ASSESSMENT OF
THE WAGE PROTECTION
SYSTEM IN QATAR

ILO Project Office
for the State of Qatar

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Preface

The International Labour Organization (ILO) inaugurated its project office in Qatar in April 2018 to support the implementation of a comprehensive programme on working conditions and labour rights. The Technical Cooperation Programme reflects the common commitment of the Government of Qatar and the ILO to cooperate on ensuring compliance with ratified international labour conventions, as well as achieving fundamental principles and rights at work in the State of Qatar in a gradual manner during the period 2018–20.

The Ministry of Administrative Development, Labour and Social Affairs (ADLSA) and the ILO have conducted a series of innovative studies and reviews of international good practices to support the adoption and enhancement of laws, policies and systems. ADLSA and ILO officials, as well as independent researchers, have met with relevant stakeholders and were provided access to raw data and information in order to put forward detailed recommendations that were suited to the context in Qatar. The reports have been presented and discussed in various meetings, and many of the proposals have been incorporated into the plans and activities of the Technical Cooperation Programme.

This report aims to provide deeper insight into the strengths and gaps in the Wage Protection System from a number of perspectives, and put forward actionable recommendations for its improvement.

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The responsibility for information and opinions expressed in this report rests solely with the authors, and publication does not constitute an endorsement by the ILO nor ADLSA.
Executive summary

The Wage Protection System (WPS) introduced in late 2015 obliged all employers covered by the Labour Law to transfer their employees’ wages through Qatari banks, within seven days of their due date. The WPS has led to more timely payment of wages and reduced a range of wage abuses. It has enabled a fairer and more transparent resolution of wage disputes, in the interests of workers, employers and the government. The WPS plays an important role in efforts to combat trafficking and forced labour, and also contributes to reducing the illegal practice of ‘free visas’. Furthermore, by enabling employees to open bank accounts regardless of their income, it has extended inclusion in banking institutions.

Wage abuses, however, are still far too common, as evidenced by the rate of non-compliance with the WPS, and the number of complaints lodged with ADLSA. Wage-related grievances constitute the majority of the complaints received by the Labour Relations Department and the Workers’ Dispute Settlement Committees (DSCs). As the resolution of wage disputes currently tends to be extremely time consuming and costly, a more effective WPS will not only offer better protection for both workers and employers, but also reduce the strain on ADLSA.

Three years on from the establishment of the WPS, ADLSA and the International Labour Organization (ILO) Project Office in Doha commissioned an assessment of the WPS to identify gaps and put forward recommendations for improvement. The assessment falls under the scope of the technical cooperation project between the Government of the State of Qatar and the ILO, and is part of the extensive set of reforms underway.

The report briefly reviews the law, the institutional framework, the processes and the internal operations of the WPS as a unit under the Labour Inspection Department (LID). Semi-structured interviews were carried out with all relevant stakeholders. These meetings were arranged by the WPS Unit (WPSU), and attended by the independent consultant and representatives from ADLSA and ILO. The findings of this report show a sophisticated system of monitoring wage payments with massive potential for improved coverage.

Currently, there are over 1.3 million workers and over 50,000 enterprises registered with the WPS. But a substantial proportion of eligible workers are still not covered, particularly within small enterprises. The WPS requires strict adherence to the information and format required for banks to register wage payments. Many micro- and small enterprises do not have the capacity to navigate the process, despite the support available from ADLSA and the banks.

Because of the large number of alerts raised for potential violations, the WPSU prioritizes its workload according to the severity and risk of each alert. To date, there have been a total of 39,000 enterprises being denied ADLSA services (however temporarily), including a block on applications for work permits and the renewal of current work permits. However, the threat of severe penalties is not immediate, and does not serve as a sufficient deterrent, especially as non-compliant companies are given warnings and multiple opportunities to rectify the wage abuses. The law allows for tougher penalties to be applied.

The monthly tally of violations detected varies, but in an average month this affects a relatively small proportion of all workers registered in the system. Moreover, the system fails to pick up important types of abuse, nor does it gather systematic data on those it successfully detects, thus hampering a more comprehensive impact assessment. Data is currently collected on three types of violations: low payment (but not under-payment); excessive deductions; and unpaid overtime hours that are reported by the employer. Thus, at present, under-payment or non-payment of overtime remain invisible to the system.

The report sets out 14 recommendations to broaden the workforce coverage of the WPS and orientate it towards validation of the component elements of monthly salaries (basic wage, overtime, allowances and deductions) in addition to monitoring non-payment. The recommendations are grouped at three levels, and are summarized below.
1. At the national institutional level:

**Recommendation 1** urges the strengthening of ties between the WPSU, the police, the public prosecutor’s office and the courts, as well as the National Committee to Combat Human Trafficking (NCCHT) so that penalties become more stringent and are imposed more swiftly. If more fines were issued, as set out in the Labour Law, this would serve as a deterrent to other companies.

**Recommendation 2** is to offer positive incentives for enterprises to comply with WPS requirements. These can include bidding preference in government tenders, streamlining work permit applications and other administrative processes. Conversely, companies with WPS violations should be penalized when competing for government contracts, or simply excluded. This would help to ensure a fairer playing field for enterprises.

**Recommendation 3** is to ensure that banks provide all employees with a monthly payslip on demand, with details of the wage, overtime, allowances and deductions. This will allow workers to verify whether the correct amount has been paid to them.

**Recommendation 4** addresses the non-payment of wages due to insufficient funds from the failure of payment within subcontracting and labour outsourcing schemes. It suggests a ban on the practice known as ‘pay when paid’, and the introduction of a joint liability scheme to ensure that all workers on a project are paid on time, in full and through the WPS.

**Recommendation 5** urges an awareness raising programme for small enterprises with training on correct preparation and submission of the Salary Information File (SIF), as well as clear explanations of the penalties that will be triggered by non-compliance.

2. At the ministerial level

**Recommendation 6** calls for the wealth of data, information and insights generated by the WPS to inform strategic planning by the Labour Inspection Department. Reports should be automatically generated, shared and reviewed on a quarterly basis. The risk index, according to which system alerts are prioritized, must be reviewed as a matter of strategic urgency, and overhauled, to incorporate the use of predictive analytics.

**Recommendation 7** calls for better and more systematic coordination between the WPSU and the labour inspectorate, such that a given enterprise’s electronically documented pattern of WPS compliance (or non-compliance) routinely underpins the preparation for and conduct of an inspection, including inspectors’ advisory services to employers, particularly small enterprises.

**Recommendation 8** calls for greater use of WPS data in the complaints process, including the DSCs, and in the activation mechanism of the Workers’ Support and Insurance Fund. Rapid access to WPS data as evidence of payment should expedite the resolution of wage complaints.

**Recommendation 9** is to increase WPS coverage, particularly among enterprises with 11-50 and 51-100 employees. Discussions should be held with representatives of small businesses to discuss the challenges posed by compliance, and adjustments could be made to facilitate the process for them.

**Recommendation 10** seeks to ensure that domestic workers, a very vulnerable category, are covered by the WPS or a similar monitoring mechanism. The existing process would be too complicated for many employers of domestic workers, as it has proved for small enterprises, and so a much less onerous procedure would need to be designed.
**Recommendation 11** addresses the problem of verification by the WPS of the terms set out in the workers’ contract, including the basic salary, food and other allowances as well as lawful deductions.

In the first instance, this will require an intensive campaign to have all contracts attested and linked electronically to the WPS.

**3. At the level of the WPSU**

**Recommendation 12** calls for the WPSU to increase its resources to develop a more systematic data collection system that will identify trends and track progress on key indicators such as non-payment, minimum wage, overtime, food allowances and unlawful wage deductions. Some modifications to the SIF are suggested to improve overtime and food allowance transparency and verification.

**Recommendation 13** offers suggestions for improved efficiency measures to be introduced in the WPSU to prevent backlogs of company alerts and hand down more stringent penalties for non-compliance.

