

Indian Workers in UAE

Employment, Wages and Working Conditions

The United Arab Emirates once formed a principal destination for Indian emigrants in search of jobs. But the fear of a rapid demographic imbalance has prompted a policy shift – ‘emiratisation’ – which has led to a decline in numbers of unskilled and skilled emigrant workers from India. This article examines the state of Indian emigrant labour to the UAE, the structure and conditions of employment.

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I Introduction

From the mid-1970s, a large number of Indian workers began to migrate to west Asian countries, viz, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates (UAE). Among these countries, UAE was a principal destination for Indian migrants. The migration to UAE started with a few thousands during the mid-1970s and assumed large proportions during 1980s and 1990s. Available evidence suggests that there had been a substantial increase in migration to the UAE during the first half of 1990s. But the situation has drastically changed since 1996. And a large number of Indian emigrants have been forced to return to India due to the changes in the labour market and immigration policy of the UAE government. The total number of Indians in UAE is estimated at around one million in 2000. It is estimated that the volume of remittances from the migrant workers from UAE to India was around Rs 7,200 crores in 2000 [Zachariah; Prakash and Irudaya Rajan 2002].

Though Indian migration to west Asia is an important economic issue, not many attempts have been made to examine the various dimensions of the problem. One of the major studies in the area has been done by Deepak Nayyar [Nayyar 1994]. The study provided a profile of international labour migration from India, analysed the macroeconomic impact of labour flows and the associated financial flows on the national economy and examined the issues or problems that arise in a wider macroeconomic context with reference to the Indian experience.

The other major studies which provide an aggregate picture of volume of migration, data source of migration, migrant remittances and migration statistics are by the following scholars [Rashid Amjed 1989; Athukorala P 1993, 1993(a); Gopinathan Nair 1993; B A Prakash 1998(a)]. During the 1990s a number of attempts were made in Kerala to study the issues connected with Keralite emigration to west Asia, economic impacts of emigration, return emigration and its consequences, etc. [Prakash 1978, 1998, 1998a, 2000; Zachariah, Mathew and Irudaya Rajan 2001(a), 2001(b); Zachariah, Gopinathan Nair and Irudaya Rajan 2001]. These studies provide a lot of basic information about different aspects of Kerala emigration to west Asia based on the data collected in Kerala. But so far no attempt has been made to conduct a study of Indian emigrants in west Asian countries. This is the context in which the study was conducted (for the full study, see Zachariah, Prakash and Irudaya Rajan 2002]. The

objective of the study is to examine the employment, wages and working conditions and future prospects of Indian emigrants in UAE.

The data for the study is collected from primary and secondary sources in the UAE. The secondary sources are office of the labour advisor, ministry of labour, government of UAE, Indian embassy, Abudhabi and Indian counsel general, Dubai. In order to know about current migration issues and problems, we held detailed discussions with ten major Indian migrant associations in Abudhabi, Dubai and Sharjah. Besides this, we collected information from Indian businessmen, contractors, bank managers and newspaper reporters. In order to study employment, wages and working conditions of Indian emigrants, we have conducted a field survey in UAE covering a sample of 361 Indian emigrants. The data was collected from a sample of emigrant workers in Abu Dhabi, Dubai and Sharjah using a structured interview schedule.

Conceptual Framework

According to one classification, the migrants are classified into the following major categories: foreigners admitted for special purposes, settlers, migrant workers, economic migrants, and asylum migrants [Bilborrow et al 1997]. According to this classification, the contract workers are defined as persons working in a country other than their own under contractual arrangements which set limits on the period of employment and on the specific job held by the migrant. Once admitted, contract migrant workers are not allowed to change jobs and are expected to leave the country of employment upon completion of their contract, irrespective of whether the work they do continues or not. Although contract renewals are sometimes possible, departure from the country of employment may be mandatory before the contract can be renewed.

The International Labour Organisation (ILO) has classified international migration for employment into two major categories, viz, settlement migration and contract migration [ILO 1989]. Settlement migration is a traditional type of migration in which people migrate from one country to another to secure jobs and settle there. People from underdeveloped economies having higher skills and professional qualifications used to migrate to developed countries to secure better jobs, opportunities, living conditions and to settle there. This type of migration is often associated with the concept of ‘brain drain’. The volume of movements of this type from developing to developed countries declined during the 1970s [ILO 1989].

