

INTERNATIONAL TRADE UNION CONFEDERATION (ITUC)

**INTERNATIONALLY-RECOGNISED CORE
LABOUR STANDARDS IN THE SULTANATE OF
OMAN**

**REPORT FOR THE WTO GENERAL COUNCIL REVIEW OF
TRADE POLICIES OF THE SULTANATE OF OMAN**

(Geneva, 25 and 27 June)

EXECUTIVE SUMMARY

Oman has ratified only four of the eight ILO core labour standards. Despite being a member of the ILO, the country has not ratified ILO Conventions 87, 98, 100 and 111, which are those core labour standards protecting freedom of association and collective bargaining and the elimination of discrimination in respect of employment and occupation as well as equal remuneration.

Despite some recent improvements most Omani workers, especially migrant workers, continue to be denied their basic labour rights including freedom of association and the right to collective bargaining. While the proposed Constitutive Congress of a trade union centre is currently scheduled to take place later in 2008, serious concerns remain that the government may intervene again to delay the Congress or affect its proceedings and outcome.

Discrimination exists and women continue to face many forms of social discrimination throughout the country. Foreign workers are especially vulnerable to abuse and exploitation.

Child labour continues to be found in sectors of the economy such as agriculture, fishing and informal family business as well as camel racing.

The legislation in force in Oman does not prohibit explicitly trafficking of people. The country is a destination and transit point for many workers that may become victims of trafficking and sexual exploitation. Foreign workers are reportedly sometimes placed in situations amounting to forced labour.

INTERNATIONALLY RECOGNISED CORE LABOUR STANDARDS IN THE SULTANATE OF OMAN

Introduction

This report on the respect of the internationally recognised core labour standards in Oman is one of the series the ITUC is producing in accordance with the Ministerial Declaration adopted at the first Ministerial conference of the “World Trade Organisation” (WTO) (Singapore, 9-13 December 1996) in which ministers stated: “We renew our commitment to the observance of internationally recognised core labour standards”. The fourth Ministerial Conference (Doha, 9-14 November 2001) reaffirmed this commitment. These standards were further upheld in the “International Labour Organisation” (ILO) “Declaration on Fundamental Principles and Rights at work” adopted by the 174 member countries of the ILO at the International Labour Conference in June 1998.

Oman has been a member of the WTO since 9 November 2000. There is no ITUC affiliate in Oman.

Oman is a middle-income economy that is heavily dependent on oil resources, but sustained high oil prices in recent years have helped build Oman’s budget and trade surpluses and foreign reserves. Oman ratified a free trade agreement with the US in September 2006 and through the Gulf Cooperation Council seeks similar agreements with the European Union, China and Japan. As its oil resources are dwindling, Oman is actively pursuing a development plan that focuses on diversification, industrialisation and privatisation, with the objective of reducing the oil sector’s contribution to the GDP to 9 percent by the year 2020. The country is attempting to “Omanise” the labour force by replacing foreign expatriate workers with local workers. Oman actively seeks private foreign investors, especially in the industrial, information technology, tourism, and higher education fields. Industrial development plans focus on gas resources, metal manufacturing, petrochemicals, and international trans-shipment ports.

Oman’s GDP was estimated at \$40.52 billion in 2007. The GDP composition by sector was of 2.2% in agriculture, 38.3% in industry and 59.5% in services. The country’s main agricultural products are dates, limes, bananas, alfalfa, vegetables, camels, cattle and fish. Its main industries are crude oil production and refining, natural and liquefied natural gas production, construction, cement, copper, steel, chemicals and optic fibre. Exports in 2007 raised \$23 billion and imports \$11 billion, providing Oman with a positive balance of trade.

Oman’s main export commodities are petroleum, fish, metals and textiles, its main export partners being China, South Korea, Japan, Thailand, South Africa and the UAE. The country’s main import commodities are machinery and transport equipment, manufactured goods, food, livestock and lubricants, its main import partners being the UAE, Japan, US, Germany and India.

I Freedom of association and the right to bargain collectively

Oman has not ratified ILO Convention 87 (the Freedom of association and protection of the right to organise convention, 1948) or ILO Convention 98 (the Right to organise and collective bargaining convention, 1949).

A decree promulgated on 8 July 2006 grants workers the right to form trade unions, whereas previously only representation committees had been allowed. Based on the amendments to the law, there must be at least 25 employees for a union to be formed.

The Ministry of Employment may refuse to register a trade union if it is not convinced that all requirements have been met. In addition, the armed forces, security and government personnel, and domestic workers are not covered by this law.

The new legislation eliminates requirements that unions must notify the government at least one month in advance of union meetings and that union leaders must speak and write Arabic. It bans employers from punishing or dismissing workers on account of their union activities.

The legislation authorises the creation of more than one union per company. By the end of 2006, workers had formed 24 unions at the enterprise level.

Despite these measures, major restrictions remain, however, and migrant workers are particularly vulnerable. Government control over union activities persists. The law provides for one single federation of unions, which is not in compliance with ILO Convention 87.

