

# **New York University Abu Dhabi Compliance Report 2012**

January 2013

**Mott MacDonald**



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# 1. Introduction

## 1.1 Background

New York University's agreement with the Emirate of Abu Dhabi to create New York University Abu Dhabi (NYUAD – also referred to as the "Project") is the outcome of a shared understanding of the essential roles and challenges of higher education in the 21st century. These are:

- Common belief in the value of a liberal arts education.
- Benefits a research university brings to society.
- Conviction that interaction with new ideas and people who are different is valuable and necessary.
- Commitment to educating students and giving them a fully rounded education so that they can contribute to society.

NYUAD is the first comprehensive liberal arts and science campus in Abu Dhabi, its management and the Government of Abu Dhabi have made a commitment to uphold workers' rights. TAMKEEN has the mandate to deliver the NYUAD Project on behalf of the Government of Abu Dhabi and to monitor its commitment to workers' rights. TAMKEEN is wholly owned by the Executive Affairs Authority which provides strategic policy and communications advice to the Chairman of the Executive Council, His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the United Arab Emirates (UAE) Armed Forces.

Mubadala Development Company (Mubadala) is an investment and development company supporting the diversification of the UAE by investing in key social infrastructure and creating globally integrated industry sectors in Abu Dhabi. It is responsible for the construction of the main campus on Sadiyaat Island. Mubadala awarded the design and build contract to Al Futtaim Carillion (AFC). Construction on site commenced in June 2010.

Together NYUAD-TAMKEEN require that all employers working on the construction and operation of the Project adhere to **The Statement of Labour Values**. To achieve this NYUAD-TAMKEEN have put in place **The 14 Points**, which measures how **The Statement of Labour Values** is being implemented. Both documents are in the public domain and are reflected in employers' contracts.

#### Accommodation Units at OV4



The issues addressed are:

- Workplace Health and Safety – Workers' protection at work.
- Compensation – Workers' pay and benefits.
- Healthcare – Workers' access to healthcare.
- Working Conditions – Contract terms and conditions.
- Living Conditions – Accommodation standards and conditions.

TAMKEEN appointed Mott MacDonald as the independent third party verifier in October 2010. The appointment provides analysis and confirmation that the requirements of **The Statement of Labour Values** and **The 14 Points** are being applied to workers employed on the NYUAD Project.

Staff provide services at the existing NYUAD facilities as well as its main campus, currently under construction. Employers of staff at existing facilities are also referred to as operational service providers in this report. These staff are considered 'operational' as they work at functioning facilities.

Construction of the main campus on Saadiyat Island commenced in June 2010. For the purpose of this report, construction employers are also called the main contractor, sub-contractors or service providers. Employees, labourers, workers and operatives are terms that are used interchangeably for staff in the discussions that follow.

#### Board showing Construction Progress



### 1.2 Mott MacDonald Limited: Independent Labour Rights' Verifier

Mott MacDonald is a global consultancy delivering solutions that add value to many areas of everyday life – from transport, energy, building, water and the environment to health and education, industry and communications. Mott MacDonald has extensive experience in implementing audits on major projects. Promoting the principles of sustainable development is one of the company's core values.

The 2012 compliance monitoring team in Abu Dhabi consisted of Simon Dove as Project Director, Howard Winfield and Jay Danielson as Project Managers and Lead Auditors. They are supported by other staff including translators, health, safety and environment professionals, and labour specialists.

International labour specialists are senior members of Mott MacDonald's social sustainability team. During 2012, Marielle Rowan, Marianne Lupton and Tom Streather undertook quarterly visits. The social sustainability team works with clients and local communities to provide social safeguard protection and, where possible, enhance social benefits in pursuit of sustainable infrastructure projects. The team provides labour auditing and labour accommodation planning services for a range of international projects.

For the NYUAD Project, the Mott MacDonald labour specialists cross check the locally based monitoring teams' work and provide advice on labour rights. They also carry out monthly peer reviews of the Verifier Compliance Reports produced by the Abu Dhabi team.

This is the second annual report commissioned by NYUAD-TAMKEEN. This annual report highlights the 2012 findings from monitoring, interviews, site investigations, record reviews and payroll checks. These actions have been taken to ensure that the commitments made by NYUAD-TAMKEEN are being upheld in the day-to-day management of the Project.

### **1.3 Introduction to *The Statement of Labour Values* and *The 14 Points***

***The Statement of Labour Values*** (Table 1) expresses the shared values of the New York University and TAMKEEN for the construction and operation of NYUAD. ***The Statement of Labour Values*** is based on the existing laws of the UAE. At the beginning of 2010, NYUAD and TAMKEEN committed to including ***The Statement of Labour Values*** in tendering materials for contractors, vendors and service providers who are then contractually obligated to comply with them.

Table 1 – *The Statement of Labour Values*

## The Statement of Labour Values

**Wages and Benefits:** The Parties recognize that wages are essential to meeting workers' basic needs. As a minimum, workers providing services to NYUAD will be paid wages and benefits which comply with all applicable UAE laws and regulations and which provide for their essential needs and living standards.

**Working Hours:** Hourly and/or quota-based wage workers shall (i) not be required to work more than (a) 48 hours per week or (b) the limits on regular hours allowed by UAE law, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations. Daily working hours shall be such that no worker shall work for more than five successive hours without breaks, amounting in aggregate to not less than one hour.

**Overtime Compensation:** As required by UAE law, overtime hours must be worked voluntarily. In addition to their compensation for regular hours of work, hourly and/or quota-based wage workers shall be compensated for overtime hours at a premium rate as is legally required by UAE law.

**Child Labour:** As required by UAE law and the International Labour Organization Minimum Age Convention ratified by the UAE, no person younger than 15 years old will be employed to provide services in connection with NYUAD.

**Forced Labour:** As required by UAE law, there shall not be any use of forced prison labour, indentured labour, bonded labour or other forced labour.

**Health and Safety:** As required by UAE law, a safe and healthy working environment shall be provided to workers providing services to NYUAD to prevent accidents and injuries to health arising out of, linked with, or occurring in the course of work. The direct operations of NYUAD and its sub-contractors will comply with all workplace safety and health regulations established by the UAE government and ensure regular health and safety worker training systems to detect threats to health and safety, access to bathrooms and potable water.

**Non discrimination:** No person shall be subject to any discrimination in employment, including in relation to hiring, salary, benefits, advancement, discipline, termination or retirement.

**Harassment or Abuse:** Every worker shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse, nor will any form of corporal punishment be used or tolerated.

**Resolution of Work Disputes:** As required by UAE law, the right of workers to seek resolution of labour disputes shall be recognized and respected. No worker shall be subject to harassment, intimidation or retaliation in their efforts to resolve work disputes.

**Women's Rights:**

- Women workers will receive equal remuneration, including benefits; equal treatment; equal evaluation of the quality of their work; and equal opportunity to fill all positions open to male workers.
- Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.
- Workers who take maternity leave will not face dismissal or threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits.



### The Statement of Labour Values

- Workers will not be forced or pressured to use contraception.
- Workers will not be exposed to hazards, including glues and solvents, which may endanger their safety, including their reproductive health.
- Appropriate services and accommodation will be provided to women workers in connection with pregnancy.

#### Compliance with Laws:

The labour inspection and remediation requirements of the UAE Labour Law and Regulations will be implemented and comprehensively enforced in the construction, operation and maintenance of the NYUAD Campus.

In February 2010, NYUAD provided further details on measures to apply alongside **The Statement of Labour Values** with the publication of **The 14 Points** (Table 2). Commentary on the 2012 application of both documents is presented in Section 3.