**Recommendation 14** recognizes the need for WPS communication with workers as well as employers. This will be facilitated by including the employee’s mobile number in the SIF and interpretation services.
1. Introduction

The Government of Qatar introduced the Wage Protection System (WPS) in 2015. More than 1.3 million workers are registered in the system, substantially strengthening the protection of wages in the country. The WPS has also significantly increased the Government’s ability to intervene in the long-standing issue of wage disputes, in the interest of workers and employers, and resolve matters in a more transparent and fair manner.

Studies conducted by the Social and Economic Survey Research Institute (SESRI) at Qatar University found that the proportion of workers paid in cash dropped from 12 per cent in 2017 to 8 per cent in 2018. When asked whether they were paid on time, 81 per cent responded “always”, 14 percent “usually”, 4 per cent “sometimes”, and 1 per cent “never”.1

Wage abuses are still far too common, as evidenced by the number of enterprises still not registered, the rate of non-compliance with the WPS, and the number of complaints submitted to the Labour Relations Department and the Dispute Settlement Committees (DSCs). The establishment of a Workers’ Support and Insurance Fund reflects the complexity of ongoing challenges.2

Three years have passed since the introduction of the WPS, presenting an opportune juncture for it to be reviewed, and upgraded accordingly. The purpose of this report is to assess the entire system, identify gaps and offer recommendations for improvement. This initiative is part of a comprehensive set of reforms being undertaken by the Government of Qatar, in cooperation with the ILO, to improve the conditions of migrant workers in line with national laws and international standards.

1.1. Objectives

The primary objectives of the study are to:

a. Assess the design of the WPS (making use of the process mapping method) and its capacity to capture information required, including conditions agreed in signed employment contracts, such as the basic wage, and the details of allowances and deductions.

b. Review the current compliance framework and associated procedures, in particular the identification of violations, and the issuance of sanctions and penalties for non-payment of wages.

c. Assess how the WPS can become more strategically effective in linking to other ongoing initiatives by the Government of Qatar, such as the possible introduction of a new minimum wage, the establishment of Qatar Visa Centres in countries of origin, enhanced labour inspection efforts, the establishment of DSC and the Workers’ Welfare and Insurance Fund.

d. Suggest practical ways to expand WPS coverage to include domestic workers, perhaps through a simplified parallel wage monitoring structure.

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1 SESRI conducts an annual representative sample survey (as part of their Guest Worker Welfare Index) which entails a wide range of questions on living and working conditions.

2 See Law No. 17 of 2018 establishing the Workers’ Support and Insurance Fund.
1.2. Methodology

The study was conducted in three phases, in conjunction and coordination with ADLSA’s WPS Unit (WPSU), the ILO Project Office in Qatar and an independent consultant.

1. The consultant first conducted a desk review of existing information, including some of the latest 2018 administrative data from ADLSA on the WPS, and other comparable systems.

2. Semi-structured interviews were held with relevant stakeholders on the law, administration, functioning and enforcement of the WPS. These meetings were arranged by the WPSU, and attended by the consultant and representatives from ADLSA and ILO.

3. The information and data collected through the desk review and the semi-structured interviews were analysed, and the report was drafted by the consultant. The key findings were reviewed by the WPSU prior to finalization of the report.

Although additional data on the types of violations and the outcomes of action taken against employers would have facilitated a few more detailed insights, a number of conclusions may nonetheless be drawn regarding the current effectiveness of the WPS.
2. Rationale and objectives of the WPS

Wages are the primary concern of workers, particularly low-wage workers, and around the world a variety of wage protection measures have consequently been introduced. In the Gulf Cooperation Council (GCC) countries, wage abuses of migrant workers have been highlighted for several years in the media, by the governments of countries of origin, by international NGOs and international organizations. The focus of attention is frequently the construction sector, which is particularly notorious for non-payment and wage disputes. This is largely a result of long and complex subcontracting chains, outsourcing and the widespread practice known as ‘pay when paid’. In response, a number of GCC States, including Qatar, have adopted wage protection systems.

The purpose of the WPS in Qatar is clearly stated in Article 1 of Ministerial Decision Number 4 of 2015:

The Labour Inspectorate of the Ministry of Labour and Social Affairs takes the necessary measures to implement the Wage Protection System (WPS) for workers subject to the aforementioned Labour Code.

The aim of the programme is to ensure that employers are obliged to pay the wages of workers who are subject to the Labour Code within the prescribed deadlines, in accordance with their employment contracts and the regulations in force in the State.

The ADLSA website and explanatory booklet lists the following specific objectives:

1. To protect workers from manipulation of their financial entitlements;
2. To enable ADLSA to continuously review and compare the data of employees with the data in its possession to ensure compliance with the provisions of the Labour Law;
3. To minimize legal disputes between parties with regard to payment of wages, while increasing efficiency in dealing with such disputes;
4. To assist the judiciary in issuing judgments and settling disputes concerning employees’ entitlements;
5. To promote the principle of human rights in the State of Qatar;
6. To enhance security and stability by creating a safe working environment (as the system spares workers and employers the need to keep cash at the workplace, it precludes an obvious risk of loss or theft).

Although not a primary objective of the system, it is worth noting that the WPS also has the potential to curtail the illegal practice of ‘free visas’. Workers on a so-called free visa are brought in by one sponsor, but work for someone else, or freelance with several different employers – often receiving cash in hand. This is prohibited by law. As the WPS continues successfully to supplant cash-based arrangements, and as it can swiftly identify a sponsor’s payments into a worker’s bank account, sponsors increasingly find themselves devising complicated ways to avoid detection, rendering free visa arrangements less attractive in the first place.

3 Wells, J. “Protecting the Wages of Migrant Construction Workers”, Engineers Against Poverty (2018).
5 ADLSA, “An Explanatory Leaflet on WPS”, which also provides a comprehensive explanation of the payroll data required, subscription requirements for employers and how to complete a monthly Salary Information File for the bank. https://www.adlsa.gov.qa/en/Pages/wpsleaflet.aspx
6 Ibid.
The embassies of all the major countries of origin receive complaints from their nationals. A focus group discussion with a number of embassy officials in November 2018 revealed that wage-related complaints are the most common. One embassy shared information that illustrates the nature of the complaints they handle.

In the eight months from July 2017 to February 2018, the embassy received 1,840 complaints filed by 1,051 workers at 378 companies. Nearly all these complaints related directly or indirectly to remuneration (see list below). Many of these issues are not addressed by the WPS. Notification of such violations is thus reliant upon worker complaints.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid/Delayed Salary</td>
<td>384</td>
</tr>
<tr>
<td>Reduced Salary</td>
<td>176</td>
</tr>
<tr>
<td>End of Service/Gratuity</td>
<td>141</td>
</tr>
<tr>
<td>Excessive deduction</td>
<td>79</td>
</tr>
<tr>
<td>Overtime</td>
<td>72</td>
</tr>
<tr>
<td>Vacation/Leave Pay</td>
<td>65</td>
</tr>
<tr>
<td>No Food Allowance</td>
<td>54</td>
</tr>
<tr>
<td>Airfare</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1008</strong></td>
</tr>
</tbody>
</table>

Box 1. Complaints data from an embassy
3. International standards and comparative experience

3.1. ILO Convention 95

The ILO Protection of Wages Convention, 1949 (No. 95) and the ILO Protection of Wages Recommendation, 1949 (No. 85) aim to guarantee and protect the rights of workers in respect of wages. To date, 98 countries have ratified ILO Convention No. 95, which addresses: (i) the form and method of wage payment; (ii) the freedom of workers to dispose of their wages; (iii) the duty to provide information; (iv) wage guarantees; and (v) enforcement.