However, even that federation has not yet been able to meet. Following earlier postponement, the Constitutive Congress of a trade union centre is now scheduled to take place in September or October 2008. Serious concerns remain that the government may intervene again to delay the Congress or may interfere in its proceedings and outcome.

A decree of 31 October 2006 authorises collective bargaining and peaceful strike action by workers. Formerly, wages and working conditions could only be set by law or in individual contracts.

Strikes must be supported by an absolute majority of the workforce. Notice of a strike must be received by the employer at least three weeks before it takes place.

A decree issued in 2006 provided for the creation of the Salalah export processing zone, which is the first EPZ in the country: the precise arrangements (incentives, taxes, etc. as well as labour rights) are not known yet.

On May 11 2006, 270 workers at the Port of Salalah went on strike demanding higher wages and changes to policies covering health and safety. The Ministry of Manpower declared the strike illegal because workers had not provided the port with sufficient advance notification of their intent to strike. On May 12 2006, the strike ended with most of the striking workers returning to their jobs. The port, government, and worker representatives subsequently achieved a negotiated settlement that met some of the workers' demands.

The absence of free trade unions has not assisted workers to attain other basic rights. Omani law does not provide for acceptable conditions of work especially with respect to minimum wages, hours of work, and occupational safety and health. Workers have no legal right to remove themselves from unsafe work conditions and maintain their jobs, and laws protecting a workers' right not to work beyond the maximum hours defined by law are not enforced. There is no minimum wage for several categories of work.

Conclusions: *The Sultanate of Oman has not ratified the ILO core labour conventions regarding freedom of association and the right to bargain collectively. Despite some recent attempts to grant workers some rights, the reality is that all workers in Oman are denied basic labour rights, with migrant workers being the most vulnerable. The constitution of a*

union can be refused by the authorities for arbitrary reasons and the effective exercise of the right to strike is limited by compulsory requirements. The government continues to control over union activities and only one umbrella national trade union organisation can exist.

II Elimination of discrimination in respect of employment and occupation

Oman has not ratified ILO Convention 100 (the Equal remuneration convention, 1951) or Convention 111 (the Discrimination (Employment and Occupation) Convention, 1958).

Despite some recent legal and social progress, including the appointment of some women as senior officials, women continue to face many forms of social discrimination throughout the country. Aspects of Islamic law and tradition as interpreted in the country discriminate against women. Educated women have attained recently positions of authority in government, business, and the media; however, many educated women still face culturally based job discrimination.

While all workers in Oman are denied basic labour rights, the large foreign workforce in Oman is especially vulnerable to abuse and exploitation. Foreign workers have the right to remain in the country for the duration of their work contracts; but employers are known to hold the passports of guest workers, and even deny individuals the ability to extract themselves from dangerous or cruel work conditions.

Most of the country's 600,000 to 700,000 migrant workers are from Southern Asia and they have a particularly strong presence in the construction industry. Like most of the Gulf countries, the Sultanate of Oman has a declared policy to create more jobs for its own nationals, particularly in the private sector. As a result of that policy many sectors are not open to expatriates and the number of employed foreign workers has dropped.

The labour law provides persons with disabilities with the same rights prescribed for other citizens. While there were no reports of discrimination committed by the government against persons with disabilities, there was societal and cultural discrimination against these persons. The Ministry of Social Development is responsible for protecting the rights of persons with disabilities. Legislation mandates access to buildings for persons with disabilities.

Conclusions: *Oman has not ratified any of the ILO international conventions on the elimination of discrimination in respect of employment and occupation. Discrimination persists and many women face job discrimination. Disabled people suffer from societal and cultural discrimination despite the fact that the legislation in force grants them the same rights prescribed for other citizens.*

III Abolition of child labour

Oman ratified ILO Convention 138 (the Minimum Age convention, 1973) on July 2005 and Convention 182 (the Worst forms of Child Labour convention, 1999) on 11 June 2001.

The minimum age for employment is 15 years, but for certain hazardous occupations, the minimum age is 18. Children aged 15 to 18 can only work between the hours of 6 am and 6 pm. Minors are prohibited from working for more than six hours per day, on weekends or on holidays. The law specifically prohibits forced or compulsory labour by children.

Primary school education for children, including non-citizen children, is free and universal but not compulsory. Primary school enrolment is 65 percent, and the ratio of female to male enrolment is equal in primary education. Most children attend school including secondary school.

The Ministry of Manpower generally enforces the law; however, in practice, enforcement often does not extend to small family businesses that employ underage children, particularly in the agricultural and fishing sectors. There is an absence of statistics in this regard.

The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has expressed concern for the health and safety of children under 18 years of age involved in camel racing and subject to exploitation. The Committee has continued to call on the government of Oman to enforce effective measures to protect the health and safety of camel jockeys less than 18 years of age, pending the progressive increase in the minimum age to 18 for camel racing. In this regard, the Committee has urged the government to ensure that children between 15 and 18 years of age do not perform work under circumstances that are detrimental to their health and safety.

