

## DREAMS FOR SALE: The Exploitation of Domestic Workers from Recruitment in Nepal and Bangladesh to Working in Lebanon

### EXECUTIVE SUMMARY

### Introduction

This report examines the processes and practices pertaining to the recruitment of migrant domestic workers (MDWs) from Nepal and Bangladesh and explores their work and living conditions in Lebanon.

MDWs began entering the Lebanese labor market in the mid-1970s and the influx created a new labor market that was, and still is, managed by private placement agencies. The Lebanese government did not play a major role in the emergence of this lucrative market, nor did it proactively regulate it. Private recruitment agencies in countries of origin and placement agencies in countries of destination are in charge of providing the necessary information and the matching services linking the employer's requirements with the profile of the potential migrant worker, while also making the logistical arrangements to facilitate the migration process. Within such a context, the rights of the workers in the country of destination depend, to a large extent, on whether there are any deficiencies in the framework regulating the migration process. This is what this report has set out to explore.

The number of MDWs in Lebanon is estimated between 200,000 and 250,000<sup>1</sup>, and for this study, two countries with a sizeable number of workers in Lebanon were selected. Nepal, on the one hand, prohibits the migration of female domestic workers to Lebanon, while Bangladesh has not imposed such a restriction. The scope of the report includes an examination of the recruitment and migration processes, their associated costs, as well as the work and living conditions of the workers and the possibilities and access to legal redress and compensation mechanisms. While previous studies have conducted a partial analysis, either looking into the conditions of MDWs at the country of origin or the country of destination, this study conducts a comprehensive overview of the *journey* from Bangladesh and Nepal to Lebanon.

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<sup>1</sup> According to the Lebanese immigration authorities data for residencies issued in 2012, the number of migrant domestic workers in Lebanon is estimated at 158,287 workers, however general estimations are higher as many work without official documents.

## Methodology

The report and the findings are based on quantitative and qualitative research that included 65 semi-structured interviews with Bangladeshi and Nepali workers currently employed in Lebanon and others who have returned to their countries of origin. In addition, a survey of 100 MDWs of the same two countries was conducted in Lebanon in 2013. The research also included interviews with representatives of placement agencies, Lebanese employers, as well as public officials.

While qualifying as a relatively small sample, which may not be statistically representative, the data and the findings extracted from this study do uncover important and valuable inferences and trends about migration processes and practices in the recruitment of migrant domestic workers, and do allow us to propose reforms in public policies and laws.

## Main Findings

The report found that those MDWs interviewed as part of this study are victims of practices that are akin to human trafficking and forced labor. Private agents, particularly non-licensed brokers, recruit workers within the context of a weak regulatory environment in the country of origin where legal procedures are not properly implemented. The recruitment is often coupled with an abuse of the worker's vulnerability and an absence of free and informed consent due to misinformation and deceit about work and living conditions. And together with the sponsorship system that regulates the MDWs' residency and employment in Lebanon, the end result is a situation of multi-faceted exploitation of the migrant domestic worker.

MDWs incur large expenses by paying the recruitment agencies and/or brokers an average of \$745, the equivalent of approximately the per capita annual income in their country of origin (MDWs from Bangladesh paid in average \$908 while Nepalese paid \$581). These fees however range between \$70 and \$2,500, substantially exceeding the legal ceiling set in the country of origin. The fee depends on the physical distance between the worker and the recruitment agency, and on the number of intermediate brokers. It increases the farther the distance and the larger the number of brokers.

Most MDWs cover their recruitment expenses with loans at usurious interest rates. In fact, about 63% of the surveyed workers took loans with an interest ranging between \$100 and \$1,000, with payment schedules spanning between six months and four years.

The incurred expenses paid to recruitment agencies subject the workers to debt bondage and this resulted in considerably reducing the bargaining power of MDWs regarding their work and living conditions. And if the workers object to these conditions, the employers or placement agencies punish them and coerce them to work by means of threat or by any other means of violence, while making it impossible for them to exit the abusive work relationship.

As mentioned, MDWs are deceived about their work and living conditions in Lebanon. Important information is either hidden from workers, or brokers and agents provide them with false or misinformation. Although 60% of the surveyed workers had signed contracts in countries of origin prior to coming to Lebanon, 60% of them claimed they did not understand the provisions of the contract that they signed. Moreover 6% of those surveyed were deceived about the type of employment, stating they were promised different jobs such as security guards, secretaries, hospital or hotel employees, or freelancer workers. And while 81% of the respondents were promised a specific salary, 53% of them received a lower amount. The same approach of misinformation, or the lack of it, applies to working hours and conditions. About 84% of the surveyed were not informed about the working hours, 78% did not receive any information about weekly days off, while 64% did not possess any information about the employer's household composition, and 61% did not know whether or not they would be able to communicate with their families.