With regard to the form and method of payment, the Convention sets out a number of principles as to where, when and how remuneration is to be paid, alongside other practical modalities of payment. A second group of provisions seeks to guarantee the freedom of workers to choose how to dispose of their wages. Thirdly, the Convention stresses the need to keep workers informed, in a straightforward manner, before they accept employment, of the wage conditions to which they will be subject, including the calculation of their earnings, in detail, for each pay period. The fourth aspect covers guarantees to ensure the total payment of wages due, protecting workers from arbitrary, unfair or unforeseen decreases or deductions (sometimes as a consequence of attachment orders or bankruptcy). Finally, the Convention addresses the question of enforcement, emphasizing the need to implement laws capable of ensuring adequate supervision and effective sanctions or other remedies, in order to prevent and punish infringements.

3.2. Examples of international practice

Many countries around the world already have laws and policies in place to address wage protection issues. These involve not only national institutions, including labour ministries and judiciaries, often reliant on existing laws and policies, but also social actors. Several of the GCC countries have WPS systems similar to Qatar’s, and their experiences are of direct relevance, but the following international examples also deserve attention:

- In Singapore, Part III of the Employment Act of Singapore (revised 2009) includes a number of provisions designed to ensure that wages are paid on time and in full. The Singapore Ministry of Manpower website helps workers caught up in wage disputes to access the relevant legal institutions.

- In Hong Kong, Part V of the Employment Ordinance (Chapter 57) addresses wage protection issues.

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10 ILO Recommendation No. 85 contains detailed provisions on the wage conditions which should be brought to the knowledge of the worker before signing a contract of employment and specifies the particulars to be indicated on the worker’s payslip or wage statement at the time of each payment.
13 Hong Kong Employment Ordinance (Chapter 57). https://www.elegislation.gov.hk/hk/cap57?xpid=ID_1438403462571_003
The Hong Kong Labour Department devotes a part of its website to wage protection, including an online guide that explains a number of key issues from a legal perspective, such as a definition of wages, payment of wages, failure to pay wages, legal deductions, and the liability to pay a subcontractor’s wages.14

- In the United Kingdom, the government website gives workers guidance on how to obtain unpaid wages.15 One of the unique features of the wage protection system in the United Kingdom is enforcement of the national minimum wage by the tax authorities, HM Revenue & Customs (HMRC).16

In 2017/18, HMRC investigators identified £15.6 million in pay owing to more than 200,000 of the lowest paid workers (compared to £10.9 million for over 98,000 workers uncovered the previous year).17

- Part III of the Canada Labour Code addresses the recovery of wages. The Department of Employment and Social Development (Canada) has developed a range of online materials to assist workers with wage payment claims. If a company goes bankrupt, the Wage Earners Protection Act18 is applicable to any of its workers’ wage claims and the government has developed and distributed information about accessing this system.19

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4. Legal framework

The WPS came into effect in Qatar on 18 February 2015 under Law No. 1 of 2015 (amending Article 66 of the Labour Law (14) of 2004) and Ministerial Decision No. 4 of 2015. The new law was published in the Official Gazette (No. 7 of 2015) on 2 April 2015.

4.1. WPS Requirements

The starting points for the implementation of the WPS are that:

- Workers are entitled to wages either monthly or fortnightly, depending on their contracts;20
- Wages are to be paid in Qatari Riyals;21
- Employers are obliged to transfer wages to financial institutions in the State of Qatar, within seven days of their due date, through the WPS; and
- Employers are not deemed to have paid their workers, unless this is done through the WPS.22

Companies were given six months from 2 May 2015 to register with the WPS.23 Thus all companies governed by the Labour Law had to be registered by 2 November 2015.

4.2. Exclusions from the Labour Law and WPS amendments

Occupations and organizations that are excluded from coverage by the Labour Law are also excluded from the WPS. In particular, Article 3 excludes:

1. Employees and workers in ministries and other governmental bodies, public authorities and corporations; and companies engaged in the petroleum sector;24
2. Officers and members of the armed forces and police and workers employed at sea;
3. Casual workers;
4. Those in domestic employment such as drivers, nurses, cooks, or gardeners (see Box 2 below);
5. Working members of an employer’s family, defined as the spouse, and/or ascendants and descendants residing with and wholly dependent on him or her;
6. Workers employed in agriculture or the care of livestock other than persons employed in agricultural establishments processing and marketing their own products or those permanently employed in the operation or repair of agricultural mechanical appliances.

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20 See Article 66 of the Labour Law, as amended by Law No. 1 of 2015.  
21 Ibid.  
22 Article 2 of Decision No. 4 of 2015 establishes that “Employers are obliged to transfer the wages of their workers to the financial institutions of the state, within seven days of their due date, through the WPS”.  
24 This includes companies that the Government establishes (or participates in their establishment) engaging in petroleum fields and in the marketing and sale of petroleum, chemical and petrochemical products and their derivatives; companies which Qatar Petroleum establishes (or participates in their establishment) or in which it holds shares, workers of existing companies executing exploration agreements and sharing the production, or companies party to agreements to develop fields and share production; or joint venture agreements in the field of petroleum operations and petrochemical industries; in addition to those whose employment affairs are regulated by special laws.
As of 2016, there were 173,742 migrant domestic workers in Qatar (an increase of 93,400 since 2009).\textsuperscript{25} Domestic workers in Qatar are not covered by the Labour Law and thus excluded from the WPS. The 2017 Domestic Workers Law (Law No.15 of 2017) mandated regular monthly payment of salary. Government records of all domestic workers, including ADLSA's recent electronic contract authentication program,\textsuperscript{26} should serve to increase the protection of wages for domestic workers.

4.3. Penalties for non-compliance with WPS

There are two sets of penalties applied to employers who are found to be in contravention of laws on the timely payment of wages:

1. With regard to the WPS, Article 4 of the Ministerial Decision No.4 of 2015 establishes that:

   “The Minister or his delegate may take action against an employer who contravenes the provision of Article 2 of this decision [i.e.] either of the following actions:
   - Discontinue the granting of any new work permits.
   - Suspend all dealings with the Ministry, and in this case the suspension does not include the certification of employment contracts.
   The suspension shall be lifted by a decision of the Minister or his delegate, after the employer has provided proof that he has fully transferred all outstanding wages.”

2. An employer who fails to comply with the obligations established in Article 145bis of the Labour Law, as amended by Law No. 1 of 2015, will incur:

   “A sentence of not more than a month in prison and a fine of not less than QR2,000 and not more than QR6,000, or either of these penalties”.
   These penalties apply per worker and per instance of a violation. The fines are ordered by the court (ADLSA does not have the power to collect them, and will instead refer cases to the police or the public prosecution service).

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5. Institutional framework

For it to function effectively, the WPS requires extensive coordination among several institutions. In establishing the system, ADLSA worked closely with the Qatar Central Bank, the Ministry of Interior, the Qatar Chamber of Commerce and Industry (QCC), employers and banks. A private software development company was contracted to design and test the software and connectivity of the WPS.

Box 3. How the WPS was set up: a chronology

Most media reporting on the WPS refer to the Qatar Central Bank (QCB) as having initiated the WPS. However, the directive for the WPS came from ADLSA after study of the systems in place in other GCC countries. ADLSA is thus the owner of the WPS, though amendments to the system require the approval of the Governor of the QCB.

ADLSA consulted with the Qatar Chamber of Commerce (QCC) and other industry representatives, giving them time to consider the proposal for a WPS. The QCC supported the idea primarily because of its clear benefit for companies in terms of furnishing proof of payment in the event of a dispute. However, some companies spoke against it.

At the outset, only Qatar National Bank (QNB) would open an account for a worker on a monthly salary less than QR1,000. At that time, the banks were reluctant to open accounts for large numbers of low-income workers because of the costs and complications involved. The opening of more than one million new accounts was a daunting proposition, involving 50,000 new accounts per day. The banks did not have the capacity.

Subsequently, ADLSA and the QCC requested that the QCB require the banks to accept low salary accounts. In June 2014, the Central Bank Governor issued Circular No. 50/2014, which required all banks to accept employee WPS accounts, regardless of their income. Some 17 banks have now been approved for WPS.

QCB contracted a private company to develop the software under a vendor maintenance agreement, and successful testing of the system began in early 2015.