**Table 2 – The 14 Points**

### The 14 Points

- 1 Employers will fully cover or reimburse employees for fees associated with the recruitment process, including those relating to visas, medical examinations and the use of recruitment agencies, without deductions being imposed on their remuneration.
- 2 Employees will retain all of their own personal documents, including passports and drivers' licences.
- 3 Individuals employed in connection with NYUAD will be a minimum of 18 years of age.
- 4 Employees will work no more than eight hours a day, five days a week, except for those working in construction-related activities, who will work no more than eight hours a day, six days a week. Overtime will only be worked voluntarily, and will be compensated at premium rates.
- 5 Employees shall receive their full wages or basic salary via electronic bank transfers and on a pre-agreed schedule.
- 6 Employers will not impose or request employment bans on employees seeking to change jobs.
- 7 An employee who completes one or more years of continuous service will be entitled to severance pay at the end of their employment.
- 8 Employees will receive employer-provided medical insurance.
- 9 Employees will receive employer-funded transport to and from their job sites or an equivalent allowance.
- 10 Employees are entitled to thirty calendar days of paid annual leave each year.
- 11 Employees shall receive leave with full pay for ten UAE public holidays each year. In addition, employees will be granted two additional days per year for other religious holidays to be taken at their discretion.
- 12 Female employees shall be entitled to maternity leave, with full pay, for a period of up to 45 days.

#### The 14 Points

- 13** Foreign employees shall receive employer-funded air travel between the UAE and their country of origin for expatriation at the beginning of their employment, for repatriation at the end of their employment, and one additional trip, either annually or biannually, to be used in conjunction with vacation leave.
- 14** In circumstances where contractors provide housing accommodation to those working on the NYUAD Project, the following requirements must be met:
- No more than four individuals in any bedroom.
  - All rooms must be equipped with ventilation systems and central air conditioning units.
  - All workers are provided with secure wardrobes and/or lockboxes for safeguarding valuables, including personal documents.

Accommodation specifications vary by job classification, but at a minimum, construction operatives must have a minimum of 4.5 square meters of personal living area.

#### Construction Site 2012



#### 1.4 Purpose and Structure of the Annual Report

Mott MacDonald is currently providing labour rights' verification services to TAMKEEN. These services include monthly reports and a quarterly report discussing compliance with the standards set forth in ***The Statement of Labour Values*** and ***The 14 Points***.

This report is intended as an overview of the Project labour rights' management for 2012. It summarises the findings of the monthly and quarterly reports and comments on the contractors' and service providers' compliance.

Section 2 explains the methodology for the monitoring and verification activities. It also describes the institutional arrangements for monitoring and profiles the labour force covered by these activities.

Section 3 presents the main findings from the monitoring and verification activities in relation to ***The Statement of Labour Values*** and ***The 14 Points***.

Section 4 of the report contains conclusions regarding compliance with ***The Statement of Labour Values*** and ***The 14 Points***. It also considers the monitoring and verification priorities for the coming year.

## 2. Monitoring and Verification Methodology

### 2.1 Institutional Arrangements for Monitoring and Verifying Workers' Rights

To meet NYUAD-TAMKEEN's commitment, there has been a monitoring regime instituted that includes Compliance Monitors and an Independent Verifier. The Compliance Monitors are:

- NYUAD (self appointed).
- Mott MacDonald (TAMKEEN appointed).
- EC Harris Asset Management (Mubadala appointed).

NYUAD directly monitors NYUAD contracted service providers working at the Downtown Campus, Sama Tower and Centre for Science and Engineering (CSE). TAMKEEN contracted Mott MacDonald to monitor TAMKEEN-contracted service providers based at Sama Tower and CSE. EC Harris is the compliance monitor for staff working at the Saadiyat Island construction site. Mott MacDonald has the overall role of Independent Verifier to confirm the monitoring results of NYUAD and EC Harris.

Table 3 summarises the three Compliance Monitors tasked with evaluating the implementation of ***The Statement of Labour Values*** and ***The 14 Points***.

First Aid Kit at ICAD Al Reem



Table 3 – Compliance Monitoring Arrangements

Location	Compliance Monitor	Service Providers or Contractors
Main Campus Construction Site – Saadiyat Island	EC Harris Asset Management	AFC See Table 4 for the full list of sub-contractors
Downtown Campus (DTC)	NYUAD	ADNH Compass (catering) Fast Rent a Car G4S (security) Magrudy (bookstore)
Sama Tower and Centre for Science and Engineering (CSE)	Mott MacDonald	Berkeley GS (cleaning) MAF Dalkia (maintenance) John Buck International (JBI) (facility management) Emirates Landscaping
Centre for Science and Engineering (CSE)	NYUAD	G4S (Security) ADNH Compass (catering)

## Entering the Construction site



## 2.2 Independent Verifier Activities

Mott MacDonald has two roles:

- Compliance Monitor of the TAMKEEN directly appointed contracts located at Sama Tower and at CSE Laboratories.
- Independent Verifier for Project compliance, covering all contractors, sub-contractors and service providers.

Mott MacDonald's involvement in monitoring and verifying service providers' and contractors' adherence to **The Statement of Labour Values** and **The 14 Points** entails:

- Site visits to work locations to ensure that occupational health and safety systems are in place.
- Inspections of workers' accommodation and welfare facilities.
- Office visits to scrutinise employers' human resource systems including workers' files, contracts, timesheets and payroll systems.

- Interviews with construction workers and operational employees.

For the monthly and quarterly employee interviews, Mott MacDonald uses a detailed checklist based on the contract requirements. The interviews are held in confidence, on a one to one basis. Interviewees are randomly selected by Mott MacDonald. All workers interviewed are informed that the information they provide is confidential. They are given the interviewer's business card with contact details should they wish to make any additional comments at a later date.

Operational staff are interviewed in university offices and construction staff are interviewed in offices on the construction site or at their accommodation sites. For construction staff, Mott MacDonald identifies interviewees by company and grade to ensure that coverage is representative and includes a larger proportion of the higher risk groups (less literate, unskilled labourers). In addition, the grievance log is reviewed to ensure that issues are recorded and actioned promptly.

To ensure sufficient coverage and adequate representation, Mott MacDonald aims for the following minimum levels of annual interviews:

- For companies with 50 or fewer staff working on NYUAD, at least 10% of staff are interviewed with the focus on the more junior or less skilled employees.
- For companies with between 50 and 250, at least 5% of staff are interviewed.
- For companies with between 250 and 1000 staff, at least 2% are interviewed.
- For companies over 1000, at least 1.5% of staff are interviewed.

Table 4 shows the number of interviews carried out by Mott MacDonald for compliance monitoring and verification with employees from each company. Footnotes provide explanations when the targets were not met.

