

Only nationals can run private labour agencies

UAE Labour Minister issues ordinance to create mechanisms to reduce certain malpractices that may occur as a result of recruitment operations

- WAM
- Published: 14:52 January 15, 2011

Dubai: A new ordinance on the licensing and regulation of private employment agencies, limited the right of setting up a private employment agency to UAE nationals.

Saqr Gobash, Minister of Labour yesterday issued the ordinance, which also classified the activity of employment agencies into two categories, either the activity of "mediation" between the employer and the employee or the "temporary employment activity", recruiting work force and supplying them to prospective employers.

Besides limiting the right of setting up a private employment agency to UAE nationals, the ordinance also stipulated that every partner and signatory in an employment agency should be Emirati to be eligible for applying for a licence

The ordinance also set mechanisms to ensure the rights of enterprises that rely in their operations on employment agencies and guarantees the rights of workers during and after the recruitment process.

Private recruitment agencies, which are already licensed, have six months to rectify their regulations to suit the new regulations.

Operations

The ordinance included mechanisms to reduce certain malpractices that may occur as a result of recruitment operations, and stipulated a set of guarantees and commitments from the agencies including transparency during the entire process of employment beginning from the phase of recruiting from the worker's country of origin until the operations of the firm in which he will work.

Gobash said the new ordinance provides for enough transparency through giving the worker the opportunity to read his original employment contract which will be accredited in the UAE while he begins the employment.

He emphasised that the new ordinance also regulates the entire process of contractual work beginning from the labour supplying country until the labour receiving country.

The new decision prohibited any agency from importing workers with another agency or individuals inside the UAE or abroad unless that agency is licensed for this work according to the UAE law. The decision also made it clear that the workers of any agency may not work in other agencies.

Returning workers

The employment agency is also responsible according to this ministerial decision of returning workers to their countries on the agencies expense. The agency will also be responsible for any damage to others inflicted through the agencies activities. "We seek, through cooperation with our partners in the labour market, to deepen the reliance on agencies and recruiters to fill the jobs in firms," Gobash said.

Gobash pointed out that this is done to enhance the dependence on licensed private employing agencies to organise the mechanism of recruiting personnel from their original countries to the receiving country.

Rectify procedures

He added that the new decision has been set to rectify some negative procedures that take place in the first stages of the recruitment process at the sender countries side. The decision has also stressed the transparency issue for workers to be aware of the contractual items and provisions in their contract papers.

Gobash added that this decision comes in line with other decisions that have been issued recently aiming at empowerment of emiratization and organising the labour market.

The decision also comes after a previous decision allowing labourer's transfer which led to an additional flexibility in the labour market, thus binding work owners and labourers in work issues alone.

Guidelines: Set of regulations

- The agency has to present a bank security cheque for Dh1 million to peruse its activities in temporary employment, and Dh300,000 for broker activities.
- None of the partners in the employment agency should have a police record of honour crimes, integrity, human trafficking or any other crimes pointed out in the work relations organising law.
- Those requiring a licence in this field must present a written commitment that none of the partners will be subjected to change unless there is an official and written approval from the ministry.
- Necessity of employing a full team in these agencies who have sufficient experience in this field.
- The agency owner or any of his partners should not be among those who have not paid their workers on frequent occasions, according to the wages protection system.

- The owner and his associates must not be among those who have bogus companies or who have violated labour housing rules.
- The agency owners will also be obliged to apply the UAE regulations and laws regarding the payment of the housing rents, and paying a security sum of Dh2,000 for every recruited worker, in addition to the payment of violation fees referred to in the Cabinet decree No. 27 for 2010, regarding the services offered by the ministry.
- The agency also has to guarantee that the overall number of workers employed by it at any time must be no less than 20 workers, for the time duration defined by the ministry.

© Gulf News 2011