

UK-Gulf Cooperation Council trade negotiations

**Submission to the Department for
International Trade**

January 2022

Introduction

The TUC exists to make the working world a better place for everyone. We bring together more than 5.5 million working people who make up our 48 member unions.

1. The TUC welcomes the opportunity to respond to the Department for International Trade's consultation on trade negotiations with Gulf Cooperation Council states – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE).¹
2. The TUC believes trade agreements must promote decent jobs and enforce protections for workers' and human rights, public services and democratic decision making. In order to achieve these goals it is crucial for trade unions to be involved in trade negotiations.
3. Given the scale and seriousness of the abuses of human and labour rights taking place across the Gulf Cooperation Council states, the TUC does not believe the UK should sign a trade deal with them. Indeed, the TUC is extremely surprised that the UK government would consider such an agreement given its professed commitment to UK trade supporting human rights.²

Abuse of workers' rights

4. The TUC believes the government must use trade negotiations to ensure respect for International Labour Organisation (ILO) core conventions to prevent trade deals making it easier for capital to move to countries where it is easier to exploit workers, driving a race to the bottom that harms all workers.
5. The TUC is concerned that there are systematic violations of workers' rights taking place across the Gulf Cooperation Council states, with fundamental International Labour Organisation (ILO) standards not respected. These are detailed further below.
6. As noted above, the TUC believes the government should not enter into trade talks with the Gulf Cooperation Council states while these abuses are taking place. The UK government must require that Gulf Cooperation Council states demonstrate fundamental workers' rights are being respected ahead of signing any trade deal with them.

United Arab Emirates

7. The UAE is the worst abuser of workers' rights in the Gulf region, with independent trade unions forbidden and no engagement with the International Trade Union Confederation (ITUC).

¹ UK government (2022) 'Trade with Gulf Cooperation Council: call for input', online at:

<https://www.gov.uk/government/consultations/trade-with-the-gulf-cooperation-council-call-for-input>

² Hansard (2021), 'Trade Deals: Human Rights', online at: <https://hansard.parliament.uk/Commons/2021-10-21/debates/144E8CD3-8AC4-4FAA-AE64-765A602DE28D/TradeDealsHumanRights>

8. The ITUC's annual Global Rights Index has rated the UAE as having 'no guarantee of rights'.³ The UAE has not ratified the fundamental ILO conventions on freedom of association and collective bargaining.
9. A central concern is the 'kafala' system which ties a migrant worker's visa to a specific employer. This has entrenched a system of modern slavery and fuelled the exploitation of millions of migrant workers. Under this system, workers who flee their employers face imprisonment, deportation, and significant fines, including having to pay back their employers for their sponsorship fees even when they have not received salaries from employers.
10. The ITUC has expressed concern that the Dubai Expo 2020 – which runs from October 2021 to March 2022 – has led to more migrant workers being brought to the UAE on kafala visas.
11. The ITUC has made formal complaints at the ILO and written to the government of UAE in November 2021 calling for the end the kafala system. ITUC also raised a number of other concerns with the UAE government⁴ including:
 - 700 migrant workers from Africa being detained, denied access to legal and medical support and subsequently deported in June 2021;
 - 50% of construction workers surveyed in Dubai indicating that they did not receive their wages on time and were denied adequate overtime payments; and
 - migrant workers reporting contract violations and irregularities, thousands of dollars in employment related fees, an inability to change jobs and wage discrimination based on nationality.

Saudi Arabia

12. Saudi Arabia has not ratified the fundamental ILO conventions on the right to collective bargaining and freedom of association.
13. The 'kafala' system described above is also in place in Saudi Arabia, with workers requiring an exit visa required to leave the country. The ILO Committee of Experts has raised concerns about the persistence of the kafala system in Saudi Arabia.⁵
14. Many migrants in the construction industry are subject to delayed payment of wages, as well as forced labour practices such as passport confiscation and contract substitution.
15. Migrant domestic workers are not allowed to change employer within the first two years of a contract, and require an exit permit to leave the country – exposing them to significant exploitation.