#### H&S Signage at OV4



Table 4 – Staff Interviews Undertaken in 2012

Company	Ave Workforce Size	No. of staff Interviewed by Mott MacDonald	Percentage of staff Interviewed by Mott MacDonald
<i>Operational Staff</i>			
JB I	6	2	33.3
MAF Dalkia	9	4	44.4
Berkeley	51	10	19.6
Emirates Landscaping	3	4 <sup>1</sup>	100
G4S	81	20	24.7
ADNH Compass	59	5	8.5
Fast Car Rental	28	5	17.9
MacGrudy's	3	1	33.3
<b>Service Providers Total</b>	<b>240</b>	<b>51</b>	<b>21.3</b>
<i>Construction Staff</i>			
AFC – Main contractor direct employees, operatives and staff	2,126 (median, peak in Jan 2012 was 3,765)	40	1.9
<i>Construction Service Providers</i>			
Rafael Vinoly Architects LLC – Lead designers <sup>2</sup>	40	3	7.5
WSP – Engineering checks	15	1	6.7
GHD – Building service design checks	14	1	7.1
Emrill – security	18	4	22.2
<i>Construction Sub-contractors</i>			
Al Reyami –Curtain walling <sup>3</sup>	550	35	6.4
PTGulf – Mechanical engineering contractor	800	20	2.5
Robodh – Labour provision	300	21	7
Yuanda - Glazing	20	15	7.5
William Hare – Structural Steelwork	20	1	5
Al Shirawi – Dry lining	150	8	5.3
MAP Interiors – Interior fit-out	30	7	23.3

<sup>1</sup> One operative interviewed twice

<sup>2</sup> Interview targets were not achieved. RVA was considered lower priority because the staff are highly specialised architects and therefore low risk in comparison to other construction workers

<sup>3</sup> Includes Shaco sub contractor figures

Company	Ave Workforce Size	No. of staff Interviewed by Mott MacDonald	Percentage of staff Interviewed by Mott MacDonald
Dubai Precast – precast concrete panels	70	14	20
Gulf Precast – precast concrete panels	25	7	28
Modular – temp buildings <sup>6</sup>	15	2	13.3
<b>Total for Construction</b>	<b>Median Total = 4,225, peak (Jan 2012) 5,519</b>	<b>179</b>	<b>4.2</b>
<b>Overall Total</b>	<b>4,465</b>	<b>230</b>	<b>5.2</b>

By the end of 2012, Mott MacDonald had interviewed 51 of the 240 operational staff (21.3%). 179 construction workers were also interviewed which is almost twice the number interviewed in 2011. The average total workforce, including both construction and operational workforces, for 2012 was approximately 4465. Mott MacDonald undertook 230 interviews with employees, totalling 5.2% of the workforce. This is an increase from 2011 when 4.7% of the workforce was interviewed and the average total workforce was around 530 workers less.

In addition to undertaking interviews with the labour force, Mott MacDonald made regular visits to the employers' offices to review and check human resource (HR) files, timekeeping systems, and payroll records. The visit to offices is on rotation. See Table 5 for details of employer checks undertaken.

#### ICAD Accommodation Blocks



<sup>6</sup> Includes Laing O'Rourke subcontractor figures



**Table 5 – Mott MacDonald Payment Record Inspections in 2012**

Type of Company Monitored	No. of Mott MacDonald Visits in 2012
<i>Construction Site Companies</i>	
Main Contractor (AFC)	26
Sub-contractors	58
Security	4
Subtotal	88
<i>Operational Facility Companies</i>	
Maintenance	19
Catering	6
Cleaning	1
Landscaping	3
Transport	7
Facility Management	3
Subtotal	39
<b>Total</b>	<b>127</b>

This is considerably more record inspections than in 2011 when 30 were undertaken. The record inspections provided useful data in 2011 so more regular checks were organised for 2012. In 2012, more emphasis was put on reviewing construction employers on a routine basis due to the greater understanding of requirements by NYUAD service providers at DTC, Sama Tower and CSE.

### 2.3 Compliance Monitors' Activities

NYUAD and EC Harris are also Compliance Monitors. As Independent verifier, Mott MacDonald reviews the monthly compliance reports prepared.

NYUAD monitors on average 170 staff working for various service providers. This is an increase of five from 2011. NYUAD has a Compliance Manager who was responsible for reviewing the employees' working and living conditions. In early 2012 a team of interviewers was identified and trained, they report to the Compliance Manager who produces NYUAD's monthly reports of monitoring activities and results. This compliance team interviewed 132 out of 170 staff for 2012 (77%).

At the request of Mott MacDonald in 2011, NYUAD in their compliance monitoring role began reporting on health and safety.

#### OV1 Accommodation



Over the year 2012 there were zero Lost Time Incidents, zero Dangerous Occurrences, and zero Near Misses.

EC Harris monitors employers and workers engaged on the Saadiyat Island construction site. During 2012, there were 14 construction employers with more than 5500 workers at peak to monitor. This is approximately the same peak worker number as in 2011.

From January 2012 to December 2012, 119 workers were interviewed by EC Harris to assess compliance with **The Statement of Labour Values** and **The 14 Points**. Between EC Harris and Mott MacDonald a total of 298 construction workers were interviewed by the end of December 2012. This equates to 7.1% of the construction workforce based on an average 4225 daily attendance.

Mott MacDonald is Compliance Monitor for four operational service providers with TAMKEEN contracts at CSE. This entailed reviewing the working and living conditions of 70 staff, an increase of 17 from 2011.

Junior Manager  
Accommodation OV2



## 2.4 Labour Workforce Covered by Verification Activities

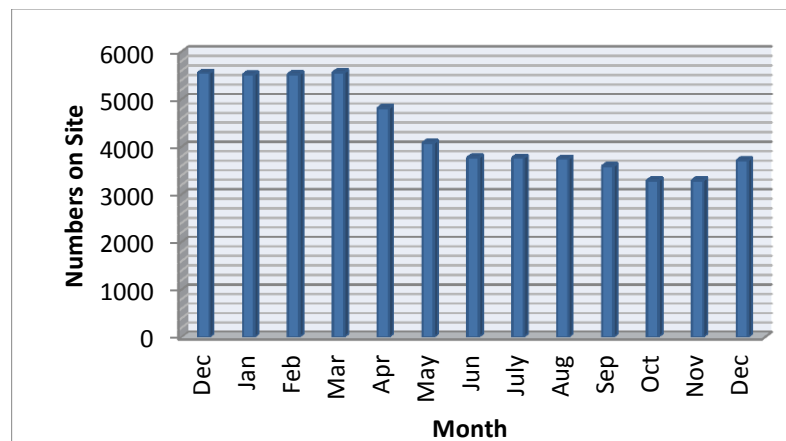
### 2.4.1 Construction Workforce

The construction workforce is under the responsibility of Al Futtaim Carillion (AFC) which was awarded the main campus design and build contract. AFC has transparent and well documented systems for the NYUAD Project.

The design and build contract commenced on site in June 2010. The construction workforce is based on Saadiyat Island with over 90% accommodated in purpose built operatives villages on Yas Island. Management and some senior staff occupy private accommodation.

During 2012 the construction workforce shrank from 5,554 in December 2011 to 3,715 in December 2012. This is due to the completion of the structure. See Figure 1 for details.

Figure 1 – Decrease in Construction Labour at Saadiyat Island during 2012



Source: EC Harris Monthly Reporting Stats

As the ground works and major reinforced concrete activities have been completed there has been a shift in the labour profile from primarily AFC direct workforce to greater numbers of subcontractor employees. The percentage of subcontractor staff in proportion to AFC direct staff has increased from 22% in January 2012 to 68% in December 2012.

#### Recreational Facilities at OV1



This change in construction staff profile has placed a greater emphasis on AFC's internal team who conduct interviews, HR payroll checks and accommodation inspections separate to the activities of the Compliance Monitors. Now a greater number of subcontracted employers must be checked for compliance by their team.

In addition to those interviews conducted by EC Harris and Mott MacDonald, AFC conducted a total of 482 staff interviews representing just over 11% of the average construction workforce.

The construction workforce at Saadiyat Island comprises AFC management and professional staff, AFC site operatives, sub-contractor employees and service providers (architects, consultants and security). Construction sub-contractors and service providers are subject to the same terms and conditions with regards to workers' rights as those applied to AFC.

#### 2.4.2 Operational Workforce for Existing Facilities

The operational workforce is based at three sites within Abu Dhabi:

- Downtown Campus – Main study centre and book shop.
- Sama Tower – Residential accommodation and NYUAD-TAMKEEN offices.
- Centre of Science & Engineering (CSE) – Laboratories.

