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Reforming the recruitment process of low-skilled labor in the UAE

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REFORMING THE RECRUITMENT PROCESS OF LOW-SKILLED LABOR IN THE UAE

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Summary

By establishing a central licensing authority (CLA) in the UAE that is managed by reputable placement agencies in the UAE and overseen by a government entity (including but not limited to MoHRE) can largely resolve many issues involved in the recruitment process, while imposing minimum administrative costs. The CLA has two key responsibilities, the first of which is to reform the recruitment process through Models 1-3, and the second is to create a clearing house for jobseekers and employers.

1.) Model 1: The CLA enforces an ethical recruitment process by overseeing placement agencies that are licensed and capable of managing the recruitment process. Tasks of placement agencies include:

- Implementing a large scale educational awareness program, informing prospective migrant workers of their rights in their source countries through reliable recruitment agencies
- Monitoring recruitment agencies in countries of origin
- Publicly blacklisting employers and revoking placement agencies' licenses if there is breach
- Allowing workers to file complaints and become whistle blowers through a secure mechanism

Model 2: Taking Model 1 a step further to ensure fair practices after migrant workers enter the destination country (a separate challenge), the CLA engages in a joint liability scheme where employers and placement agencies are held accountable for any violation made by any entity in the supply chain.

Model 3: In addition to the joint liability scheme described in Model 2, in this model, the CLA requires recruitment agencies of all origin countries to procure a CLA license to ensure that the vetting process is complete. This is a unique way to ensure that fair and ethical practices are upheld along with compliance to national goals since licensing procedures transcend national boundaries.

2.) This platform is in dire need to ensure that workers have a place to seek jobs when they are between jobs. Otherwise, several costs are incurred ranging from workers illegally overstaying their visas to monitoring a large informal economy. To lessen the likelihood of such outcomes, we believe the CLA must serve as a public clearing house that provides a direct link between employers and jobseekers. A unique feature is jobseekers' access to professional advisers, recommended or hired by placement agencies, who shall assist jobseekers and employers by providing guidance, facilitating information flows and securing matches. The recruitment process becomes smooth and transparent but in addition, the CLA online portal would surpass current private portals such as naukrigulf.com, bayt etc. not only in terms of information, but also in terms of access to low-skilled jobs.

Alternative Models: The above models will vastly improve upon the status quo but sometimes there are special cases where lucrative and strategic opportunities arise. For example, workers from a particular source country may be well trained in an industry or sector that is highly demanded and fully aligned with the strategic goals of the UAE. In such cases, a government-to-government level program may be quite effective with bilateral agreements drawn to facilitate the recruitment process, conditional on a clear commitment among government officials in the source country to safeguard workers' rights. Another complementary model to consider is a lottery, since choosing workers based on attributes and certification in some fields and sectors may still result in a scenario where labor supply exceeds labor demand. Lotteries eliminate intermediaries in the supply chain by directly linking potential workers to the employers, thereby depoliticizing the process. As with the CLA, the lottery system can be administered by a government entity (such as MOHRE) and organized and managed by placement agencies.