE should ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families and amend UAE labor law to incorporate the convention's provisions, to ensure that the migrant workers rights are protected according to international standards.

To the Governments of India, Pakistan, Bangladesh, and Sri Lanka

- 1 Enhance labor departments of your embassies and consulates in the UAE to assist migrant construction workers from your country whose rights are violated by their employers.**

Lack of civil society organizations, unions, and labor advocacy groups in the UAE means that migrant construction workers do not have access to any institutional resources when their rights are violated and are unable to self-organize to address the abuses. The embassies and consulates of the workers' home countries should step in to fill this void. They should provide their nationals with guidance, translators, and legal assistance to pursue their complaints with UAE authorities.

- 2 Raise formally with your counterparts in the UAE the importance of the UAE government's establishing an independent commission to investigate and report on labor-related abuses of migrant construction workers.**

The UAE economy in general, and the construction sector in particular, is highly dependent on migrant workers. The economies of sending countries are also benefiting greatly from the migrant workers' remittances home. The UAE and sending country governments should work cooperatively to ensure that mutual economic benefits are accompanied by improvements in workers' rights.

- 3 Urge the UAE's Ministry of Labor to fully implement its labor laws and to hold violators fully accountable under its laws.**
- 4 Request immediate and full disclosure of causes of death when your country's citizens suffer fatal injuries, and regular reports of all workplace injuries suffered by your citizens.**

To the Governments of the United States, the European Union, and Australia

- 1 Condition the ratification of free trade agreements with the government of the UAE on improved protection for workers' rights. In particular, insist that prior to adoption of the accords, the UAE reform its labor laws to bring them into compliance with international workers' rights standards, including by explicitly and fully protecting workers' right to organize, bargain collectively, and strike. Further require that, before ratification of the agreements, the UAE also take the steps necessary to effectively enforce its labor laws, including by adopting a minimum wage provision and following the other recommendations for improved enforcement set forth above.**
- 2 Include in free trade agreements with the government of the UAE strong, binding, and enforceable workers' rights provisions that require that parties' labor laws conform with international standards and that the parties effectively enforce those labor laws.**

For the full Human Rights Watch Report, *Building Towers, Cheating Workers: Exploitation of Migrant Construction Workers in the United Arab Emirates*, please visit our website at: <http://hrw.org/reports/2006/uae1106>

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Building Towers, Cheating Workers

Exploitation of Migrant Construction Workers in the United Arab Emirates

The United Arab Emirates (UAE) is experiencing one of the biggest construction booms in the world, with hundreds of skyscrapers and luxury resorts being built around the country. This building boom depends entirely on the labor of over a half-a-million migrant construction workers, who in a rare display of public protest in the past two years have taken to the streets to protest working conditions. *Building Towers, Cheating Workers* reports on the exploitation of these workers at the hands of their employers and the government's failure to protect their rights under UAE and international law.

Indebted to recruitment agencies for unlawful work-related travel and visa costs, migrant construction workers devote a large portion of their earnings to debt repayment. In violation of UAE law, employers routinely withhold workers' wages and passports, to ensure that they will not flee. Construction sites are rife with unsafe and hazardous working conditions, yet the government neither provides the appropriate level of inspection of worksites nor keeps statistics and records of death and injury rates. UAE agencies authorized to arbitrate labor disputes lack capacity and transparency, and the government has done little to enforce its own labor laws or to prosecute employers who violate such laws. It continues to impede the protection of workers rights by refusing to authorize a national minimum wage and refusing to sanction labor unions, while subjecting striking workers to deportation.

Foreign laborers work to build the Jumeirah Beach luxury apartment complex.

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