International contract migration occurs when a worker is officially granted permission to enter another country and take up employment in a given job and where a contract is entered into on his behalf or between him and the employer or enterprise for which he is to work. Contract itself takes several forms like individual contract and collective contract. In collective contract a number or a group of foreign workers are being admitted for the purpose of employment under a single authorisation or on behalf of a single employer. It has variously been referred to as block visa migration, collective contract migration or project-tied migration. Project-tied migration conjures up a picture of foreigners admitted to a migrant-receiving country for a period of time on the basis of a work contract with an enterprise or employer to carry out in that country specific projects that by their nature are limited in time.

Examining the international migration for employment during the decade 1970s and early 1980s, ILO has come to the conclusion that contract migration has outnumbered settlement migration. The treatment of contract migrants in countries of employment has aroused a great deal more concern than the treatment of any other group of migrants. Foreigners admitted for the purpose of employment are rarely viewed as future nationals and are subjected to various forms of discrimination.

A number of scholars have reviewed existing models of international migration [Donald F Heisel 1982; Jeanette Schoorl 1998; Massey et al 1993]. From these studies it is evident that there exists no integrated theory of the process of international migration, but only a set of partial theories and models developed from different disciplinary viewpoints. While the earlier theoretical models exclusively concentrate on the process of labour migration, the recent ones try to explain why migration continues once it has started. Though several theoretical approaches are followed to discuss settlement migration, none discusses issues connected with contract migration and return migration. In the context of contract migration to west Asian countries, labour market factors have a crucial role in determining the nature, category and flow of migration as well as of return migration. Wages and working conditions in the labour-importing countries are also determined by labour market factors.

II Expatriate Labour Market in UAE

Structure of Employment

The UAE, was established on December 2, 1971 comprising the seven emirates of Abu Dhabi, Dubai, Sharjah, Ras al-Khaimah, Ajman, Umm al-Qaiwain and Fujairah. Over a relatively short time span of three decades, the UAE has been transformed from a subsistence economy to a highly prosperous modern economy. This transformation was made possible by the utilisation of its huge export earnings from petroleum products into infrastructure building and promotion of economic activities. UAE's proven resources of oil are estimated at around 98.1 billion barrel representing 10 per cent of the world's oil reserves. Abu Dhabi is the biggest oil producer in the UAE accounting for more than 85 per cent of its oil output and 90 per cent of its crude reserves. The sudden rise in oil prices in the 1970s and the 1980s had resulted in the accumulation of large volumes of foreign exchange. The oil earnings were used largely for large-scale

investment in physical and social infrastructure resulting in rapid transformation of the economy.

In 1971, UAE had a population of 1.80 lakh in an area of 83,600 square kilometres. There were substantial differences between the individual emirates in terms of size of population and the level of economic development. By 1997, the total population of UAE was estimated at 26.24 lakh including expatriates. Of the seven emirates, Abu Dhabi accounts for 39 per cent, Dubai 29 per cent and Sharjah 17 per cent. The other four emirates together account for only 15 per cent.

Though UAE achieved rapid economic growth during the early 1990s, the economy has experienced severe recession since 1996. In 1997 the growth rate was only 1.2 per cent compared to 11 per cent during 1996. This recession is the basic reason for the large-scale decline in employment and the consequent return of large number of expatriates. The sectors which registered a negative growth rate are crude oil production, construction, real estate and business services. The decline in construction, real estate activities and a slump in trade and commerce are continuing.

The structure of employment in the UAE is characterised by the large presence of employees in tertiary activities such as trade, restaurants and hotels, transport and communications, finance, real estate business, personal services and government services. The tertiary sector accounted for 58 per cent of the total employment in 1998.

The secondary sector comprising manufacturing, water supply, electricity and construction accounted for another 33 per cent. The primary sector comprising agriculture, livestock, forestry, fishing and mining, employed only 9 per cent of the workforce. In UAE the activities which provide the largest employment are construction, followed by trade and government services. Almost all unskilled construction workers and those working as household workers are expatriates. It is estimated that of the total workers, the UAE nationals accounted for only 9.2 per cent in 1995. There was a substantial fall in growth of employment during the second half of 1990s.

Expatriate Population in UAE

Accurate data is not available about the total number of foreigners in UAE. According to a census conducted in 1968 by the British, UAE had a population of about 1.80 lakh of which 63.5 per cent were enumerated as nationals belonging to the seven emirates. It is estimated by the UAE government that the percentage of nationals declined to 25 per cent by 1995 (Table 1).

The expatriates include workers and their dependants which account for a sizeable proportion. Total number of expatriates was estimated as 17.7 lakh constituting 75 per cent of the total population of UAE. Of them the total expatriate workers are estimated to be 13.91 lakh in 1995 (Table 2).