The operational workforce numbers have slightly increased throughout the year. NYUAD monitors approximately 170 staff who are employed for services such as guarding, catering and driving. Mott MacDonald directly monitors TAMKEEN contracts covering approximately 70 staff who provide cleaning, landscaping and systems maintenance services. Details of the operational labour workforce are provided in Table 6.

### Reduce Waste Construction Site



**Table 6: Operational Workforce as of December 2012**

Company	Male employees	Female employees	Total Employees
<i>Mott MacDonald Compliance Monitored Contracts</i>			
JB1 – JB1 appointed	6	0	6
MAFF Dalkia – JB1 appointed	3	0	3
MAFF Dalkia – TAMKEEN appointed	6	0	6
Berkley GS – JB1 appointed	9	2	11
Berkley GS – TAMKEEN appointed	36	4	40
Emirates Landscaping – JB1 appointed	3	0	3
<i>NYUAD Compliance Monitored Contracts</i>			
G4S Security	57	24	81
Fast Rent-a-Car	28	0	28
ADNH Compass	45	14	59
Magrudy Bookstore	1	2	3
<b>Total</b>	<b>194</b>	<b>46</b>	<b>240</b>

It is not expected that the current operational staff numbers will change until the new facility at Saadiyat Island is complete in 2014.

### 2.4.3 Ethnic Profile of Workforce

Mott MacDonald has interviewed staff from 12 different countries. The majority of the operatives on the construction site at Saadiyat Island are from the Indian sub-continent. Notices at site are translated into the sub-continent core languages.

For both construction and operational staff, the highest number of interviews has been undertaken with staff originating from India (43%), followed by Bangladesh (15.2%), Pakistan (10.9%) Nepal (10.4%) and the Philippines (8.3%). Workers from Sri Lanka, Egypt, Kenya, South Africa, China, Iraq and the United States of America have also been interviewed. Appendix A provides details on the ethnic profile of the workforce interviewed.

### 3. Monitoring and Verification Findings on the Implementation of *The Statement of Labour Values* and *The 14 Points*

Some at AFC Site Safe Boards



"Don't Walk By" Safety Board



***The Statement of Labour Values*** and ***The 14 Points*** are the basis of the NYUAD-TAMKEEN commitment to workers' rights. This section reports on employer compliance based on Mott MacDonald's verification activities and results for 2012.

#### 3.1 The Statement of Labour Values

##### Wages and Benefits

- The Parties recognize that wages are essential to meeting workers' basic needs. As a minimum, workers providing services to NYUAD will be paid wages and benefits which comply with all applicable UAE laws and regulations and which provide for their essential needs and living standards.

With the exception of one construction sub-contractor, employee interviews indicate during 2012 staff were paid in accordance with ***The Statement of Labour Values*** and enjoyed the financial benefits of working on the NYUAD Project.

During a verification site visit in June 2012, one company was found to have made employees sign documents stating the extra benefits that they were entitled to had been received. However the verification teams discovered these benefits were not paid and workers were not provided with copies of their contracts showing the NYUAD conditions. As corrective action, contracts were issued by the sub-contracting company to all workers in the presence of AFC and EC Harris. Mott MacDonald also carried out HR checks and payroll reviews to verify implementation of the contracts. Subsequent staff interviews and payroll checks have found no further issues or concerns and this issue has been closed out.

Interviews conducted confirm that salaries are paid on time into bank accounts and payment for overtime and holidays are clearly defined on payslips.

In addition to wages, all employees enjoy specific benefits that have been agreed with NYUAD-TAMKEEN and are contractual requirements for Project companies. These include:

- Housing and provision of furniture.

- Payment for or provision of utilities – water, electricity, air-conditioning.
- Provision of food or a food allowance.
- Transportation to and from the work site in purpose built vehicles.
- Provision of airfares to the employee's country of origin for vacation and repatriation at the end of the employee's contract.
- Provision of costs for education where appropriate.

The majority of workers interviewed did not have any problems with provision of tickets to travel to their country of origin, however some issues have arisen in regards to the wording of Point 13 of **The 14 Points**. Two companies are providing workers with the cost of their air fares (based on a cost at the cheapest time of year) rather than buying the ticket (this issue is further discussed under Point 13 Air Travel).

In addition to the contracted requirements of employers', some companies also provide buses for personal transportation purposes for workers to go into Abu Dhabi City on Fridays. The bus service leaves accommodation facilities at 8am and 2pm and returns at 6pm.

In an effort to empower their staff further, some workers received additional training in 2012. For instance, in December a total of 16 employees from three operational companies successfully completed a pilot programme, "English in the Workplace".

Training was also provided to operational service providers on team-building, communication skills and breaking cultural barriers. NYUAD also conduct a number of social gatherings for its service providers, such as ten pin bowling and Iftar dinners during the holy month of Ramadan.

## Working Hours

- *Hourly and/or quota-based wage workers shall (i) not be required to work more than (a) 48 hours per week or (b) the limits on regular hours allowed by UAE law, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations. Daily working hours shall be such that no worker shall work for more than five successive hours without breaks, amounting in aggregate to not less than one hour.*

All employees interviewed in 2012 showed an awareness of their working hours and entitlement to overtime. The standard working week is five days for operational employees and six days for construction operatives. Both workforces work a standard eight hour day.

## Overtime Compensation

- *As required by UAE law, overtime hours must be worked voluntarily. In addition to their compensation for regular hours of work, hourly and/or quota-based wage workers shall be compensated for overtime hours at such a premium rate as is legally required by UAE law.*

From discussions with employees, inspection of payroll records and random checks on pay slips, hourly paid employees receive overtime payments at rates that are in accordance with the UAE law. Payment is based on 1¼ and 1½ times the employees' basic hourly rate.

## Child Labour

- *As required by UAE law and International Labour Organization Minimum Age Convention ratified by the UAE, no person younger than 15 years old will be employed to provide services in connection with NYUAD.*

NYUAD-TAMKEEN has strengthened this statement to identify the age limit as 18 years in **The 14 Points**. From random checks and reviews of HR records and specific declarations from all employers, Mott MacDonald has found that no-one under the age of 18 was employed on the Project during the reporting period 2012.



## Forced Labour

- *As required by UAE Law, there shall not be any use of forced prison labour, indentured labour, bonded labour or other forced labour.*

Forced labour, is defined by the International Labour Organisation (ILO) as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily” in the *Forced Labour Convention, 1930* (No. 29). There are many different forms of forced labour, their common feature is a person is coerced into providing labour without the right to refuse (they are providing their labour involuntarily). Types of forced labour can include slavery, human trafficking and debt bondage. Certain groups, such as migrants, women, children, and the poor can be more vulnerable to forced labour.

Bearing the above in mind, there has been no evidence from interviews and site visits, of forced labour being employed on the NYUAD Project. Mott MacDonald is of the opinion that it would be highly unlikely for such labour to be used on the Project due to the regular monitoring of employees’ activities.

## Health and Safety

- *As required by UAE law, a safe and healthy working environment shall be provided to workers providing services to NYUAD to prevent accidents and injuries to health arising out of, linked with, or occurring in the course of work. The direct operations of NYUAD and its sub-contractors will comply with all workplace safety and health regulations established by the UAE government and ensure regular health and safety worker training systems to detect threats to health and safety, access to bathrooms and potable water.*

At the end of 2011 there was a fatality on the construction site and all works were ceased. An investigation and detailed audit of all method statements and risk assessments was carried out by AFC and EC Harris throughout the fourth quarter of 2011 and beginning of 2012. In addition, all HSE systems and processes were reviewed in advance of works recommencing on site. EC Harris continues to monitor the implementation and ongoing use of the enhanced health safety and environmental (HSE) system arising out of the audit. Mott MacDonald confirmed that the family of the deceased received their insurance payments.