Most importantly, none of the surveyed workers knew of the impact of the *kafala* system applicable in Lebanon, which limits their basic rights and freedoms. Although recruitment agents were sufficiently aware of these conditions, they intentionally hide this information from the worker to lure her and secure her consent. The MDWs' rights were violated by such practices that kept them in the dark concerning their work conditions and migration process. Had they known the full reality, 83% of the surveyed workers stated that they would have never taken the decision to migrate to Lebanon.

Clear indications of forced labor are found when examining the work and living conditions in Lebanon. About 77% of those surveyed worked at least 14 hours a day and were denied rest periods during the day. The personal identification of 96% were retained by their employers and 90% were prohibited from going out alone, while 91% were denied the right to a day off. Moreover, 50% were locked inside the house, and 43% were not allowed to contact their families. With respect to income, 50% of those surveyed said that their wages were not paid on a monthly basis and 40% stated that their employers deducted the equivalent of three months of their salaries, a practice followed by some employers to recover their recruitment fees. The reason for the deduction may also be a safe and easy mechanism to generate illegal profits by the placement agency in Lebanon or the recruitment agency in the country of origin

In addition to being denied their basic rights at work, MDWs were not provided with decent work conditions. About 60% of the surveyed workers did not have a private place to sleep and keep their belongings and 32% were also denied other rights, such as to medical treatment, or to take sick leave.

Domestic workers are also the victims of emotional, physical, and sexual violence exercised by the employers or the placement agencies. The survey showed that 46% of the MDWs were threatened, including threats of physical violence, denunciation to the police, deportation, in addition to being denied basic rights such as access to food, receiving their due salary or

contacting people. About 62% were subjected to verbal abuse by a household member, a relative, or someone from the recruitment agency. Over half that amount, or 36%, were subjected to physical violence such as beating, pushing, slapping, hair pulling, stick or belt beating, biting and hair cutting. Moreover 10% of the surveyed claimed sexual violence such as unwanted sexual advances, molesting, or rape. The survey found that 82% of the workers declared that they felt they were forced to work.

The imbalance in the work relationship between the employer and the worker (in favor of the former) opens the door to abusive and exploitative practices by the employer. The legal framework that governs the work and residency of MDW in Lebanon, better known as “*kafala*” system, is a structural driver that reinforces the potential for abuse and exploitation as it binds the residency permit (“*ikama*”) in Lebanon to the employer, who can deny her, without his/her consent, the right to change her work. These factors, in addition to debt bondage, contribute to the worker’s isolation while prohibiting her from changing her work conditions. The “escape” i.e. leaving the house and the work place without the consent of the employer, becomes the only solution available to put an end to the abuse. Seldom did MDWs manage to seek legal redress either because they did not possess their identification and contractual papers or because they become illegal resident simply by leaving the work place without the employer’s consent. Thus, and in order to avoid being arrested, the workers are forced to forfeit their wages or any other compensations resulting from inflicted harm.

On the other hand, employers, who are in need for foreign (cheap) labor, are also the victim of the placement agencies which exploit them financially by charging large and unreasonable fees. The study found that the profit margin of placement agencies to be relatively high and may double when the same fee (e.g., for airfare or a visa) is collected twice from both the migrant worker and the employer. The cost for completing the migration requirements for a domestic worker from Bangladesh or Nepal does not exceed \$650. Agents in Lebanon however charge employers anything between \$1,300 and \$3,000 for the same service. Hence, the profit margin may equal the real cost and can also reach five-fold the amount. This wide range in the fee charged by agents point to the fact that they are unilaterally and arbitrarily setting them, without the checks of a regulatory authority.

In conclusion, the laws that govern the migration process are weakly enforced across the three countries that are examined in the study. In Nepal, where women are banned from migrating to Lebanon, the Lebanese government did not respect the ban and kept on issuing pre-approved work permits and pre-approved visas. The imposed ban did not protect the rights of the workers, quite the opposite; it increased their vulnerabilities as MDWs had to use illegal channels to secure their exit in search for employment. And in Bangladesh where migration is allowed within specific mechanisms, the recruitment agents did not abide by these rules. As a result, and in both cases, workers ended up migrating and were subjected to flagrant human rights violations during the course of their migration. Moreover, the lack of legal protection, the *kafala* system, and weak enforcement of existing regulatory framework in Lebanon have put and/or reinforced the status of these workers as victims of human trafficking and forced labor.

## RECOMMENDATIONS

### **Recommendation 1: Reinforce the role of the governments in managing the recruitment and placement of migrant domestic workers**

Lebanon must seriously consider developing a government-to-government arrangement with the countries of origin of MDWs. Such arrangement would *de facto* limit the contribution of private recruitment and placement agencies to the process of migration to a logistical role, and therefore will limit exploitative practices practiced by agents and brokers, as well as the debts incurred by MDWs.