Table 1: Population of UAE – Nationals and Expatriates, 1968-1997
(Per cent)

Year	UAE Nationals	Expatriates
1968	63.5	36.5
1975	30.0	70.0
1995	25.1	74.9
1997	25.0	75.0

Source: UAE Year Book, 1998.

The countrywise data of expatriate workers suggest that Asian countries accounted for the largest share of emigrant workers in 1995. The total number of workers from the Asian countries was estimated as 11.86 lakh accounting for 85 per cent of the total emigrant workers of UAE. The total number of workers from other Arab countries was estimated as 1.75 lakh or about 13 per cent. The shares of European, and American and African workers were quite small.

The migrants from the Asian countries are mainly from India, Pakistan, Bangladesh, Sri Lanka, Philippines and Iran. The total number of Indian emigrant workers is estimated as 5.85 lakh accounting for 42 per cent of the total emigrant workers in UAE (Table. 3). Of the Indian workers 1.22 lakh are female workers. Emigrant workers of Pakistan came to 2.93 lakh constituting 21 per cent of the total emigrant workers in UAE. Sri Lanka, Philippines and Iran are the other Asian nations having sizeable number of emigrants in UAE.

The Indian emigrant population in the UAE consists of workers and their dependants. The total Indian population is estimated as 7.29 lakh in 1995 (Table.4). The dependant population comprising wives, children and parents was estimated as 1.44 lakh. The dependants account for 20 per cent of the total number of Indian emigrants.

Immigration Policy in UAE

In UAE the central criterion on which the entire immigration, labour and economic policies are formulated is based on the demographic imbalance theory. The UAE government, the Federal National Council (FNC) and the UAE nationals feel that owing to the large and increasing proportion of expatriate workers, the role and importance of the UAE nationals is being getting marginalised in the economy and society, leading a very dangerous situation.

The general feeling is that UAE is in danger of losing its identity because most of the important activities are in the hands of foreigners. The core of the immigration policy has, therefore, been to set right the demographic imbalance through appropriate policy measures.

The ministry of labour and social affairs of the UAE government has prepared a document called *Labour 2000 Report* containing the immigration policy approach. The report specifies three major problems. Demographic imbalance, increasing number of foreign workers, and dependants of unskilled workers, mainly Asians. The policy suggestions put forward were, reduction of the demographic imbalance, controlling of the inflow of unskilled labourers, imparting of training to the existing workforce to cope with developments of modern technology and coercing of private establishments to invest in modern technology. The ministry also intended to introduce several measures to make the recruitment of unskilled expatriate manpower costlier. It envisages a work environment that depends on skilled manpower and advancing technology, an environment-free of marginal and menial workers. It is also decided to fix the minimum qualification even for unskilled workers as high school certificate.

The major policy measures implemented in recent years to curtail migration are the following: (i) the ministry of labour has stopped accepting applications for visas for unskilled labourers belonging to India, Pakistan and Bangladesh with effect from July 18, 1999; (ii) strict action was initiated to send back illegal

and unskilled expatriates already in UAE; (iii) in order to curtail the number of unskilled labourers, the UAE government has introduced several measures to make recruitment of unskilled labour costly; (iv) with the objective of emiratization, the UAE government has already started measures to replace foreign labour with nationals in the public sector undertakings; (v) the UAE nationals working in private sector companies are ensured the same social security benefits as are available to workers in the government sector companies; (vi) the UAE government has decided not to renew the labour cards of private sector employees above the age of 60 with effect from May 30, 1999 except a few category of professionals; (vii) the ministry of labour has introduced a new measure by which each employer seeking a new visa for work will have to deposit 3,000 dirhams in the ministry.

From the above analysis we may make the following observations. The UAE economy has been witnessing rapid structural changes; large employment opportunities are being generated in tertiary sector activities such as trade and commerce, transport and communications, government services and social and personal services. Owing to the immigration policy of rectifying demographic imbalance, controlling the inflow of unskilled labourers and training of the existing workforce to cope with modern technology, the future requirement of manpower will be confined to skilled categories. Policies such as emiratization, banning of visas for unskilled Asian workers and making employment of unskilled labour expensive, are likely to result in the decline of demand for workers of unskilled and semi-skilled categories. The completion of major infrastructure projects, recession in business and trade, privatisation policies and other

Table 2: Population in UAE in 1995

	Number (in Thousand)			Per Cent		
	Male	Female	Total	Male	Female	Total
1 Nationals	303	293	596	19.20	36.86	25.12
2 Expatriates	1082	309	1391	68.57	38.87	58.62
3 Dependent expatriates	193	193	386	12.23	24.28	16.27
4 Total expatriates (2+3)	1275	502	1777	80.80	63.14	74.88
5 Total population	1578	795	2373	100.00	100.00	100.00

Source: Estimates of the UAE Ministry of Interior.