On the construction site, cumulative man-hours on the project to date are 28,366,616 with 15,967,284 man-hours in 2012. To appreciate the scale of the project; The Empire State Building is estimated to have taken only 7,000,000 man-hours to build<sup>7</sup>.

Overall the approach to health and safety on the site in 2012 has been excellent. AFC HSE conduct anywhere up to 75 safety meetings per month with the various subcontractors. In December 2012 AFC conducted 687 separate recorded safety inspections.

In early 2012, poor knowledge of first aiders was raised by Mott MacDonald for all operational staff and construction staff. It was recommended that companies carry out briefings and tool box talks to make all workers aware of their first aider. These awareness raising activities were implemented and the Compliance Monitors put an emphasis on first aid. By the end of the year, employees were answering questions about where the first aid boxes were located and who on their work team had first aid training.

Health and Safety training is provided by NYUAD to all employees when they join the company and at regular intervals on a planned refresher basis. They also provide specific training at periodic intervals for all employees hired as security guards.

From inspections of the existing NYUAD facilities and the construction site on Saadiyat Island, the standard of health and safety management is taken very seriously.

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<sup>7</sup> Figures obtained from <http://www.history.com/this-day-in-history/herbert-hoover-dedicates-empire-state-building>

At the main entry of the construction site, there is a large board where AFC lists its occupational health and safety (OHS) indicators which are frequently updated. AFC has a campaign called 'Don't Walk By' with comment boxes available around site to gather feedback on unacceptable or unsafe activities and suggestions for improvement.

In the last quarter of 2012, two workers from a construction company were removed from the Project due to contraventions to AFC's 'zero tolerance' health and safety policy. One worker was spotted working without appropriate personal protective equipment (PPE) and the other was working at height without a harness, thus risking his life and the lives of others on the ground.

Each month Mott MacDonald reviews the number of site safety meetings, site HSE inspections, tool box talks and other OHS indicators. From the monthly reviews and inspections AFC is compliant with the UAE safety laws and regulations.

Booth Rack OV4



## Non-discrimination

- *No person shall be subject to any discrimination in employment, including in relation to hiring, salary benefits, advancement, discipline, termination or retirement.*

Workforce data, presented in Appendix A, shows that operational service providers and construction contractors' employ staff from at least 12 different countries. Female staff represent about 20% of the operational workforce similar to the gender balance in 2011.

During interviews with randomly selected employees from various nationalities and of both sexes, no anecdotal or other evidence of discriminatory behaviour in recruitment processes or work activities has been presented. Review of contract terms and conditions has not identified any discriminatory practices.

## Harassment or Abuse

- *Every worker shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse, nor will any form of corporal punishment be used or tolerated.*

There was no evidence in 2012 of harassment or abuse raised during interviews. Employees have indicated that they are treated fairly and with respect. Mott MacDonald and monitoring staff seek to make operatives feel at ease during interviews and discussions about their work experience. In early 2012, NYUAD trained staff to undertake employee interviews. Part of the training included strategies to help workers feel comfortable discussing labour rights issues.

## Resolution of Work Disputes

- *As required by UAE law, the right of workers to seek resolution of labour disputes shall be recognized and respected. No worker shall be subject to harassment, intimidation or retaliation in their efforts to resolve work disputes.*

Interviews with construction and operational operatives have shown that the majority of workers are aware of the procedures within their respective companies for raising workplace concerns or problems. Interviews identify that the majority of workers feel they are being treated better on the NYUAD project than they would be on other projects being managed by their employer.

During Mott MacDonald verification activities in June 2012, an employee indicated that workers had complained to their construction company that they were not receiving wages and benefits for which they had signed<sup>8</sup>. The complaints were originally ignored.

Upon hearing about the situation AFC, EC Harris and Mott MacDonald moved swiftly to investigate and subsequently resolved the situation. Staff from the company were interviewed in subsequent labour audits and no further issues or concerns have been raised.

In 2012, communication and resolution of disputes was positively affected by a clearer understanding of expectations, improved reporting and other measures. One operational company has gone to the lengths of establishing an office at OV1 where two staff act as Worker Liaison Officers to facilitate communication and grievance resolution between camp management and workers from the company.

### **Women's Rights**

- *A – Women workers will receive equal remuneration, including benefits, equal treatment, equal evaluation of the quality of their work, and equal opportunity to fill all positions open to male workers.*
- *B - Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.*
- *C – Workers who take maternity leave will not face dismissal or threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefit.*

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<sup>8</sup> This same incident is discussed under wages and benefits, section 3.1

- *D – Workers will not be forced or pressured to use contraception.*
- *E – Workers will not be exposed to hazards, including glues and solvents, which may endanger their safety, including their reproductive health.*
- *F – Appropriate services and accommodation will be provided to women workers in connection with pregnancy.*

Female employees are contracted for guarding, catering, site administration and cleaning services. A sample of female employees has been interviewed from each organisation employing women and all were aware of their rights under **The Statement of Labour Values** and **The 14 Points**.

Women's rights were reviewed during the interview and follow-up advice was suggested. One pregnant employee confirmed in an interview that she was very pleased with the assistance and support provided by her company and NYUAD to meet the published women's rights. See further discussion below in Point 12 - Maternity Leave of **The 14 Points**.

### **Compliance with Laws**

- *The labour inspection and remediation requirements of the UAE Labour Law and regulations will be implemented and comprehensively enforced in the construction, operation and maintenance of the NYUAD Campus.*

In 2012, Mott MacDonald met with the management of the main contractor, sub-contractors and service providers. All companies have confirmed their commitment to adhering to the UAE Labour Law.

### 3.2 The 14 Points

NYUAD-TAMKEEN has reinforced their commitment to ensuring that workers' rights are protected by issuing **The 14 Points** which aim to help the application of **The Statement of Labour Values**. The contractual requirements are part of all construction and operation contracts. Compliance with **The 14 Points** is analysed in the following sections.

#### Point 1 – Recruitment Fees and Commission

- *Employers will fully cover or reimburse employees for fees associated with the recruitment process, including those relating to visas, medical examinations and the use of recruitment agencies without deductions being imposed on their remuneration.*

The payment of fees or commissions to attain employment has been part of the UAE employment culture for the majority of foreign workers, particularly those from India, Pakistan, Bangladesh, Nepal and some parts of Asia Pacific. When employees join the Project, employers are requested to ask them if a fee or commission had been paid or promised to secure the job.

In March one employee who had come from India specifically to work on the NYUAD Project was found to have paid a recruitment fee in order to gain employment. He has been reimbursed the sum of money that he was charged. This is the only instance that has been identified of workers having to pay agent fees to work on the NYUAD project in 2012.

#### Point 2 – Personal Documents

- *Employees will retain all of their own personal documents, including passports and drivers' licenses.*

Retention of personal documents has been a challenging issue for the Project because it is a regular practice in the UAE for companies to keep workers' passports for security purposes. In late 2011, all employers directly contracted by NYUAD returned passports to their employees. During a 2012 interview, one employee said she asked her company to keep her passport for her, but the company refused because of the NYUAD policy.

However, the employers contracted by TAMKEEN and the construction companies give their workers a choice. AFC has implemented a sign-off process by which means staff members are given the choice to keep their passports in their own accommodation or with the company for safe storage. Employers have access systems, via written procedures, to return passports upon request. For example, one company has stated that they returned passports “no questions asked”. Many companies also keep a system for logging when passport or visa renewal is due.