A letter announcing the WPS was sent to all companies in November 2015. A circular was sent to all banks. QCB set up a special security system for the WPS banks to allow internal privacy to be maintained by the banks when paying their own employees.

In 2015, ADLSA established the Wage Protection System Unit (WPSU) as a special unit within the LID to manage the WPS and monitor compliance.

No major modifications have been made to the system since it was established in 2015.

27 See, for example, statements such as “the system has been developed by the Qatar Central Bank” in: I Love Qatar.net (https://www.iloveqatar.net/news/general/wages-protection-system-wps); QatarDay.com (https://www.qatarday.com/blog/information/wage-protection-system-protects-your-rights/31390); and Qatar Islamic Bank website (https://www.qib.com.qa/en/wholesale/corporate/Wages-Protection-System.aspx)

28 Interview with QCB on 10/10/18.
5.1. The role of the Wage Protection System Unit (WPSU)

Wages are at the heart of most of the complaints received by the Labour Relations Department of ADLSA from workers, embassies and the ILO Project Office. Likewise, most cases handled by the DSCs relate to wages. A new Workers’ Support and Insurance Fund is being established to ensure the prompt payment of wages, as ordered by the Dispute Settlement Committees. The Fund can also provide emergency assistance when workers go unpaid. In this context, the WPSU is a vital unit within ADLSA.

The WPSU comprises four main sections.
1. Checkers, whose primary remit is to respond to notifications of possible violations, and seek additional information from employers.
2. Blockers, who are labour inspectors with the authority to impose sanctions. Their role is to impose ‘blocks’ on employers, on the recommendation of checkers. Blockers also identify and impose blocks on non-compliant employers detected by means other than the WPS (albeit rarely). The criteria for blocking an enterprise are listed in Section 4 above under WPS requirements.
3. A team that prepares reports, such as for the Public Prosecutor’s Office (PPO).
4. A data (IT) reporting team that provides a monthly report for ADLSA management on the number of blocks and the reasons behind them.

Checkers and blockers are key personnel at the forefront of detection of WPS non-compliance and consequent action. Given the scope of their responsibilities, and the rate of non-compliance, they are currently few in number: approximately 25 checkers and five blockers.

5.2. Links between WPSU and other units

By monitoring the payment of wages, the WPSU is able to prevent and identify abuses. Moreover, the WPSU can reduce additional tasks that could otherwise overburden other units within the ADLSA.

This is especially important in light of the challenges involved in conducting labour inspections to physically monitor working conditions.

5.2.1. WPSU and the labour inspectorate

The WPSU is part of the Labour Inspection Department (LID), which is mandated to monitor implementation of the Labour Law.29 The WPSU monitors implementation of the WPS, while labour inspectors (rather than WPSU officials) undertake visits to work sites. During the visits, labour inspectors regularly ask employers to provide records of wages and ask workers about the possession of ATM cards. LID has contributed to expanding WPS coverage: for example, between September 2016 and February 2017 inspection teams conducted a WPS campaign targeting small and medium-sized enterprises (SMEs), thereby increasing by 43.8 per cent the registration of companies with 11-50 employees, and by 50.5 per cent those with ten employees or fewer.30

WPSU staff may alert LID when they see the need for an on-site inspection of a company. Conversely, labour inspectors may request or consult the WPS files of an enterprise before, during or after a labour inspection. However, there is no data available on how often specific employers are referred for labour inspection, or how often inspectors see fit to review relevant WPS files when conducting an inspection.

29 Article 20, Amiri Decree No. 6 of 2016.
This interaction currently occurs by telephone or email, or indeed in person within the office. At present, there are no systematic links between the WPSU and LID that would allow for automatic ongoing updates of a case file accessible to personnel of both units during the course of a given investigation.

5.2.2. WPSU and the complaints mechanism

The WPSU has made wage data available to all relevant ADLSA units, including the Labour Relations Department and the DSCs. For the Government, this serves as the primary piece of evidence in the resolution of disputes between workers and employers. The officials receiving a complaint at the Labour Relations Department or adjudicating on a case within the DSCs can systematically review the WPS data to establish the basic documented facts of the case. Having presented these to both the worker and employer, a straightforward decision is usually made in favour of the worker.

However, there are differences between the handling of wage abuse cases flagged up by the WPSU, and those derived from workers’ complaints. If a grievance lodged directly by a worker cannot be resolved amicably, it passes to the DSC, which currently wields only limited powers of enforcement. Workers and employers can appeal a decision by the Committee – at an Appeals Court – a process that can take six months to resolve.

5.2.3. WPSU and the police / Public Prosecutor’s Office

If a wage violation cannot be resolved by the WPSU, the case can be referred to the police or the Public Prosecutor’s Office (PPO). The intervention of the police, or even the threat of intervention, can lead to wage payment. The PPO decides which of the cases brought to its attention (either by the WPSU directly or by the police) should proceed to the Criminal Court. Not all cases reach the PPO, and those that do will not necessarily pass to the court. The Criminal Court can impose fines on employers for late payment of wages, but this must be determined by a judge, as the outcome of a lengthy procedure. When it has referred a case to the police, the WPSU may opt on an ad hoc basis to actively monitor subsequent progress, but there is no systematic follow-up mechanism that generates relevant file updates for the WPSU.
6. Procedures for employers

This section outlines the WPS procedures, and is illustrated in the flow chart (Figure 1 below).

6.1. Company registration with WPS

All companies covered by the Labour Law are required to pay salaries through the WPS. The company registers with the WPS by opening a WPS account with any of the 17 approved banks in Qatar. Employers open bank accounts for low-wage workers, whereas higher paid workers are likely to open their own bank accounts – either with the same bank, or with another bank (to which their salary will be routinely transferred via the employer’s bank).

6.2. Submission of the SIF

Each month, the employer is required to submit to the bank a Salary Information File (SIF), which is an Excel file carrying the details of the remuneration of each employee. The SIF file is defined as:

The electronic file that contains the structure for entering the specific information and financial data required for the purposes of the payment of wages, and that required by the Ministry of Administrative Development, Labour and Social Affairs to ensure the supervision and auditing of employees’ wages in accordance with the provisions of the Labour Law No. (14) of 2004.31

The SIF consists of two parts:

1. **Header**: for non-repeatable basic data of the employment entity and the paying body.
2. **Salary records (payrolls)**: including detailed data and information about the worker and statement of salary or payout due for a specific period.

The SIF must contain the following:

- Worker’s name, Qatar ID number and visa number;
- Bank name and account number;
- Frequency of payment (for example, monthly or fortnightly);
- Number of working days for the wage period;
- Net salary paid;
- Basic salary (according to the contract), and extra hours worked;
- Other forms of remuneration, such as transport, housing, food, bonuses, back-pay and advanced payments for vacation;
- Deductions, which may include loan repayments, charges for damages caused by the employee, and payments for fines stemming from violations as set out in the law.

Box 4. The SIF Submission Process

The precise sequence of events is as follows:

1. The entity (company) prepares an electronic file in respect of salaries and wages due to employees per month in the form of a CSV file according to the technical specifications shown in Appendix A. The entity then sends this file to its bank as an email attachment, on a CD-ROM disc, or by any other agreed method.

2. The bank enters the wage data received from the entity on the WPS system through the mechanisms provided by the system.

3. The system performs an electronic matching process on the received file and verifies the structure of the data.

4. In the event that the electronic matching process shows errors due to non-conformity with the structure of the required data or the presence of unreasonable data, the entity is notified of the reasons for rejection of the file with a list of errors discovered, so that the entity can correct errors and re-send the file.

5. If the file is accepted by the payroll system, the file will be transferred to undergo a financial audit to verify the bank account number, that the entity’s account has not been suspended, is not subject to any seizure imposed by a court, and that it holds sufficient funds to cover the payment of salaries.

6. In the event of failure to pass the financial audit, the company will be informed of the relevant errors discovered so that the company can correct them.