Table 3: Asian Emigrant Workers in UAE, 1995

	Number (in Thousand)			Per Cent		
	Male	Female	Total	Male	Female	Total
India	463	122	585	42.79	39.48	42.05
Pakistan	232	61	293	21.44	19.74	21.06
Bangladesh	83	22	105	7.67	7.12	7.55
Sri Lanka	64	23	87	5.91	7.44	6.25
Philippines	45	25	70	4.16	8.09	5.03
Iran	28	7	35	2.59	2.26	2.52
Other Asian countries	8	3	11	0.74	0.97	0.79
Total	923	263	1186	85.30	85.11	85.26

Source: Same as for Table 2.

Table 4: Indian Emigrants in UAE, 1995

	Number (in Thousand)			Per Cent		
	Male	Female	Total	Male	Female	Total
Workers	463	122	585	86.54	62.89	80.25
Dependants	72	72	144	13.45	37.11	19.75
Total	535	194	729	100.00	100.00	100.00

Source: Same as for Table 2.

restrictions imposed on visa issues would also reduce the demand for such categories.

III Employment, Wages and Working Conditions: Results of a Field Survey in UAE

The distribution of the 361 sample emigrants on the basis of their educational level revealed that 8 per cent had an educational level upto primary, 21 per cent below secondary, 40 per cent secondary and 31 per cent graduate and above. Of the sample emigrants, 80 per cent reported that they were in a foreign land for work for the first time in their lives. For another 16 percent, it was the second time; they had worked once earlier in UAE itself or in another gulf country. There were a few emigrants (less than 3 per cent) who had two earlier emigration episodes.

In order to understand the trends in emigration, we have collected information about the year of arrival of sample emigrants in UAE. It is found that 19 per cent arrived upto the end of 1980s, 23 per cent during the decade 1980s, 21 per cent during the first half of 1990s and 36 per cent during the second half of 1990s and 1 per cent during the first half of 2001. A trend in emigration observed is the continuous decline in the number since 1998. The sharp fall experienced during 2000 and the first half of 2001 could be attributed to the ban on issuance of visa imposed for unskilled and low skilled categories of Indian workers. The categories of workers who emigrated during the second half of 1990s were technicians, accountants, auditors, executives, managers, salesmen, shop assistants, housekeepers, electrical workers, plumbers, welders, sheet metal workers, construction workers and transport equipment operators.

Employment

To know the categories of employment we have classified sample emigrants using National Classification of Occupations (NCO) of the National Sample Survey Organisation of India (NSS). It was found that nearly one-fifth were employed in professional and technical categories; about 6 per cent were in administrative, executive and managerial categories; 15 per cent were clerical and related workers, 13 per cent were sales workers, less than one-tenth were service workers and more than one-third were production related workers, transport equipment operators and related workers (Table 5). The category of production related workers in the sample included electricians, electronic equipment operators, plumbers, welders, sheet metal workers, metal workers and construction workers.

The sample emigrants are classified into four categories: regular, long-term employees with monthly salary/wage; regular employees with daily or piece wages; casual workers; and the self-employed. It is found that more than three-fourths of the sample workers were employed with monthly salary/wage. Another 15 per cent worked were regular employees, but were paid wages on a daily basis or under the piece wage system. On the other hand, the share of casual workers on piece wages and self-employed persons were quite small. In the case of professional, technical, administrative, executive and managerial workers, more than 92 per cent were employed as regular long-term employees on a monthly salary basis. In other categories such as clerical and related workers, sales workers, service workers,

production workers, transport equipment operators and related workers, more than three-fourths were also employed as regular, long-term salaried employees with a monthly wage. The proportions of workers in regular employment but paid daily or piece wages were small and belonged mostly to the categories of production and related workers, transport equipment operators and construction workers.

It is found that one-fifth of the workers are employed in government or public sector institutions (Table 6). Another one-fifth each were employed in establishments owned by non-UAE employers and UAE nationals. A significant finding is that 29 per cent of the sample emigrants were employed in establishments owned by Indian entrepreneurs. These establishments provided employment mainly to professional and technical workers, sales workers, production and related workers and transport equipment operators and related workers.