Bahrain

³ ITUC (2021) 'Global Rights Index', online at: <https://www.ituc-csi.org/2021-global-rights-index>

⁴ ITUC (2021) 'UAW Labour law fail to address abuses of workers' rights', online at: <https://www.ituc-csi.org/uae-labour-law-reforms-fail>

⁵ ILO (2014), 'Forced Labour Convention 1930 (No.29) – Saudi Arabia', online at: https://www.ilo.org/dyn/normlex/en/f?p=1000:13100:0::NO:13100:P13100_COMMENT_ID:3175039

16. The ITUC Global Rights Index rates Bahrain as 5 with 'no guarantee of rights', making it one of the worst rated countries in the world to be a worker.⁶ Bahrain has not ratified ILO conventions on freedom of association, collective bargaining or equal remuneration.
17. The kafala system, described above, is in force for migrant workers which ties workers' visas to a specific employer, preventing them from leaving abusive employers or leaving the country.
18. Amnesty International reports that migrant workers in Bahrain are often made to live in unsanitary conditions with limited access to healthcare. This has made them particularly vulnerable to contracting Covid-19.⁷
19. Amnesty International also reports that the authorities in Bahrain have failed to address complaints of torture being used against civil rights activists.⁸

Kuwait

20. The ITUC Global Rights Index rates Kuwait as a 5 with 'no guarantee of rights', making it another one of the worst rated countries in the world to be a worker.⁹
21. The kafala system, described above, is in force for migrant workers which ties workers' visas to a specific employer, preventing them from leaving abusive employers or leaving the country.
22. Amnesty International reports that migrant workers in Kuwait have been at heightened risk of contracting Covid-19 as a result of poor living conditions. Hundreds of migrant workers in Kuwait lost their jobs due to the pandemic but were stranded as they were unable to leave the country and forced to continue living in poor conditions.
23. Numerous cases of physical violence against domestic workers have been documented by Amnesty International, including the case of a domestic worker murdered by her employers in December 2020.¹⁰

Oman

24. The ITUC Global Rights Index rates Oman as 4 with a 'systematic violations of rights'.¹¹ Oman has not ratified ILO conventions on freedom of association or collective bargaining.
25. The kafala system, described above, is in force for migrant workers which ties workers' visas to a specific employer, preventing them from leaving abusive employers or leaving the country.

⁶ ITUC (2021) 'Global Rights Index', online at: <https://www.ituc-csi.org/2021-global-rights-index>

⁷ Amnesty International (2020) 'Bahrain 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/bahrain/report-bahrain/>

⁸ Amnesty International (2020) 'Bahrain 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/bahrain/report-bahrain/>

⁹ ITUC (2021) 'Global Rights Index', online at: <https://www.ituc-csi.org/2021-global-rights-index>

¹⁰ Amnesty International (2020) 'Kuwait 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/kuwait/report-kuwait/>

¹¹ ITUC (2021) 'Global Rights Index', online at: <https://www.ituc-csi.org/2021-global-rights-index>

26. Amnesty International reports that migrant workers frequently live in insanitary living conditions, including crowded labour accommodation and inequitable access to medical care and health insurance. This put them at particular risk of contracting Covid-19.¹²

27. Qatar

1. The ITUC Global Rights Index rates Qatar as 4 with 'systematic violations of rights' taking place.¹³ Qatar has not ratified ILO conventions on freedom of association, collective bargaining or equal remuneration. Independent trade unions continue to be banned.
2. Trade unions internationally campaigned against the use of migrant workers brought under the 'kafala' system to build stadiums for the World Cup 2022. Hundreds of workers died as a result of poor health and safety and exploitative conditions at work.¹⁴
3. There have consequently been some improvements to migrant workers' rights in Qatar after sustained advocacy by the ITUC and trade unions internationally.
4. Key recent reforms made in collaboration with the International Labour Organisation include:
 - two ministerial decrees passed in January 2020 which allowed employees to change employers at any time during their contract and leave the country without having to obtain the permission of their employers;
 - domestic workers given the right to a standard employment contract and to receive payslips from their employers;
 - the right to a minimum wage extended to workers of all nationalities, in all sectors, including domestic workers – previously migrant and domestic workers had been excluded;
 - the establishment of labour courts to resolve complaints regarding the non-payment of wages;
 - the creation of a Workers' Support and Insurance Fund;
 - workplace level committees and joint committees at sectoral level have been established to address workers' concerns;
 - legislation introduced in May 2021 to protect workers from heat stress
5. Despite these reforms, independent unions remain banned, severely limiting workers' power to enforce their rights and resist exploitation. A recent *Guardian* investigation