100% of workers interviewed on the construction site in 2012 stated a preference for their employer to retain passports. Workers indicate they would have problems if personal documents were lost or stolen. HR and payroll checks ensure that a signed letter is on file in which the worker confirms this request.

### **Point 3 – Minimum Age**

- *Individuals employed in connection with the NYUAD will be a minimum of 18 years of age.*

From random checks, reviews of human resource records and specific statements from all employers, no-one under the age of 18 was employed on the NYUAD Project during 2012. Employers met this requirement in 2012.

### **Point 4 – Working Hours**

- *Employees will work no more than eight hours a day, five days a week, except for those working in construction-related activities, who will work no more than eight hours a day, six days a week. Overtime will only be worked voluntarily, and will be compensated at premium rates.*

From interviews of employees who are paid on an hourly basis such as cleaners, gardeners, drivers, maintenance staff and some catering staff, discussions with employers’ payroll managers and inspection of payroll records, it is evident that employers met this requirement in 2012.



### **Point 5 – Wage Payments**

- *Employees shall receive their full wages or basic salary via electronic bank transfers and on a pre-agreed schedule.*

Monthly payments to NYUAD workers are made on a set date through a bank transfer. Employees are enrolled in the UAE Government *Wage Protection Scheme* (WPS). Employers operate an electronic payment system which automatically computes wages, overtime payments and any other allowance to which the employee is entitled.

During verification activities, three companies were found to be providing late payments to workers during June 2012. AFC and EC Harris have been closely monitoring the payment of sub-contractor workers through random payroll checks. No new incidents have since been found of late payments.

### **Point 6 – Change of Employer**

- *Employers will not impose or request employment bans on employees seeking to change jobs.*

The Project activities have not yet reached a stage where large numbers of workers will be transferred to other jobs. In 2013, the construction period will come to a close and this issue will rise in importance. Workers questioned in spot check interviews about their ability to change employers were vague in their understanding of this issue. However, from headquarter visits, Mott MacDonald finds that in general employers' HR managers are aware of this requirement.

### **Point 7 – Severance Pay**

- *An employee who completes one or more years of continuous service will be entitled to severance pay at the end of their employment.*

While many employees interviewed are aware of this UAE Labour Law requirement, there have been some who were vague in their understanding of their severance rights. Employers have confirmed their understanding of severance pay entitlements. They are responsible for advising their employees although

severance pay is also explained as part of the Mott MacDonald interview process.

In 2013, AFC will be requested to provide subcontractors with guidance regarding end of contract procedures, severance issues and other termination details such as evidence of correct payouts.

### **Point 8 – Medical Insurance**

- *Employees will receive employer-provided medical insurance.*

In May 2012, EC Harris identified one construction company that did not have adequate medical insurance for its staff. The issue was resolved by the company agreeing to self insure all staff with immediate effect. In September 2012, another construction company was identified by Mott MacDonald as not having adequate medical insurance. New health and life insurance policies were provided to its staff by the end of September. Regular checks are conducted by all compliance monitoring teams by checking individual health care cards carried by the workers, and HR records to ensure appropriate cover is in place.

As a result of these changes and additional detailed checks of medical insurance policy documents by Compliance Monitors, the Project has appropriate standards of medical insurance for workers. The level of insurance varies depending on the grade of the employee.

### **Point 9 – Transport**

- *Employees will receive employer-funded transport to and from their job sites or an equivalent allowance.*

In June, it was found that one construction company was providing transport for workers to and from their accommodation with buses that had no seatbelts, no air conditioning or fan, and more people than seats. All transport for these workers is now arranged and provided by AFC in compliant buses. Mott MacDonald has undertaken a visual inspection of the buses provided by AFC and found them to be manufactured to the required standards.

**Point 10 – Paid Annual Leave**

- *Employees are entitled to thirty calendar days of paid annual leave each year.*

Employers are providing thirty days per year paid leave in addition to UAE Government public holiday. Interviewed employees are aware of their annual leave entitlement. The majority of employees receive tickets to their country of origin for 60 days paid leave every two years. Other employees have yearly tickets for 30 days paid annual leave to return to their country of origin.

**Point 11 – Public Holidays**

- *Employees shall receive leave with full pay for ten UAE public holidays each year. In addition employees will be granted two additional days per year for other religious holidays to be taken at their discretion.*

Employers are providing 12 days of holidays (the dates of two of these can be decided by the employees). Employees have confirmed that this requirement is being met. Payroll audits also show payments for public holidays, as well as overtime payments when these holidays are worked.

**Point 12 – Maternity Leave**

- *Female employees shall be entitled to maternity leave, with full pay, for a period of up to 45 days.*

In 2012, there were two pregnant employees and their maternity rights have been implemented. When one female employee informed her company and NYUAD, her supervisor arranged appropriate medical consultations and a female human resource staff member made her aware of her maternity rights according to UAE Law and NYUAD project requirements. UAE Law grants women 45 days of maternity leave.

### Point 13 – Air Travel

- *Foreign employees shall receive employer-funded air travel between the UAE and their country of origin for expatriation at the beginning of their employment, for repatriation at the end of their employment and for one additional trip, either annually or bi-annually, to be used in conjunction with vacation leave.*

During 2012 a large percentage of workers were entitled to take their vacation leave and to book their bi-annual travel back to their country of origin. NYUAD worked with their directly contracted operational service providers to organise schedules for these employees to travel to their country of origin.

More than 95% of workers interviewed did not have any problems with provision of tickets to travel to their country of origin, however some issues have arisen in regards to the wording of Point 13.

In 2012, some companies (two operational companies in particular) provided workers with cash for their air fares based on a cost at the cheapest time of year rather than buying the ticket at the time of the year when workers wished to travel. Flights cost more than the amount provided by the companies in two cases.

There was also a case where a worker was provided with the cost of a ticket to the cheapest location in his home country, rather than the international airport closest to his home town.

The objective of this Point was then discussed by NYUAD and Mott MacDonald with the companies. The employers were requested to reimburse those workers who were affected by the interpretation and have done so.

### Point 14 – Accommodation

- *In circumstances when contractors provide housing accommodation to those working on the NYUAD Project, the following requirements must be met:*
  - *No more than four individuals in any bedroom.*
  - *All rooms must be equipped with ventilation systems and central air conditioning units.*

- *All workers are provided with secure wardrobes and/or lockboxes for safe guarding valuables, including personal documents.*
- *Accommodation specifications vary by job classification, but at a minimum, construction operatives must have a minimum of 4.5 square meters of personal living area.*

Mott MacDonald undertakes regular inspections of employer provided accommodation for both construction and operation workforces. In a small number of instances, senior staff, female operational staff, and staff with families in Abu Dhabi, receive housing allowances and secure their own housing.

Over 90% of construction workers are located in employer provided accommodation sites at Operatives Villages 1, 2 and 4, managed by Al Raha International on Yas Island and ICAD Residential City, located in Mussafah, Abu Dhabi. These accommodation sites meet the above requirements. Employees have air-conditioned rooms with furniture, namely a bed, bed-side table and lockable cabinet. Some of the operational staff units have hot plates and kitchenettes suitable for staff to cook their own meals.

Two instances of workers being housed outside the above facilities in accommodation not meeting the Project requirements were identified. One construction company had too many people per room. The company's contract was very short term and coming to an end soon after the situation was identified. To resolve the situation, all the company's NYUAD employees were asked if they wanted to move to the OV accommodation or stay where they were. The affected employees signed a letter stating that they would prefer to stay in the same accommodation.