The places of work of the sample emigrants included offices, shops, houses, factories, workshops, construction sites, and open fields. It was found that of the total sample, about two-fifths were employed in office-related jobs (Table 7). Another 17 per cent worked in construction sites. About 14 per cent were employed in workshops and factories mostly as production workers, transport equipment operators and related workers. Less than one-tenth were engaged in shops and commercial establishments. Workers who had to toil in open spaces were those related to construction, and transportation activities; this category accounted for 4 per cent. Our sample had only

Table 5: Occupational Distribution of Sample Emigrants

Category	Per Cent
Professional/technical and related workers	20.78
Administrative, executive and managerial workers	5.72
Clerical and related workers	14.76
Sales	13.25
Service	9.04
Farmers, fishermen and related workers	0.60
Production and related workers, transport equipment operators and related workers	35.84
Total	100.00

Source: Field Survey conducted at UAE, 2001.

Table 6: Occupational Distribution of Sample Emigrants by Category of Employer

Occupation	Category of Employer					Total
	Government/ Public Sector	Private Non- UAE Employer	Private UAE Employer	Private Indian Employer	Others	
Professional/technical and related workers	27.94	20.59	26.47	23.53	1.47	100.0
Administrative, executive and managerial workers	10.53	42.10	21.05	21.05	5.26	100.0
Clerical and related workers	38.78	20.41	14.29	14.29	12.24	100.0
Sales workers	9.30	9.30	23.26	37.21	20.93	100.0
Service workers	13.33	26.67	26.67	20.0	13.33	100.0
Farmers, fishermen, hunters and related workers	50.0	-	50.0	-	-	100.0
Production and related, transport equipment operators and related workers	14.29	22.69	19.33	40.34	3.36	100.0
Total	20.0	21.51	21.51	29.39	7.58	100.0

Source: Field Survey conducted at UAE, 2001.

less than 2 per cent in the category of domestic (household) servants.

Education and Employment

Table 8 shows the occupational classification of the sample emigrants by educational level. Persons with educational levels of less than secondary school are found to be working in construction, production, transport and related activities and in other service sector occupations. On the other hand those who have passed secondary school and/or possess higher educational qualifications are found to be employed in professional, technical, administrative, executive, clerical and sales-related work. It may be noted that only a small proportion of the persons having degrees worked as production and related workers, or as transport equipment operators.

Persons who had passed the secondary school or acquired higher educational qualifications were found to be in better employment and drawing monthly salaries. Only very few graduates were found working as daily wage or piece wage earners. Thus we observe a positive correlation between levels of education and quality of jobs.

It is found that persons with secondary and higher levels of education were employed in government, other public sector institutions, enterprises run by non-UAE investors, and firms owned by UAE nationals, and Indians to a larger extent than persons with lower educational qualifications. It is revealed that only a small proportion of workers having education below secondary school, work in government, other public sector units and establishments owned by non-UAE entrepreneurs from the west as well as Indians.

Wages

Almost all enterprises and public offices work six days per week. Friday is the official holiday for all establishments in UAE. It is found that the average working day for our sample emigrants ranged from 8 to 14 hours. Half the sample worked, on an average, 8 hours per day. Two-fifths worked 8 to 11 hours. There were more than one-tenth who worked, on an average, between 10 to 13 hours. In the case of sales, production related works, transport equipment operating and related items of work, especially in construction-related activities, the majority work more than 8 hours. On the other hand, persons employed in professional, technical, administrative, executive and managerial and clerical jobs work only 8 hours per day.

The monthly earnings of workers ranged from less than 500 dirhams to more than 5,000 dirhams. Of the total sample, 48 per cent received monthly remuneration of less than 1,500 dirhams (Table 9). A notable finding is that 9 per cent of the emigrants are getting a monthly wage of more than 5,000 dirhams. Those who are getting more than 5,000 dirhams are persons belonging to professional, technical, administrative, executive, clerical and sales categories. On the other hand, those who are getting a wage rate below 1,000 dirhams are engaged in sales, service and

Table 9: Distribution of Sample Emigrants by Monthly Salary/Wage Levels

Salary in UAE Dirhams	Indian Rupees	Per Cent
251-500	3012-6000	2.63
501-750	6012-9000	8.50
751-1000	9012-12000	14.07
1001-1500	12012-18000	23.75
1501-2000	18012-24000	15.54
2001-2500	24012-30000	3.51
2501-3000	30012-36000	5.27
3001-3500	36012-42000	6.45
3501-4000	42012-48000	4.98
4001-4500	48012-54000	2.93
4501-5000	54012-60000	3.22
Greater than 5000	Greater than 60012	9.01
Total		100.00

Source: Field Survey conducted at UAE, 2001.