¹² Amnesty International (2020) 'Oman 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/oman/report-oman/>

¹³ ITUC (2021) 'Global Rights Index', online at: <https://www.ituc-csi.org/2021-global-rights-index>

¹⁴ The Guardian (2014), 'Qatar World Cup: 400 Nepalese die on nation's building sites since bid win', online at: <https://www.theguardian.com/football/2014/feb/16/qatar-world-cup-400-deaths-nepalese>

documented migrant workers still trapped in exploitative employment with low pay and inadequate working and living conditions.¹⁵

6. The ITUC, Global Union Federations, the ILO, and the Ministry of Labour in Qatar are in regular dialogue to address these ongoing violations of rights.

Gender discriminations

28. The TUC is concerned there is systematic repression of gender rights across the Gulf Cooperation Council states. These abuses undermine the commitments the UK has pledged to support in ratifying ILO convention 190 on violence and harassment.¹⁶ The TUC does not believe a trade deal should be agreed while such abuses continue.
29. Amnesty International has reported a range of repressive laws and practices across the Gulf Cooperation Council states, including:
 - abortion only permitted on health or therapeutic grounds, and in Saudi Arabia requiring male permission¹⁷,
 - in Qatar, women under the age of 25 must obtain the permission of male guardians to engage in activities such as signing contracts and leaving the country,¹⁸
 - in Saudi Arabia women require male permission to marry, start certain types of business, or leave domestic abuse shelters,¹⁹ and
 - impunity for violence against women– which has markedly increased during the pandemic²⁰ - for example, in Kuwait the murder of a female relative in an 'honour killing' is only punished with a fine.²¹
30. The Gulf Cooperation Council states have among the highest gender wage gaps in the world, according to the World Economic Forum's 2021 rankings.²² Among the reasons

¹⁵ The Guardian (2021), 'The road to reform: have things improved for Qatar's World Cup migrant workers?', online at: <https://www.theguardian.com/global-development/2021/nov/22/qatar-labour-rights-reforms-world-cup-legacy>

¹⁶ ILO (2019) 'Convention on violence and harassment, 2019 (No.190)', online at:

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C190

¹⁷ Center for Reproductive Rights (2022), 'The world's abortion laws', online at:

[https://maps.reproductiverights.org/worldabortionlaws?category\[295\]=295](https://maps.reproductiverights.org/worldabortionlaws?category[295]=295)

¹⁸ Amnesty International (2020) 'Qatar 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/qatar/report-qatar/>

¹⁹ Amnesty International (2020) 'Saudi Arabia 2020', online at:

<https://www.amnesty.org/en/location/middle-east-and-north-africa/saudi-arabia/report-saudi-arabia/>

²⁰ Amnesty International (2021), 'MENA: Gender based violence continues to devastate lives of women across the region', online at: <https://www.amnesty.org/en/latest/press-release/2021/03/mena-gender-based-violence-continues-to-devastate-lives-of-women-across-region/>

²¹ Amnesty International (2020) 'Kuwait 2020', online at: <https://www.amnesty.org/en/location/middle-east-and-north-africa/kuwait/report-kuwait/>

²² World Economic Forum (2021), 'Global gender gap report', online at:

<https://www.weforum.org/reports/global-gender-gap-report-2021>

for this is that women's employment is often controlled by men, which keeps women in lower paid jobs with worse conditions.

31. The majority of women in the labour market in Gulf Cooperation Council states are migrant workers who frequently face abuse and exploitation, perpetuated by the kafala system described above.

ISDS

32. As stated above, the TUC does not believe there should be a trade deal between the UK and the Gulf Cooperation Council states. Should a deal be agreed, however, we are concerned that there is a risk it will contain Investor-State Dispute Settlement (ISDS) clauses.
7. ISDS clauses allow foreign investors to sue the UK government for actions which affect their profits. Given the high level of investment in the oil industry in the UK by investors from the Gulf states, this could mean that regulation of the energy industry introduced to address climate change could invite a legal challenge from Gulf Cooperation Council states.
8. The TUC is concerned that UK already has Bilateral Investment Treaties (BITs) in force with four Gulf Cooperation Council members – Kuwait, Oman, Qatar and United Arab Emirates - that contain Investor-State Dispute Settlement (ISDS). The TUC believes ISDS should be removed from these agreements.