In the second instance which has been ongoing since the appointment of the new contractor in mid 2012, AFC made a formal submission to approve a company's use of accommodation at the Al Raha camp in Mafraq. The camp did not initially meet all **The 14 Points** requirements however, the company made efforts to make changes to do so.

AFC has made a case for not relocating the workers to the main Project facilities because:

- It would be culturally insensitive to isolate a relatively small number of Chinese workers, who are currently living with a predominantly Chinese community.
- The current camp has a kitchen and other facilities that cater specifically to a Chinese workforce.

Based on AFC's assessment, site investigations were made by EC Harris and Mott MacDonald which concluded that the current situation is acceptable. TAMKEEN has reviewed the particulars and has accepted the recommendations subject to ongoing mitigations.

NYUAD has developed an Accommodation Working Group (AWG) to visit and explore potential alternate accommodation for two operational companies that are currently living in the OV accommodation.

Employees living in the main Project accommodation facilities have access to on-site leisure facilities and services.

Accommodation sites provide a wide range of recreational pursuits such as sports facilities, TV, internet services and libraries, mosques, money exchanges as well as dedicated helpline assistance for any problems. In early 2012, Al Raha had contracted a recreational coordinator for Yas Island. OV1, OV2 and OV4 all provide movies, games and tournaments (including football, basketball, indoor and outdoor cricket, karam and chess), and competitions (including art, body building and a marathon).

A detailed inspection of the Lifeline Clinic at Yas Island was undertaken by Mott MacDonald, EC Harris and AFC in early 2012. It has a reception, waiting area, privacy area and several bays for patients. An x-ray room has recently been constructed. There is a separate drive-in entrance for emergency cases and an ambulance that is available 24 hours a day seven days a week. Al Raha provides the facilities and Lifeline Clinic provides the medical staff. Attached to the clinic is a fully stocked pharmacy. A psychologist makes monthly visits to Yas Island and rotates between the various Operative Villages.

Lifeline Pharmacy at Yas Island



Each employer-provided accommodation facility has dedicated security services with controlled access. Fire safety equipment is regularly inspected. Emergency contact numbers are well advertised in rooms and public areas.

NYUAD and their service provider has established Worker Liaison Officers. Two staff perform the role on a 10 week rotation and are located at OV1 to facilitate communication and grievance resolution between Al Raha camp managers and workers from that company.

Food quality remains a challenge at the accommodation sites due to the sheer volume of food being produced. At Al Raha camp where Yuanda operatives are housed there is a dedicated “chapatti kitchen” which bakes 90,000 chapattis per day<sup>9</sup>.

There has been fewer food related complaints in 2012 than 2011, suggesting an improved response. Food quality and hygiene have been criticised by workers on Yas Island OV4. In one instance, a worker stated that the containers that hold their food were sometimes dirty. Since this complaint 3000 new containers have been purchased.

Kitchens are regularly inspected by the Abu Dhabi Food Hygiene Department as well as by the monitoring teams. Mott MacDonald has noted that the kitchens do make an effort to meet personal and cultural preferences of workers. It is Mott MacDonald’s opinion that food quality will be an ongoing issue, despite these efforts, due to the sheer volume and regional preferences.

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<sup>9</sup> A chapatti is an Indian flat bread

## 4. Conclusions

This section presents Mott MacDonald's conclusions regarding NYUAD Project compliance in 2102 with ***The Statement of Labour Values*** and ***The 14 Points***. Final comments on awareness regarding workers' rights are made. The section closes by looking forward at monitoring and verification activities in 2013.

### 4.1 Statement of Compliance

Overall, there is strong evidence confirming the NYUAD Project is taking workers' rights seriously. The standards related to workers' rights in Project contracts are considered to comply and in many instances exceed the UAE Labour Laws.

Employers have a real understanding of the application of the worker rights' requirements described in ***The Statement of Labour Values*** and ***The 14 Points***. In 2012 there were occurrences when employers, in particular construction companies, were required to alter their time keeping and payroll systems to accommodate the Project requirements. All companies have also customised employment contracts for personnel working on the NYUAD Project to ensure they fully capture the terms, conditions and benefits agreed with employees.

Employers have improved their workers' understanding of their labour rights by discussing ***The Statement of Labour Values*** and ***The 14 Points with them*** and monitoring activities. This has continued throughout 2012, and NYUAD has also instituted a pilot programme of "English in the Workplace" to its staff to further improve lines of communication and empower their contracted staff.

All employers associated with the NYUAD Project have agreed to apply ***The Statement of Labour Values*** and ***The 14 Points*** in the management of their workforces and contracts they let to sub-contractors.

The tables below present a summary of compliance with the Project's labour rights commitments.



**Table 7: 2012 Project Compliance with *The Statement of Labour Values***

Labour Value	Compliance Comment
Wages and benefits	<p>With the exception of one company, workers were very satisfied with their wages and benefits. This company was not providing the required benefits to workers initially but has subsequently rectified the issue.</p> <p>Three employers were found to have not paid workers on time during 2012. Corrective action was taken and no further complaints have been received. The Project is compliant.</p>
Working hours	<p>All employees interviewed in 2012 were aware of their working hours and their entitlement to overtime.</p> <p>Operational staff rarely worked overtime in 2012.</p> <p>Construction workers were voluntarily working reasonable overtime hours. The Project is compliant.</p>
Overtime compensation	<p>From discussions with employees, inspection of payroll records and random checks on pay slips, hourly paid employees receive overtime payments at rates that are in accordance with the UAE law. The Project is compliant.</p>
Child Labour	<p>No child labour was employed during 2012. The Project is compliant.</p>
Forced Labour	<p>No forced labour was employed during 2012. The Project is compliant.</p>
Health and Safety	<p>From inspections of the existing NYUAD facilities and the construction site on Saadiyat Island, the standard of health and safety management is taken very seriously. Two workers had their contracts terminated in 2012 for contraventions to AFC's 'zero tolerance' health and safety policy. The Project is compliant.</p>
Non-discrimination	<p>Interviews with workers did not find any cases of discrimination by employers in 2012. The Project is compliant.</p>
Harassment or Abuse	<p>No incidents of harassment or abuse were reported. The Project is compliant.</p>
Resolution of Work Disputes	<p>A work dispute with one construction company arose due to workers not receiving the benefits to which they were entitled. An investigation was carried out and the wages and benefits provided. Monitoring has identified no further issues. The Project is compliant.</p>
Women's Rights	<p>Women's rights were respected and pregnant women were provided with an appropriate level of assistance and leave. The Project is compliant.</p>
Compliance with Laws	<p>With the exception of the company involved in the worker dispute, NYUAD Project employers appear to be following UAE Labour Laws. The Project is compliant.</p>

**Table 8: 2012 Project Compliance with The 14 Points**

The 14 Points	Compliance Comment
Recruitment fees reimbursed	One employee recruited directly for the NYUAD Project had recruitment fees reimbursed. The Project is compliant.
Self retention of personal documents	NYUAD contracted employers retain their own passports. All other employees are given the option to keep their passports and most construction staff have signed letters indicating their preference for their employers to retain their passports with an easy access procedure within a reasonable timeframe. This point requires contractual changes for the employers retaining the passports to address. The Project is not considered to be compliant.
Minimum 18 years of age	There was no evidence in 2012 of workers under the age of 18 being employed on NYUAD. The Project is compliant.
Working hours within law and overtime voluntarily worked	All employees are aware of their working hours and their entitlement to overtime. Operational staff rarely worked overtime. Construction workers were voluntarily working reasonable overtime hours in 2012. The Project is compliant.
Wages paid via bank and on schedule	Workers' wages are paid into bank accounts. It was discovered that three employers were not paying workers on schedule. This has been rectified and payroll for these three companies is being monitored closely.  Fifty-seven Chinese operatives from a subcontractor have a system where the workers are paid an allowance in the UAE and the remainder of the wage is paid directly to a bank account or family member in China. It was confirmed that the payments have been made in both the UAE and China.  Other staff have been paid on schedule in 2012. The Project is compliant.
No bans on changing jobs	There was no evidence to indicate issues with changing jobs in 2012. The Project is compliant.
Severance pay for those over a year	Most interviewed employees in 2012 had only a vague understanding on these rights. This point will be more applicable in 2013. Employers are aware of their responsibilities. The Project is compliant.
Employer provided medical insurance	Two employers were found to have insufficient medical insurance coverage for their workers. Both companies have rectified this issue and monitoring has shown that all workers are receiving adequate medical coverage. The Project is compliant.
Employer funded transport	One construction company was found to be using transport that was not acceptable. Transport in good quality vehicles has since been provided for these workers and all other transport has been checked and approved. The Project is compliant.