Conclusions: *Despite the fact that Oman has ratified the ILO core labour conventions on the eradication of child labour, this practice continues to exist in some sectors of the economy of the country such as agriculture, fishing or informal family businesses. Primary education is not compulsory. The supervisory organs of the ILO have expressed concern regarding the health and safety of minors under 18 involved in camel racing. The government of Oman has not adequately enforced measures for the protection of children involved in this practice so far.*

IV Elimination of forced or compulsory labour

Oman has ratified ILO Convention 29 (the Forced labour convention, 1930) and Convention 105 (the Abolition of forced labour convention, 1957), on the 30th of October 1998 and the 21st of July 2005 respectively.

The law prohibits forced or compulsory labour, including by children. It sets penalties for forced labour of up to one month's prison and a fine of 500 rials (\$1,300).

Foreign workers are reportedly sometimes placed in situations amounting to forced labour. During a November 2006 fact-finding visit, the UN Special Rapporteur (UNSR) for trafficking in persons received reports that some local recruitment agencies brought domestic servants and casual labourers to the country under fictitious contracts and sponsor relationships. Some workers complained of long working hours, the withholding or non-payment of wages, lack of access to means of communication, and other forms of physical, mental, and verbal abuse. The UNSR received reports that sponsors restricted workers' freedom of movement through confinement and by confiscating passports and other labour documents.

In 2006, the Supreme Court ruled that foreign workers can change employers without first receiving permission from their original sponsor. However, some employers of domestic workers continue to withhold documents releasing them from employment contracts or demand release fees totalling as much as 600 rials (\$1,500) before allowing them to change employers. In November 2006 the Ministry of Manpower issued a legally enforceable administrative circular that prohibited employers from withholding workers' passports, but the government did not assign penalties to the offence.

The law does not prohibit trafficking in persons and the government of Oman does not fully comply with the minimum standards for the elimination of trafficking. The penal code does criminalise slavery and the transportation, receiving, or in any way handling someone in a state of slavery or semi-slavery.

Oman is a destination country for men and women primarily from Pakistan, Bangladesh, India, and the Philippines, many of whom migrate willingly but subsequently become victims of trafficking when subjected to conditions of involuntary servitude as domestic workers and labourers. Oman is also a destination for women from the People's Republic of China, the Philippines, Morocco and Eastern Europe for commercial sexual exploitation. Oman is a transit country for illegal migration to the United Arab Emirates and other Gulf countries.

The government does not have a national coordinator to oversee anti trafficking efforts and has not developed a national plan of action to combat trafficking. In recent years, Oman has not prosecuted any trafficking cases and it has failed to conduct anti-trafficking public awareness campaigns. During the last years, the Omani government has not improved efforts to provide protection to expatriate workers who may fall victim to involuntary servitude.

The CEACR (Committee of Experts on the Application of Conventions and Recommendations) of the ILO continues requesting the government of Oman to provide information on measures taken or envisaged both in legislation and in practice in order to suppress and punish trafficking in persons for the purpose of exploitation.

Conclusions: *The Sultanate of Oman has ratified both ILO international core conventions aimed at eradicating forced and compulsory labour. However, the country is a destination and transit country for many workers that may become victims of trafficking and sexual exploitation. The UN Special Rapporteur (UNSR) for trafficking in persons has received reports that foreign workers are sometimes placed in situations amounting to forced labour.*

Conclusions and recommendations

1. Oman must ratify without delay the ILO core labour conventions Nos. 87, 98, 100 and 111.
2. As a member of the ILO, the government of Oman must implement and comply with all the requests and decisions of the supervisory organs of this organisation regarding its legislation. All workers must be granted the labour rights emanating from the ILO international core labour standards.
3. The laws on trade union rights need to be amended to ensure that all workers have the right to form and join trade unions that can engage effectively in collective bargaining.
4. It is essential that the proposed Constitutive Congress of a trade union centre in September 2008 should take place in full independence and respect for freedom of association.
5. The government of Oman must prosecute firmly abuses that constitute crimes such as the withdrawal of passports to workers or the ability to extract themselves from dangerous and cruel work conditions.
6. More positive actions must be implemented to tackle discrimination based on gender and on other grounds such as disability.
7. Oman must guarantee universal free primary education to all children and channel more resources to tackle child labour in the country, mainly in the agriculture, fishing and informal family business sectors.
8. The government of the Sultanate of Oman must prohibit explicitly by law trafficking of people. It must comply with the necessary efforts to reverse the situation of abuse and exploitation that many workers suffer in its territory as victims of trafficking and sexual exploitation. Oman must appoint a national coordinator to oversee anti-trafficking actions and coordinate a national anti-trafficking policy that includes increased prosecutions, systematic screening and protection of trafficking victims, and a concerted public awareness campaign to prevent trafficking in persons.
9. In line with the commitments undertaken by Oman at the WTO Doha Ministerial Conference and with its obligations as a member of the ILO, the government of Oman must provide regular reports to the WTO and the ILO on legislative and implementation programmes with regard to all the core labour standards.
10. The WTO should draw to the attention of the authorities of Oman the commitments the country undertook to observe core labour standards at the Doha Ministerial Conference. The WTO should request the ILO to intensify its work with the government of this country in these areas and provide a report to the WTO General Council on the occasion of their next trade policy review.

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