For this to happen, bilateral and multilateral agreements should be introduced detailing the recruitment and placement processes and mechanisms. As a pre-requisite to having such agreements, the concerned country should have a diplomatic representation in Lebanon. The agreements should clearly specify unlawful practices such as the payment of recruitment and placement fees by MDWs.

### **Recommendation 2: Develop standardized contracts for MDWs insuring their rights at work**

Bilateral and multilateral agreements should contain a standard contract detailing the terms and conditions of the living and employment of the domestic worker that meets the minimum standards present in the ILO 189 Convention on decent work for domestic workers. The contract should grant to the migrant worker the right to earn the minimum wage adopted in Lebanon and the absolute right to termination of the contract (with terms and conditions of termination clearly spelled out). The contract has to be drafted in both the languages of the employer and the worker, it must contain information about the identity and place of residency of the broker and/or agent if any, and it must be signed in both country of origin and in Lebanon. The contract should be as well enforceable by the courts in both countries. It is worth noting that developing and enforcing such agreements might entail activating the National Employment Office in Lebanon to manage and oversee the placement and work of the MDWs.

### **Recommendation 3: Strengthen and widen the control and scrutiny over recruitment and placement agencies**

The Lebanese, Bangladeshi, and Nepali governments must closely monitor placement and recruitment agencies to curb corruption and bribe and to ensure that they are not dealing with unregistered sub-agents, and that they are respecting the existing regulatory framework. MDWs should not incur any charges or fees for recruitment. Employers in Lebanon should pay

all recruitment and placement costs. Any salary deduction from the salary of MDWs in return for employment in Lebanon should be considered as serious violations punishable by law.

The three governments must introduce transparent financial mechanisms on the recruitment and placement agencies, control or impose a reasonable ceiling on their profit margins, and require of them to issue financial receipts that detail the amounts received for recruitment and placement of workers. Information should be disseminated to employers and workers that deducting amounts of the monthly salary as a return for recruitment fees is a punishable offense.

#### **Recommendation 4: Improve the access of MDWs in their country of origin to information about migration to Lebanon**

Countries of origin must ensure that the local authorities in remote and rural areas provide potential migrants with enough information about the process of migration and the related fees. They should make it clear that the Lebanese employer is the party responsible for paying all fees related to migration, including the airplane ticket, pre-departure training, and the fees of the recruitment and placement agencies in both countries. Information about the necessity of registering at the migrants' welfare funds should be disseminated as well.

Adequate pre-departure training for domestic workers migrating to foreign countries must be implemented - the completion of which must be a prerequisite for granting the worker the right to migrate. Such trainings must be of high quality and must include, at minimum, clear information about the work and living conditions in Lebanon, the use of basic words in Arabic or English, and information about the basic rights of a migrant domestic worker in Lebanon and about the organizations, which provide assistance in case of abuse. Governments in countries of origin should disseminate the information about the migration and the associated procedures and regulations to potential MDWs through local governments or authorities.

#### **Recommendation 5: Prosecute the violations of the rights of workers in Lebanon**

The Lebanese judiciary must seriously and vigilantly pursue the violations of the rights of workers, especially the violations that relate to human trafficking and forced labor, and must initiate legal proceedings against offenders including employers and placement agencies. The Lebanese government must guarantee the right of the domestic worker to access means of redress and legal compensation in case her rights are violated. The migrant domestic worker should thus be allowed to remain in the country until the judicial case is settled and seek employment during this period. The Lebanese government should provide alternatives to detention of MDWs who do not hold proper residency papers.

### **Recommendation 6: Adopt practical policy measures to limit forced labor and trafficking**

Until a political decision is made to establish government-to-government agreements to regulate the recruitment and placement processes, cancel the *kafala* system, and grant MDWs full legal protection (including the inclusion of domestic worker under the Labor Code); the Lebanese government must change its policies and take practical, concrete, and fast measures to curb violations domestic workers are subject to in Lebanon. Such measures could include the following: 1) revising the applied Standard Unified Contract by the Ministry of Labor to include better standards guaranteeing for domestic workers the right to a weekly day off outside the house, and guarantying, at a minimum, the right to terminate the contract by the domestic worker in case of abuse. In such cases of termination, the worker should be granted a grace period and and the right to seek another employment in Lebanon without the perquisite release paper from the (abusive) employer; 2) (the Ministry of Labor) making available the Standard Unified Contract in the language of the domestic worker; 3) establishing at the Ministry of Labor a multilingual and properly staffed complaint unit to process quickly complaints by domestic workers ; and 4) introducing a new payment system of the wages via a bank account created for the MDWs upon their arrival to Lebanon (this measure will serve as a proof of payment benefiting both the employer and the worker).

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