The 14 Points	Compliance Comment
Paid annual leave	Paid annual leave was checked during HR and payroll checks of both operational staff and site staff. There was no evidence during 2012 of any staff member not receiving their required annual leave and subsequent payment. The Project is compliant.
Holiday pay	From interviews and random inspections of pay slips during 2012, workers received the correct holiday pay. The Project is compliant.
Maternity leave	Two workers took maternity leave during 2012. These workers received the requisite amount of leave and support and advice from their companies and NYUAD. The Project is compliant.
Employer funded air travel either annually or biannually	The large majority of employees interviewed received either tickets or cash to make their entitled annual or bi-annual travel. Some workers were not provided the correct amount and were left out of pocket. Investigations and discussions on the interpretation of the point were held. Affected workers were reimbursed. The Project is compliant.
Housing accommodation (four or less per room, ventilation, lockboxes, minimum living space requirement)	For most workers, accommodation was provided and maintained at the required level. One company did not meet the requirements but there was insufficient time and no interest from the workers to move them into the facilities where most Project workers live. Another company has workers living in a camp that is just short of meeting the requirements. Because of cultural issues it is deemed in the best interest of the employees that they remain in the accommodation. The Project is not compliant. <sup>10</sup>

In summary, in 2012 the Project has been successful implementation of the guidelines. New employers were made aware of their responsibilities and contractual requirements related to workers' rights and have upheld them. Workers know what to expect from their employers and how to report grievances. Workers' rights continue to be an important focus of the NYUAD Project and there are resources, systems and procedures in place for them to be upheld.

<sup>10</sup> At the time of publication of this report the accommodation for both companies in question has been rectified and the project is now compliant.

#### 4.2 Improvements in Monitoring Workers' Rights

A significant change that Mott MacDonald noted in 2012 was the scaling up of AFC's own monitoring role. With regards to all their subcontractors, AFC engaged about the Project requirements and were very involved in reviewing their compliance on their own and in coordination with EC Harris and Mott MacDonald. AFC also applied a greater effort to communicating about the Project's labour rights commitments to new companies prior to their start in 2012.

AFC conducted 21 audits of subcontractors. 48 issues were raised and subsequently closed promptly. The most significant non-conformance for 2012 was with a subcontractor who had failed to meet their obligations in regard to travel, food, benefits and accommodation. The matter was raised at the highest levels and in conjunction with AFC and the compliance monitors all issues were resolved and benefits settled.

Due to the nature of the agreement, the AFC procurement team and their site monitoring team go to great lengths to ensure the agreement is understood and in place before the subcontractor comes to the site. Mott MacDonald has witnessed such meetings with subcontractors prior to their appointment by AFC on the Saadiyat site. As the number of subcontractors has increased in 2012 and will continue to rise in 2013 this effort is a worthwhile contribution to meeting the Project requirements.

Building on the interactions and lessons learned in 2011, there has been more rigour in the Compliance Monitors' activities. EC Harris has carried out more interviews and NYUAD monthly monitoring is more structured and their compliance reports provide more details. Their emphasis on a more robust compliance monitoring regime for their four operational employers began in early 2012. These improvements have also helped contribute to Mott MacDonald's verification activities.

When problems were identified in the 2012 monitoring regime, the line of responsibilities for investigating and communicating were better established. In all cases, there is leverage to ensure quick resolution and employers have shown willingness to issues and make any changes to meet the requirements. The reporting from compliance monitors and AFC shows evidence that issues

are being addressed quickly and in a relevant manner by the employers.

Workers' rights awareness by employees is very strong among the longer term staff on the Project. Construction site operatives may only be covered by the agreement for a short period of time so there is an inevitable lesser level of understanding. However, interviews of site staff have shown a strong degree of understanding of the additional benefits.

#### 4.3 Looking Forward

In 2013 it is anticipated that verification activities will focus on the lowest paid workers whom the ILO identify as most at most risk. These are the construction main contractor and subcontractors' employees. Whilst the number of workers at the construction site is not growing, the use and proportion of subcontracted workers is. Mott MacDonald do not envisage a change in the way the activities of the compliance monitoring team are conducted, but a larger number of companies will require monitoring through 2013.

The results of the interviews and conclusions drawn in this 2012 report indicate a high level of understanding of the Project values among both employers and employees. Operational staff have the benefit of working in an institutional context where labour rights are considered normal. This is not necessarily the case for the construction sector in UAE where the project requirements may be new for both employers and employees. Hence the monitoring focus in 2013 will continue to be operatives at the Saadiyat Island construction site.

The application of termination and severance pay will be a monitoring focus for 2013. As many construction contracts on the site shall finish in 2013, a number of employees may be terminated and hence there will be a requirement for checking the correct settlements are received.

Maintaining awareness of the importance of ***The Statement of Labour Values*** and ***The 14 Points*** will remain an objective for all parties during 2013. Ensuring that site contractors and their employees understand the importance and implement these statements to their full potential is paramount.

2012 Staff Interviews																
Company	Male	Female	Bangladesh	Pakistan	Philippines	India	Sri Lanka	Nepal	Egypt	Kenya	RSA	China	Iraq	USA	Total	HR Checks
G4S	15	5	2	6	3		1	2	5	1					20	3
Fast Rent-a-Car	5			3		2									5	7
Berekley	8	2	2		1	3		4							10	1
ADNH Compass	3	2			3	1		1							5	6
MAF Dalkia	4				4										4	19
Emirates Landscapes	4					2		2							4	3
John Buck Int	2					2									2	
MacGrudy's	1	2			1										1	
<b>Sub Total</b>															<b>51</b>	<b>39</b>
AFC	40		7	3	1	28		1							40	26
Al Reyami	22			4	1	16					1				22	12
Shamco	13		6	3		4									13	
Al Shirawi	8					5		3							8	
MAP Interiors	7					7									7	12
Dubai Precast	14		3		5	4		2							14	13
Yuanda	15					1						14			15	7
PT Gulf	20		5	2		7	3	3							20	6
Gulf Precast	7		1	1		5									7	5
Modular	1					1									1	3
Robodh	21		9	1		8		3							21	
William Hare	1			1											1	
Emrill	4			1				3							4	4
GHD	1												1		1	
Laing O'Rourke	1					1									1	
Rafael Vinoly	3					1								2	3	
WSP	1					1									1	
<b>Sub Total</b>															<b>179</b>	<b>88</b>
<b>TOTALS</b>	<b>221</b>	<b>11</b>	<b>35</b>	<b>25</b>	<b>19</b>	<b>99</b>	<b>4</b>	<b>24</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>14</b>	<b>1</b>	<b>2</b>	<b>230</b>	<b>127</b>