7. Upon passing the financial audit, the system automatically distributes salaries from the entity’s bank to the employee’s bank.

8. The employee’s bank will credit the employee’s account to the value of the wage and notify him or her by SMS.

9. The salary information is automatically and simultaneously transmitted from employers’ banks to the Qatar Central Bank and the WPS Unit at ADLSA.

10. The WPS Unit at ADLSA conducts monitoring and follow-up procedures on payment discrepancies and non-payment of wages.
The WPS requires strict adherence to the information and format required for banks to accept and register wage payments. Mistakes in completing the SIF are deemed to be the employer’s responsibility and can result in payment delays. If the personnel submitting the SIF encounter problems, they may call on their bank for assistance (see section below).

Alternatively, companies can download and use the SIF Validation Tool. A guide for using this software is published and provided as an “End User Guide” by QCB and ADLSA. It lists some 113 possible errors that can be made in the process of validation, with the error code and a description in each case. The guide shows a step-by-step process with computer screenshots culminating in a successful SIF validation (see Figure 3 below) at which point the SIF is ready to be sent to the bank.

Figure 1. Qatar WPS Flow Chart

In practice, banks advise employers that the SIF should be submitted to the bank several days prior to the due date of the salaries. This is because the bank must process the file and the payment (including checking for available funds) before it can distribute the employer’s payment to the accounts of their employees.

The banks cannot verify the net salary, as they are not aware of the salaries stipulated in workers’ contracts or the validity of extra payments (allowances, overtime) and deductions. Nor do they know if payments are made on time or not. For these reasons, the Qatar Islamic Bank, for example, states clearly in its WPS Terms and Conditions, “QIB will process salaries as per the softcopy without any
liability to the contents”. The banks only provide an internal check of an SIF for any mismatch between the net wage and gross wage, less deductions. If these do not add up, the submission is rejected and it reverts to the employer.

When the employer’s bank receives the wage payment, it is forwarded to the employee’s bank account. If the employee’s account is with another bank, the transfer is effected through the electronic Qatar Automated Transfer Clearing House (QATCH) transfer system, but without the SIF details. The Qatar Islamic Bank (QIB), for example, sends some 20,000 salaries (out of 80,000 wage receipts) to other banks.

Currently, WPSU personnel do not have a direct link or contact with workers – only with employers. However, the WPSU has requested that the SIF be modified to include a mobile phone number for every employee, allowing the WPSU to contact employees directly.

6.3. Bank support to employers in submitting the SIF

Most banks have personal and online services dedicated to the provision of assistance and training for both employers and employees in engaging with the WPS. Qatar National Bank (QNB), for example, provides a guide to WPS for employers on its website. It also runs a call centre for individual or general enquiries as well as complaints.

The QIB likewise has an online service for enterprises, supplemented by staff on hand for ten days each month, dedicated to helping employers to complete the SIF. Many are not familiar with computers, let alone Excel spreadsheets. Proprietors and representatives of small enterprises (such as bakeries, coffee shops, restaurants, supermarkets, or barbers’ shops) visit the bank’s Corporate Service Area for training and support, and frequently submit their SIF while they are there.

6.4. Transfer of the data

QCB acts as an intermediary, or hub, between the banks and the ADLSA. The data is instantly forwarded to the WPSU at ADLSA without any analysis of the information. ADLSA has its own system for analysing the wage data, and monitoring compliance.

7. Monitoring and enforcement

7.1. Automatic Alerts

SIF files automatically display a red “attention” symbol when an issue requires follow-up by the WPSU.

These alerts fall into five categories.

1. **A discrepancy** between the number of employees and the number of employees whose wages have been paid. (The documentation of employees per enterprise derives from the sponsorship work visa and residency registration of all authorized foreign workers).

2. **Non-payment**, meaning that the employer does not transfer wages within seven days from the due date.

   On the basis of their interactions with the employer, WPSU staff determine instances of non-payment. In practice, short delays (such as one week) may not be brought to the attention of WPSU staff. However, there are reports from workers and embassies of payments being delayed for several days each month, with the delay gradually increasing over time, until the worker has lost a whole month’s pay.

3. **Low payment (and non-payment)**

   When the system detects a salary payment of zero or less than QR50, the checkers will be alerted. When this threshold was set up, it was contended that an employer could justify a low payment because of deductions or some other reason, but that a sum below QR50 should raise an alarm. It should be noted that the amount of QR50 was set prior to the introduction of the temporary minimum wage (QR750) in November 2017 and so needs revision.

4. **Unpaid overtime**

   When overtime hours are registered in the SIF, but no payment is identified for the overtime hours, a violation is signalled. It should be noted that no calculation is conducted to determine if the overtime payment is accurate – making sure, for example, that a given payment figure is indeed the product of the number of hours worked multiplied by the relevant overtime rate. This is because the SIF has no provision to state the overtime payment rate in the “Extra Income” section. It is conceivable, however, that a rate could be determined from the basic salary and multiplied by the “Extra Hours” in the SIF. The higher rate for working on a Friday, however, does not seem to be catered for in the SIF (See Qatar Islamic Bank SIF Guide).

   WPSU staff explained that overtime pay cannot always be identified separately in the SIF, because it is bundled in a general “Extra Income” category where food, accommodation and other allowances are included. This can lead to the non-payment of overtime or other allowances owed to the worker, without detection by the WPS.

5. **Excessive deductions**

   The deduction of more than 50 per cent of gross salary is considered an indicator of a possible violation and will trigger an automatic alert.

   According to Article 70 of the Labour Law, the maximum allowable deduction from a worker’s wage is 50 per cent. On average, migrant workers earning under QR2,000 have 6.7 per cent deducted from their basic wage. The law does in fact permit deductions for the following reasons:
   - disciplinary penalties (Articles 59 to 64 of the Labour Law);
   - execution of a judicial decision (Article 70 of the Labour Law);
   - compensation to the employer for damage caused, such as destruction of a machine (Article 71 of the Labour Law);
   - sick leave (Article 82 of the Labour Law); and
   - pilgrimage (Article 83 of the Labour Law).

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34 Ibid.
35 Ibid. It may be noted that there is no explicit mention in the government or bank guides of “food allowances”.
36 The SIF guidelines state that deductions can include: “violations against the country laws or violations; loan payments; coverage for damage caused by the employee to the company; decrease in salary (in case of sick leave).” QIB SIF Guide and abovementioned ADLSA Guide.
The SIF includes an option for the employer to enter an explanation for deductions. In the absence of an adequate explanation (in the comments box), the checker will elicit further information from the employer. The most frequently reported reasons included workers taking out advances, repaying loans or being on extended leave without pay. In addition, workers reported that their wages are deducted to pay for traffic violations, as well as penalties for reporting to work late, not sleeping in designated accommodation or being drunk. Moreover, it may be that an employer is unlawfully deducting for recruitment costs.

Figure 4 (below) shows an example of a deduction that would not be automatically flagged to the WPSU because it is seven per cent of the total income. In this instance, were a checker to ask the employer for clarification, the issue could be obfuscated by calling the deduction a “loan repayment”, for example.

Figure 4. Payslip of worker in a cleaning company, 2015

Box 5. Alignment with the terms of contract

The WPS system is not currently able to issue alerts for under-payment or non-compliance with the terms of an employment contract. Although the SIF relies on the employer to make an electronic entry of the basic salary as per the contract, this does not always occur. Furthermore, the SIF lacks a mechanism to verify that the basic salary entry tallies with the contract, or any kind of pathway to trigger independent verification.

The WPS software contains a field for the wage stipulated in the contract. If the Labour Relations Department enters this information into the system, then it will automatically migrate into the WPS. However, this has not yet been entered for most workers. When the field is left blank, there are repercussions not only with regard to the basic wage, but also overtime, holiday pay, end of service benefits and other forms of remuneration.

