

The Oman Free Trade Agreement's Inadequate Labor Provisions and Oman's Severely Sub-Standard Labor Law and Conditions

OFTA does not require countries' labor laws to comply with International Labor Organization core standards (Article 16.6.5). OFTA only requires that countries enforce their existing labor laws, but even this requirement is severely compromised:

OFTA allows countries to decide not to enforce any portion of their existing labor law by deciding to allocate resources elsewhere (Article 16.2.1(b)). Such decisions cannot become the subject of an arbitral (dispute resolution) panel (Article 16.6.5).

OFTA allows countries to weaken their existing labor law in order to attract investment. Countries “shall strive to ensure” that they do not do so (Article 16.2.2), but there is no possible enforcement of this provision since weakening labor laws in order to attract investment cannot become the subject of an arbitral panel (Article 16.6.5).

OFTA limits penalties for failure to enforce labor laws to \$15 million annually (Article 20.12.2) – while sanctions for breaches of commercial provisions are unlimited (Article 20.11). Fines will be *de facto* given back to the offending country (Article 20.12.4).

Oman's Labor Law is severely sub-standard.

The Omani Labor Code, issued by royal decree in 2003, **does not allow workers the right to organize and join unions of their own choosing**, despite commitments dating back to the mid-1990s to reform Omani labor laws to make them consistent with the core labor standards of the ILO (Labor Advisory Committee Report).

Under certain circumstances, workers in Oman are entitled to representation on “**worker committees.**” However government agents maintain inappropriate oversight over these committees and upper management officials sit on the national “worker” committee. Further, employers are not required to bargain collectively with these committees.

Oman's Labor Conditions are substandard

While all workers in Oman are denied basic labor rights, the large **foreign workforce**, the majority of workers in Oman, are **especially vulnerable** to abuse and exploitation. “**Exploitation** of migrant workers is endemic” in the region, including in Oman (Amnesty International). The State Department finds that foreign workers at times were placed in situations amounting to **forced labor** (Labor Advisory Committee Report).

The State Department also notes Oman as a center for **human trafficking**. “Oman is a **destination country** for women and men who migrate legally and willingly from South Asia –primarily from India, Bangladesh, Pakistan, Sri Lanka, and the Philippines—for work as domestic workers and laborers but are subsequently **trafficked into conditions of involuntary servitude**” (Labor Advisory Committee Report).