Table 8: Occupational Distribution of Sample Emigrants by Levels of Education (In percentage)

Occupation	Below Primary	Below Secondary	Secondary	Degree and Postgraduate	Total
Professional/technical and related workers	–	2.86	24.29	72.86	100.0
Administrative, executive and managerial workers	–	11.76	52.94	35.29	100.0
Clerical and related workers	4.08	14.29	30.61	51.02	100.0
Sales workers	11.11	20.0	35.56	33.33	100.0
Service workers	24.14	37.93	27.59	10.34	100.0
Farmers, fishermen, hunters and related workers	–	100.0	–	–	100.0
Production and related workers, transport equipment operators and related workers	10.34	31.03	56.03	2.59	100.0
Total	7.93	21.04	36.93	31.40	100.0

Source: Field Survey conducted at UAE, 2001.

Table 7: Occupational Distribution of Sample Emigrants by Nature of Workplace (In percentage)

Occupation	Place of Work								Total
	Office	Shop	House	Factory	Workshop	Construction Site	Open Space	Others	
Professional/technical and related workers	63.77	1.45	–	1.45	–	11.59	2.90	18.84	100.0
Administrative, executive and managerial workers	73.68	5.26	–	–	–	5.26	10.53	5.26	100.0
Clerical and related workers	73.47	4.08	–	–	–	2.04	2.04	18.37	100.0
Sales workers	32.56	32.56	–	2.33	2.33	2.33	9.30	18.60	100.0
Service workers	43.33	26.67	6.67	–	–	3.33	–	20.00	100.0
Farmers, fishermen, hunters and related workers	50.0	–	–	–	–	–	–	50.00	100.0
Production and related workers; transport equipment operators, and related workers	5.93	2.54	2.54	2.54	33.05	38.14	4.24	11.02	100.0
Total	9.09	8.79	1.52	1.52	12.12	17.27	4.24	15.45	100.0

Source: Field Survey conducted at UAE, 2001.

activities connected with production, construction and transport. A detailed break up of the monthly wage earned in dirhams and its equivalent Indian rupee is given in Table 9.

Discussions with the sample emigrants suggest that payment of salaries in UAE is not, in general, prompt and regular, particularly in the non-public sector units. It is reported by 22 per cent of the sample emigrants there are delays in payment of salaries/wages. The categories of workers who reported delay are sales persons, and other service sector workers and those engaged in production, construction and transport and related activities. The period of delay reported ranged from less than one month to more than six months. Of the sample emigrants who reported delay in payment of salaries, the delay in the case of more than four-fifths, was two to three months. Another 6 per cent reported four to five months' delay. In the case of another 5 per cent the delay was six months or more. Delay in the payment of salaries and wages is one of the basic problems faced by emigrant workers in UAE. It is pointed out that due to recession, payments are increasingly getting delayed for workers in the construction sector.

One of the major reasons for the return of emigrants from the Gulf countries is reported to be abandonment of jobs by the emigrants caused by non-receipt of salaries. It was found that 7 per cent of the sample emigrants were forced to quit their earlier jobs due to non-payment of their salaries. The major category of workers who were forced to quit jobs on this account was workers connected with construction, production and transport. However, salary and wage rates did not show any signs of decline during the period since 1997 when recession set in.

Visa, Work Contract and Non-wage Benefits

In contract migration, all conditions relating to employment, hours of work, wages, non-wage benefits, accommodation, air ticket for return, etc, are stipulated in the terms of contract. According to the UAE immigration rules, it is the responsibility of employers to meet all costs connected with recruitment and expenses connected with the onward and return journeys of the recruitee. The worker is entitled to free air ticket for return home after the expiry of the contract period. No fees are to be levied for visas either. The only cost the emigrant is expected to bear is expense for medical check up. Though these rules are in force, the employers and the recruiting agents try to exploit workers in several ways. Most of the workers who face problems in UAE for living and working and for return home pertain to the terms of contract and their implementation. Usually workers who have proper visas and work contracts specifying the working conditions, do not face serious problems. On the other hand workers who migrate without proper visas for work and work contracts face severe problems.