Qatar Visa Centres (QVC) are being set up, beginning in eight countries of origin, to handle the procedures for a residency permit prior to departure, including the medical examinations and biometrics normally undertaken in Qatar after arrival. An important feature of the QVC will be the signature of electronic contracts legally enforceable in Qatar, reducing the scope for contract substitution. The wage terms in the contract will be automatically captured by the WPS. There are plans to set up the WPS bank account for employees prior to departure, and discussions are underway about which banks will participate.
7.2. Monitoring procedures

Every month each ‘checker’ in the WPSU is allocated 300 companies, all of which have been flagged with an alert. The checker then handles the alert according to the following WPSU protocol:

1. The checker looks for a pre-existing explanation or justification in the SIF comments box.

2. In the absence of a satisfactory explanation, the checker sends the employer an SMS or email with an attached Excel file with relevant worker information data.

3. If the employer responds, the checker elicits further information before making a determination as to whether the alert is a violation or not. The checker will now either accept or reject the explanation and write an open-ended justification accordingly. In some cases, although the alert is not classed as a violation, the checker will advise or warn the employer not to repeat the same action the next month. Sometimes an enterprise (often an SME) makes a simple data entry mistake on the SIF that is not picked up by the bank (as it has no effect on the net salary calculation) and can easily be rectified in consultation with the checkers.

4. If the employer does not respond, the checker will call the employer, and if necessary then summon the employer for an interview. If the employer has still not responded after three days, the checker will “reject” the company and pass the file to a blocker. The employer is then summoned to the WPSU to present a case to the blockers. If this proves unsuccessful, the WPSU has various options including blocking the services of the Ministry, referring the case to the police, and instructing labour inspectors to visit the company.

Staff of the WPSU make decisions regarding the severity and risk of each alert. The system ranks violations as “high-risk” or “low-risk” on an index primarily determined by the proportion (relative) of the workforce affected. For larger enterprises, the risk alert is based on the number (absolute) of workers affected. In a small enterprise of ten workers, for example, when five out of ten employees are unpaid, an automatic block will be triggered, prior to the request for an explanation (but not if a single employee is unpaid). Likewise, automatic blocks will be triggered for certain high-risk alerts, such as non-payment of more than 100 workers at a larger company.

7.3. Gaps in monitoring

There are still a significant number of enterprises that are not registered in the WPS (Table 3), and as such cannot be monitored. Another of the key gaps in monitoring is the backlog. There are too few checkers to monitor the 52,000 enterprises registered (as of mid-2018), of which more than half are subject to some sort of alert that needs to be reviewed. As of November 2018, the review of high risk alerts was up to date, but checkers were still reviewing information from January 2018, mostly on smaller enterprises. Thus a worker who had not been paid for six months might not yet have reached the attention of the WPSU.

Another significant shortcoming of the WPS is that there is no systematic recording of late payment violations that lends itself to data analysis. The lack of a breakdown of specific violations embedded in the aggregate figures renders invisible any trends that could potentially be tackled by targeted preventative intervention. Given that late payments, non-payment and reduced payments of wages lie at the heart of the very existence of the WPS (see Ministerial Decision No. 4 of 2015, Article 1) this obstacle hampers any comprehensive impact assessment.
7.4. Penalties

In the event of a violation, the company may be automatically blocked from all services provided by ADLSA and some of the services provided by the Ministry of Interior and other government agencies – depending on the nature and severity of the violation. This first involves not allowing new work permits, then not allowing the renewal of existing work permits. The block can then be extended to other companies owned by the same sponsor. The Chamber of Commerce regards the blocking of related companies as an unfair punishment of limited liability companies that should be treated as separate legal entities.

If the employer does not resolve the issues, further escalation ensues. If an employer is a repeat offender or has not paid employees for 3-4 months, the case will be referred to the police (the duration remains an ad hoc judgement in the absence of fixed timelines). In the absence of a resolution, the case then proceeds to the Public Prosecutor and possibly eventually to the Criminal Court. The head of the WPSU has the discretion to authorize the escalation of penalties.

Blocking can have unintended consequences, penalizing a larger group of workers, when for example a company with cash flow problems as a result of not being paid on time – prevalent in the long contracting chains of the construction sector – is barred from applying for new visas or the renewal of residency permits. The company may falter and miss out on opportunities, and workers may lose their wages and jobs as a result.

7.5. Enforcement

By providing an official record of the payment of wages, the WPS has extended sorely needed protection to large sections of the workforce. However, a substantial number of workers are still not guaranteed their due wages. Of these, some fail to receive what they are owed despite the WPS, and others are simply not covered by the WPS.

In total, the violations detected by the WPS affected between one and four per cent of the population covered. However, a worker may be affected by two or three violations. In any case, this still equates to a large number of workers. Table 1 below provides a breakdown of the number of people who experience specific types of violations.

The final outcomes of these cases is unclear as the imposition of fines and more serious penalties is beyond the purview of WPSU and ADLSA. These powers lie with the police, the PPO and the courts – and case data is not routinely collated and shared after the initial referral by the WPSU.

Nevertheless, ADLSA advised that as of June 2018 there were “more than 39,000 instances of facilities being blocked” as a result of WPS violations. These bans refer to companies that are banned from obtaining further work visas or any dealings with Qatar government offices.
The WPSU refers repeat offenders and serious violations to the police. In 2016, some 617 companies were referred to the police for WPS violations, with a further 75 from January 1 to February 19, 2017. In the first year, from 2 November 2015 to 31 October 2016, 385 violations were registered against companies that failed to pay wages on time, with fines in the range of QR2,000-QR6,000 (US$548-$1,644) and prison terms of up to one month, or both.

### Box 6. Employer Access to Cards and ATMs

There are unscrupulous employers who gain possession of their employees’ bank cards and make withdrawals on their behalf. Although this phenomenon cannot be described as a limitation of the WPS as such, it does signal a problem in the broader system of labour remuneration. Widely attested, albeit anecdotal, evidence suggests that an employer (or manager) convinces employees that the process is for their convenience, to save them time that would otherwise be wasted standing in line at an ATM. Bank cards and pin numbers are collected, cash is withdrawn and subsequently handed to the workers, but, typically, workers are not given their full salary. These employers are more likely to be SMEs and smaller subcontractors. The process allows them to delay the payment of salaries for weeks or months. A recent report on the same phenomenon in another country in the region shows workers receiving 35-40 per cent less than what is owed to them.

The WPS cannot uncover this kind of practice unless employees themselves make a formal complaint, but this is rare because they generally fear confrontation and the loss of their jobs in retaliation. It has previously been recommended that ATMs be fitted with biometric identification technology to drastically reduce the likelihood of employers seizing workers’ pay cards and withdrawing their salaries. In late 2016, the Qatar National Bank introduced iris-scanning ATMs while the Commercial Bank of Qatar introduced finger vein scanning terminals. While some banks in most GCC countries have applied or are considering applying biometric access to accounts, including voice, iris and facial recognition, it is still not clear to what extent this has been, or will be, applied to low-income worker pay card ATMs.

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40 Ibid.

The WPSU compiles regular reports on the number of enterprises registered in the WPS, and the number of workers at those enterprises. In March 2019, 1,329,501 workers and 56,651 enterprises were benefiting from the system (Table 2). Table 2 also shows the total number of enterprises that have registered. It is important to note that these numbers fluctuate on a monthly basis, as new smaller enterprises start up while others go out of business.

