
Background paper on Labor Mobility in the Gulf Cooperation Council (GCC) Countries

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New Models

VIRTUAL MARKETPLACE

FREE FLOW OF INFORMATION AMONG WORKERS

LOCAL RECRUITMENT FIRMS TO LOBBY FOR INTERNAL MIGRATION

GCC WIDE LABOR MARKET

SKILLS TRAINING PROGRAMS FOR LOCALS

CREDENTIALING IN THE SOURCE COUNTRIES



Virtual Marketplace

Given the current visa issuance system, having a local virtual market will reduce the burden on ministries

- The ministry can ask firms to go to that virtual market and compete for labor.
- Reduces cost as the dependence on going out of the country to hire is lowered.
- Set national targets on the number of foreign workers allowed , instead of micromanaging firms
- Role of a simple market maker – setting up a framework to match workers with firms.
- Various ministries of labor have signed onto the Information and communications technology (ICT) revolution

Free Flow of information among workers

Related to the previous concept of virtual marketplace

- Free flow of information on job opportunities
- Setting up labor bureaus where there is some element of information dissemination



Local recruitment firms to lobby for internal migration

Local recruitment firms can...

- Help match firms with the relevant pool of workers
- Help with screening process
- Can aid in information dissemination for effective and enhanced mobility
- These local recruitment firms can be a strong advocate for increased mobility as it can help in the response to firms that may be pushing against relaxation of the restrictions to mobility



GCC Wide Labor Market

- Sheikh Zayed and federation of the UAE
- As a GCC wide labor market is created, many of the rules can be harmonized and improved.
- Increased mobility will enable those whose contracts have been terminated in one country to quickly access the larger GCC market to obtain new jobs. This may in turn reduce the need for high redundancy costs to firms
 - Etihad Rail
 - EU Model (There are estimates for the impact of the integration of the EU which suggest millions of jobs created and an increase in 2-3% of GDP).
- Firms will have access to workers from other GCC countries – a bigger pool of workers

Skills Training Programs for Locals

Training and adding skills that can be valuable in the market is of utmost significance to the locals in the GCC country.

- Many argue that unemployment among the nationals is due to lack of skills required by firms in the private sector
- Introduction of vocational training



Credentialing in the Source Countries

What can the source country do?

Credentialing the workers can enhance the internal labor market within the GCC

- Standardization to qualification of workers
- Credentialed to have particular skills that can help in screening process
- Will act as a signal to workers on what types of skills they should invest their time and effort in

As noted by Philip Martin “When countries have similar training systems, governments sometimes negotiate Mutual Recognition Agreements (MRAs) so that a nurse recognized as such in one country should also be recognized as a nurse in another country. MRAs are most common in occupations licensed by governments and in free-movement zones as in the EU. Their purpose is facilitate the movement of licensed professionals so that they can move from one member country to another and have their credentials recognized.”

Thank You!