In our sample 83 per cent of the emigrants came to UAE with proper visas for work. Another 17 per cent came here with tourist visa or other categories of visa. Visas were obtained through a variety of sources: licensed recruiting agents, unlicensed recruiting agents, relatives and friends. It is reported that 60 per cent got their visas through relatives and friends already in UAE. Many who came to UAE with the help of relatives, friends and recruiting agents had not been excessively concerned about the conditions laid down in their work contracts. In their anxiety to migrate to the Gulf, many of them had been willing to work on whatever terms and conditions the foreign employers

prescribed. In many cases work contracts signed prior to departure from India were cancelled on arrival in UAE; they were forced to sign new contracts before job placement. A disturbing development is that the employers in UAE try to impose contracts on the workers, which violate rules in vogue regarding the non-wage benefits. It is reported that the practices of negation or cutting down of non-wage benefits, denial of accommodation and refusal of air fare for return home, are widespread.

It was reported by more than one-fifth of the sample emigrants that they did not receive the same job, the same wages and the same non-wage benefits laid down in their work contracts (Table 10). The categories who have not received the wages and other benefits as per the contract are workers connected with construction, production and transport. According to UAE immigration rules, the employer will have to meet the air fare for onward and return journey of the contract worker. But the employers and recruiting agents are forcing the emigrants to bear all travel costs. An enquiry about the year in which they returned last to their native place revealed that 26 per cent returned in 2001, 57 per cent in 2000, 12 per cent in 1999 and 3 per cent in 1998. It was found that 52 per cent of them spent money from their own pocket for purchasing air ticket to return home (Table 11). On the other hand, in the case of 48 per cent, their employer had given free air ticket to return home. The persons who paid for the return journey belong to all categories of workers.

Table 10: Occupational Distribution of Sample Emigrants by Adherence to Terms and Conditions of Contract
(In percentage)

Occupation	Terms and Conditions		
	Adhere to	Not Adhere to	Total
Professional/technical and related workers	100.0	–	100.0
Administrative, executive and managerial workers	85.71	14.29	100.0
Clerical and related workers	95.12	4.88	100.0
Sales workers	73.33	26.67	100.0
Service workers	78.95	21.05	100.0
Farmers, fishermen, hunters and related workers	100.0	–	100.0
Production and related workers, transport equipment operators, and related workers	60.20	39.80	100.0
Total	78.52	21.48	100.0

Source: Field Survey conducted at UAE, 2001.

Table 11: Occupational Distribution of Sample Emigrants by Party which Paid the Air Fare
(In percentage)

Occupation	Who Paid Your Ticket Charge		
	Emigrant	Employer	Total
Professional/technical and related workers	55.56	44.44	100.0
Administrative, executive and managerial workers	47.37	52.63	100.0
Clerical and related workers	45.45	54.55	100.0
Sales workers	44.74	55.26	100.0
Service workers	39.13	60.87	100.0
Farmers, fishermen, hunters and related workers	100.0	–	100.0
Production and related workers; transport equipment operators, and related workers	61.18	38.82	100.0
Total	52.38	47.62	100.0

Source: Field Survey conducted at UAE, 2001.

A serious problem faced by the emigrants in UAE is the custody of passports. The usual practice followed in the UAE is to force the employers to collect the passports of the emigrants at the time of their reporting for work. By this practice the employer gains absolute control over all movements of the emigrants in his employ. In many cases, the employer refuses to release the passport to the emigrant workers on the ground of minor labour problems or disputes regarding payment of wages. In our study we found that 11 per cent of the employers refused to release passport when the emigrant wanted to return. The categories who were denied return of their passports belong to all the sectors of economic activity: construction, production, transport and services, causing considerable hardship to the emigrants.

It was found that 26 per cent of the emigrants lived in flats and another 27 per cent in portions of flats in the cities of Abu Dhabi, Dubai and Sharjah. Another 15 per cent lived in rented rooms in cities. The rest (about one-third) lived in worker camps. The majority of the emigrants in cities lived in flats, in portions of flats or rented rooms and paid rent from own earnings. It is reported that two-thirds belonged to this category. Only in the case of the rest employers paid the rent of their workers.

Worker Camps

In UAE almost 70 per cent of the contract workers are provided with accommodation in worker camps constructed mainly for housing single male workers. These worker camps located away from the cities have construction workers, production-related workers, sales workers and service workers housed in them. Most of the low-wage categories are housed in worker camps. In Abu Dhabi, the camps are located at Mussafah. In Dubai the worker camps are located at Sonapur, 15 kms away from the city. The other places where work camps are located are the Al Quaz and the Jebel Ali Free zones. These camps are maintained by employers. The workers are transported daily to the construction sites, factories, production units and other establishments in which they are employed. In the case of 75 per cent of the camps, water, electricity, air-conditioning and cooking facilities are available. About one-third of the sample emigrants are found to be living in worker camps. The number of persons per room ranges from one to eight (Table 12). It is reported that in one-third of the rooms the average number of persons living is four. In another 28 per cent the average number of persons per room is as high as eight. Thus we find that 88 per cent of the total emigrants living in worker camps are living in rooms with average occupancy ranging between four and eight. The employers pay rent for accommodation of workers in worker camps.