### Table 2. Workforce Covered by WPS (ADLSA) March 2019

<table>
<thead>
<tr>
<th>Size of enterprise</th>
<th>Number of entities</th>
<th>Number of workers in the entities</th>
<th>Number of entities that have registered to date</th>
<th>Percentage of Joint entities</th>
<th>Number of workers included in the WPS</th>
<th>Percentage of workers covered by the WPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>500 More than workers</td>
<td>328</td>
<td>606,023</td>
<td>327</td>
<td>99.70</td>
<td>526,429</td>
<td>87</td>
</tr>
<tr>
<td>500 to 101 workers</td>
<td>1,753</td>
<td>351,868</td>
<td>1,740</td>
<td>99</td>
<td>1,728</td>
<td>82</td>
</tr>
<tr>
<td>100 to 51 workers</td>
<td>2,539</td>
<td>176,809</td>
<td>2,511</td>
<td>99</td>
<td>2,483</td>
<td>76</td>
</tr>
<tr>
<td>50 to 11 workers</td>
<td>20,107</td>
<td>424,646</td>
<td>19,399</td>
<td>96</td>
<td>18,800</td>
<td>67</td>
</tr>
<tr>
<td>or Less 10 workers</td>
<td>55,669</td>
<td>224,272</td>
<td>38,670</td>
<td>69</td>
<td>33,317</td>
<td>44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80,396</strong></td>
<td><strong>1,783,618</strong></td>
<td><strong>62,647</strong></td>
<td><strong>56,651</strong></td>
<td><strong>1,329,501</strong></td>
<td><strong>87</strong></td>
</tr>
</tbody>
</table>

Using the above data (Table 2), figures were derived for workers not covered by WPS (see Table 3). The data shows that five large companies (in the >500 employee category) with a total of 79,594 employees are not properly covered by WPS.

### Table 3. Workforce and companies not covered by the WPS (including workers and companies who are registered, but not sending files as yet)

<table>
<thead>
<tr>
<th>Entity size by number of employees</th>
<th>Number of entities not covered</th>
<th>Percentage of entities not covered</th>
<th>Number of workers not covered</th>
<th>Percentage of workers not covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than 500</td>
<td>5</td>
<td>%1.5</td>
<td>79,594</td>
<td>%13.1</td>
</tr>
<tr>
<td>500-101</td>
<td>25</td>
<td>%1.4</td>
<td>63,416</td>
<td>%18.0</td>
</tr>
<tr>
<td>100-51</td>
<td>56</td>
<td>%2.2</td>
<td>43,294</td>
<td>%24.5</td>
</tr>
<tr>
<td>50-11</td>
<td>1,307</td>
<td>%6.5</td>
<td>141,606</td>
<td>%33.3</td>
</tr>
<tr>
<td>or Less 10</td>
<td>22,352</td>
<td>%40.2</td>
<td>126,207</td>
<td>%56.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23,745</strong></td>
<td><strong>%29.5</strong></td>
<td><strong>454,117</strong></td>
<td><strong>%56.3</strong></td>
</tr>
</tbody>
</table>

In SMEs (defined for the purpose of this report as entities with 100 or fewer employees) 311,107 employees were not covered by WPS, constituting 17 per cent of the eligible workforce in the country, as per ADLSA figures in Table 2.

There are a number of reasons why so many enterprises and workers are not registered with the WPS. As noted above, SMEs in particular start up and close down on a regular basis, and many of those registered may no longer be operating. It is also a matter of knowledge and resources. Proprietors and managers find the SIF requirements onerous, even though most banks provide support both online and in person. The risk of incurring a penalty is clearly thus far an insufficient deterrent. That is in part because the WPSU has explicitly prioritized violations by large enterprises affecting a larger number of workers.
9. Key findings and recommendations

The following recommendations focus on a range of issues, including the legislative and institutional framework, monitoring and enforcement mechanisms. These are grouped according to the level at which action should be taken: national or inter-ministerial level; ministerial (involving different departments and units of ADLSA); and at the WPSU level.

9.1. Government / national level

The following recommendations require inter-ministerial coordination and legislative changes.

Recommendation 1: Strengthen collaboration and exchange of information with the police, the Public Prosecutor’s Office (PPO) and the courts

Penalties established by the law but that are only infrequently imposed cannot offer a sufficient deterrent. Although the WPSU can block the approval of new work permits, many non-compliant companies are able to continue to operate without additional work permits, at least in the short-term. The WPSU does not have the legal authority to impose the more stringent fines or sanctions available in law. For this, the WPSU is reliant upon the police, the PPO and the courts.

The National Committee to Combat Human Trafficking (NCCHT) should be an important platform for institutional cooperation among these actors. A key indicator of trafficking and forced labour is non-payment of wages. In fact, Article 322 of the Penal Code states that “Whoever forcibly takes somebody to work with or without salary shall be liable to imprisonment of a term up to six months and a fine not exceeding three thousand Qatari Riyals (QR3,000), or one of these two penalties.” That threshold must be raised, as unfortunately QR3,000 is not a serious financial deterrent.

The non-payment of wages should be rooted out far more swiftly and rigorously by the enforcement authorities. Cooperation must be fostered between ADLSA, the police, the PPO and the courts to share responsibility for the protection of workers’ wages. To apply this commitment in practice, criteria must be established for the timely referral of cases to the police for the investigation of criminal offences, including forced labour and trafficking. Information should be systematically shared by named focal points within the relevant departments, so that data is efficiently collated and analysed on a cooperative basis. This data collection between ADLSA and other actors is part of a broader set of goals related to the application and enforcement of the law – and involves labour inspections, as well as the enforcement of rulings by the DSC.

Recommendation 2: Review WPS records when awarding government contracts

Companies that comply with the law are not competing on a level playing field with others that violate labour laws yet continue to win government contracts. Currently, the risk of penalties does not serve as a sufficient restraint.

Positive incentives should be considered to promote compliance with WPS requirements. Companies that comply could be rewarded, for example, with favourable evaluations when bidding for government tenders and streamlined procedures when applying for work permits. There are examples in other countries where compliance with the WPS is one of the criteria used when reviewing work permit requests.

Conversely, companies with WPS violations should be penalized or prohibited when competing for government contracts, until they have paid workers their due wages, and have implemented measures to prevent it from happening again. Transparency is key, and in this context the example of Brazil is instructive. Since 2003, the Government of Brazil has published a ‘dirty list’ of hundreds of companies and employers found guilty of forced labour and exploitative practices. These employers become ineligible to apply for government loans and have other restrictions placed on them. A company can be removed from the list when it has paid its fines and demonstrated improved working conditions.43

Recommendation 3: Payslips and Wage Verification

The WPS is set up to review the wages paid by employers, rather than the wages received by individual employees. At present, without sufficient evidence or external intervention, only two entities are aware of and can verify the correct wage to be paid – the employer and the employee (see Recommendation 11 on aligning WPS with contracts). In the absence of a payslip (issued by some employers44), the only information an employee would receive is an SMS from the bank, or an ATM receipt with the net salary. The various other items of information required by the SIF (See Annex 2) are not shared with the employee. Without an official itemized payslip, only the employer will know how the net wage is calculated, and cannot be shown to have underpaid basic salary, overtime, food and other allowances, or overstated any deductions.

All workers should be entitled to receive a payslip on demand (from the branch of a bank or ATM), so that they can verify the details of the net salary provided. If only employers are able to issue payslips, then there is still the risk of obfuscation of sums owed, or denying the workers the payslip altogether. Cooperation by the banks would allow the pay details provided in the SIF to be printed from the ATM along with the withdrawal receipt. Forwarding the SIF information through QATCH (from the employer’s bank to the worker’s bank) would also be required to allow all employees access to their salary breakdown. Interviews with the banks (QNB, QIB, QCB and Commercial Bank) indicated clearly that providing SIF information to employees is technically possible, but would need to be formally mandated.

Recommendation 4: Addressing unscrupulous practices in the construction industry

In many countries, the non-payment of wages is blighting the construction industry in particular, because of the practice of ‘pay when paid’ in subcontracting and outsourcing. To complement the role of the WPS in responding to instances of non-payment of wages, preventive measures

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43 https://www.reuters.com/article/brazil-slavery/more-than-300-brazilian-companies-busted-for-modern-day-slavery-campaigners-idUSL8N15U3CD

44 The Supreme Committee on Delivery and Legacy has worker welfare standards that require contractors to provide each worker with a detailed payslip – a sample payslip is provided. Audits reveal that main contractors and subcontractors who have been on the Supreme Committee programme for more than one year provide payslips consistently. However, the majority of new subcontractors do not. https://www.sc.qa/sites/default/files/docs/Workers’-Welfare-Standards.pdf
are required in this respect. This includes a ban on the inclusion of ‘pay when paid’ clauses in contracts, and making the client/main contractor jointly liable for ensuring that all workers on a project are paid on time, in full and through the WPS.