Savings

Based on the sample survey we have estimated the monthly savings of the sample emigrants. Savings are estimated based on the earnings and the expenditure incurred in UAE. From their savings, emigrants spend money for their return journey and meet expenditure for education of their children in India or abroad as well as for repayment of debts.

As the majority of the emigrants have to meet the cost of their air tickets for return journey home for themselves and for the members of their families, it is likely that a good part of the savings would be spent for travel. It is found that 36 per cent of the emigrants had monthly savings of less than 500 dirhams

and another 34 per cent a saving ranging from 501 to 1,000 dirhams. Thus nearly 70 per cent had monthly savings of less than 1,000 dirhams. It is seen that only less than 6 per cent had a monthly savings of more than 3,000 dirhams. The categories of workers getting higher monthly savings are professional, technical, administrative, executive, clerical and sales workers.

Demand Prospects

Judged in terms of the changes in the labour market and also the changes in the composition of employment, we find that the following categories are likely to be demanded in the future. Under professional, technical and related workers the categories which would be in demand are engineers, physicians and surgeons, nurses and other paramedical staff, health technicians, accountants and auditors and all category of teachers. Executives and management experts would be another category, which would be in demand in the coming years. Salesmen, shop assistants and sales representatives are still another category, which has bright prospects. Under service workers, the categories which are likely to be in demand are caterers, restaurateurs, house-keepers, stewards, cooks, waiters and other service workers. The technicians and skilled workers who would be demanded include are miners, metal processors, chemical processors, machinists, fitters, precision instrument makers, electricians, workers, plumbers, welders and sheet metal workers. Skilled construction workers, heavy equipment operators, and transport equipment operators also may be in high demand in UAE in the immediate future.

IV Conclusions

From the above analysis we may draw the following conclusions. As the emigration to UAE is the nature of contract migration, the demand for migrant labour, the wages and working conditions and the return migration are largely determined by the labour market factors and the immigration policy of UAE. Changes in immigration policy of the UAE government, completion of major infrastructural projects and the economic recession have reduced the demand for unskilled and semi-skilled labourers substantially since 1996. Added to this is the effect of the policy of 'demographic balancing'. The UAE government came to the conclusion that due to the large scale influx of foreigners, the role and importance of UAE nationals are marginalised in the country and economy creating a very dangerous situation for the country. So the government is pursuing a policy of emiratization, banning visa for unskilled Asian workers and taking measures such as large scale mechanisation to make unskilled labour more expensive. The completion of major infrastructural projects,

Table 12: Number of Persons per Room in Worker Camps

No of Persons per Room	Per Cent
1	0.96
2	3.85
3	7.69
4	32.69
5	5.77
6	20.19
7	0.96
8	27.88
Total	100.00

Source: Field Survey conducted at UAE, 2001.

decline in business and trade, privatisation policies and imposing bank guarantee on visa applications has reduced the demand for unskilled, semi-skilled and some type of skilled category of workers. And in the future, the demand will be for certain categories of skilled workers, technicians, computer workers, heavy equipment operators, electrical workers and professional categories such as doctors, nurses, engineers, teachers, accountants, etc.

The study revealed that the largest share (36 per cent) of Indian emigrant workers are engaged in unskilled, semi-skilled and skilled categories in construction, production and transport activities. Nearly one-fifth were engaged in professional and technical-related work. More than three-fourth of the workers were employed on regular employment with a monthly wage. A notable finding of the study is that the emigrants with primary and below secondary level of education worked as unskilled and semi-skilled labourers. On the other hand, those with degree worked in professional, technical and clerical-related work.

Majority of the emigrants work more than eight hours per day and more than one-tenth work between 10 to 14 hours per day. The major problems faced by several Indian emigrants in UAE are non-payment of salaries, denial of wages and non-wage benefits as per the contract, refusing to release the passport and non-payment of charges for air ticket to return to their native place. Though the UAE labour laws stipulate that free air ticket should be given to the emigrant to return home, majority of the emigrants are forced to spend money from their own savings to purchase air ticket to return to their native place. Nearly one-third of the Indian emigrants are living in worker camps and in majority of the cases, the number of persons per room range from four to six. [47]

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