In France, Greece and a number of other European countries, joint liability laws and regulations have been introduced to increase the responsibilities of the client and/or main contractor for the payment wages of workers employed through subcontractors or agencies. This kind of liability is required as many of the workers’ immediate employers will be unable to pay wages even if identified and penalized by the WPS. A more specific study of Qatari legislation, procurement practices and subcontracting chains would be required in order to determine what such regulations on joint liability would entail.

**Recommendation 5: Awareness raising among employers**

Many employers, particularly small enterprises, still struggle to submit the SIF file. Others are not aware of the penalties associated with non-compliance with the WPS, including the risk of blocks being imposed on the parent company.

A broad awareness-raising campaign should be initiated for employers, to help them to submit the SIF with a minimum of confusion and errors. Such services are currently offered by banks, but could also be complemented by ADLSA and the Qatar Chamber of Commerce. ADLSA should consider requiring employers to undergo appropriate training when they receive new work permits for migrant workers. WPSU should hold ‘town-hall’ meetings with SMEs and the human resources departments of larger enterprises to collect feedback on how the system could be streamlined and simplified. Part of this campaign should also be to alert employers to the various penalties that can be imposed, including the range of ADLSA and other government services that can be withdrawn.

9.2. Ministerial level

The following recommendations can be carried out within ADLSA, bringing together WPSU and other relevant units and departments.

**Recommendation 6: Strategic compliance planning, drawing on the collection, analysis and reporting of data**

Although its coverage is not universal, the WPS still contains a wealth of information, and is a key resource for ADLSA in its efforts to promote compliance with the Labour Law. The WPS has already enabled the Government to become better informed and thus more actively involved on wage issues, and the potential exists to achieve much more, even with the system in its current form. Greater efficiencies and investment in the functioning of the WPS would increase compliance, reduce the number of complaints, and lessen the burden on the Workers’ Fund.

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The data, information and insights generated by the WPS must be used to inform the strategic planning of LID. Reports should be automatically generated, shared and reviewed on a monthly basis. The public communication of data should also be systematic, to demonstrate the increased efficiency of the WPS to employers, workers, the international community and other interested parties.

A Strategic Unit within LID has recently been established to analyse problems, identify priorities, target inspections more efficiently and conduct future planning. The head of the WPS is already part of the Strategic Unit, and must continue to play an active and central role in its success. All wage-related abuses need to be systematically tabulated for analysis, along with the actions taken and the outcomes (see Recommendation 12). The Strategic Unit is an ideal forum for determining the statistical tables that should be automatically generated for regular analysis to strengthen the effectiveness of ADLSA and more specifically the WPSU.

Another important strategic action is the prioritization of WPS violations, including a review of the risk index. This index should be regularly updated with the benefit of modern, predictive analytics, harnessing the ‘big data’ of the WPS database to single out enterprises that are guilty of serious WPS violations (with due weight attached to the number of workers affected) and identify common traits. A consultancy firm with big data experience, including predictive analytics should be engaged to carry out this work.

Recommendation 7: Systematic coordination between WPSU and LID

WPS data is available to labour inspectors, and labour inspectors are available to the WPSU. These are invaluable resources that should be used more efficiently.

Greater attention should be devoted to coordination between the WPSU and LID to follow up on wage-related abuses. Inspectors should be systematically reviewing the WPS data of the enterprises they are visiting, and asking employers and workers standard questions about compliance with WPS requirements. It can reasonably be assumed that if wage abuses are found at an enterprise, other types of violations may well come to light there. Thus, the efforts of labour inspectors should be guided by WPS data, and referrals should be made to the inspectorate in a systematic manner.

Recommendation 8: Enhanced role of WPS information in the complaints process and Workers’ Fund

In 2018, the Government adopted Law No. 17 that established a Workers’ Support and Insurance Fund. The Fund would allow workers to receive their due wages without delay, and also provide humanitarian support in the interim. Fund claims will be granted based on decisions made by the DSCs.

However, there are frequent reports of wage complaints not being heard in a timely manner. In many instances, the timeframes prescribed for conciliation or DSC proceedings are exceeded by several months. Although decisions are normally ultimately made in favour of workers (with recourse to WPS data), the employers are often not responsive. Therefore, decisions are not enforced quickly, or not enforced at all.
Given that the WPS already holds clear electronic evidence of the non-payment of wages, workers should not be required to travel and be physically present to advance their case through a lengthy adjudication process. Conversely, as the checkers have already given employers an opportunity to resolve the wage issue, the information provided in the WPS should be more than sufficient to put the burden of proof squarely on the employer to provide evidence or testimony to the contrary, and respond in a timely manner. It should also be made clear to the police and the PPO when cases are referred to them that the burden of proof rests with the employer.

Furthermore, if workers are enabled routinely to receive a complete and accurate payslip (see Recommendation 3) and if the WPSU is enabled to contact workers (see Recommendation 14), case management should be expedited, leading to more timely resolutions.

**Recommendation 9: Increase WPS Coverage**

The WPS coverage data reveals that a substantial number of eligible workers are still not covered by the system – particularly among SMEs (11-100 workers) and micro-enterprises of ten or fewer workers (see Table 3).

A communications campaign should be launched to increase coverage of WPS for enterprises and employees. The figures provided by WPSU strongly suggest that the first priority be to target the five large enterprises with over 500 workers. This would be relatively easy and have a significant impact – bringing nearly 80,000 workers under the WPS. Subsequent priorities include targeting enterprises with 11-50 and 51-100 employees. At the last count, these categories include a total of 1,388 enterprises with 248,316 workers not covered.

Much more time and resources will then have to be devoted to bring in the 22,352 micro-enterprises reportedly employing 126,207 workers not covered by the WPS. A first step would be to establish which of these enterprises are still in operation.

**Recommendation 10: WPS coverage of domestic workers**

Domestic workers are currently not eligible for the WPS, by virtue of their exclusion from the Labour Law. However, protection measures have recently been introduced through Law No. 15 of 2017 on domestic workers. The Law requires that domestic workers are paid on a monthly basis. However, the Law does not require that workers be paid directly into their own bank accounts. This allows for abuses and disputes.

Many employers of domestic workers would struggle to comply with the current SIF requirements, perhaps more so than the SMEs. This is not only because of the complexity of the system, but also because of the more varied forms of remuneration. The relevant stakeholders, including ADLSA (WPSU), QCB, Ministry of Interior and others, should devise a simplified SIF form and submission process for a Domestic Worker WPS. This must also provide relevant details such as basic salary, hours worked, overtime pay, allowances, deductions, and net pay, which will be accessible via the bank as payslip notification. Staff within the Recruitment Department of ADLSA, as well as the banks, could support employers in registering their domestic workers in a WPS.
Recommendation 11: Incorporate details from employment contracts into the WPS

The worker’s bank automatically records the time and amount of every payment. However, there is no systematic reconciliation of the wage paid with the remuneration stipulated in the contract (comprising basic salary, as well as food and other allowances). Currently, any discrepancies between the terms of an employment contract and actual transactions are unlikely to be revealed by the WPS.

It is important to note that the Comments of the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) called on the Government of Qatar “to ensure that Law No. 1 of 2015, Order No. 4 of 2015, Order No. 19 of 2014 and the WPS are effectively implemented, so that all wages are paid on time and in full...”46 The expression “in full” underscores the importance explicitly attached to the verification of correct payment of wages, in addition to the importance of timely payment.

The WPS should incorporate the details of the remuneration package agreed in an employment contract. In the first instance, this will require a major campaign to have all contracts attested and linked electronically to the WPS. This neatly dovetails with the signing of electronic contracts at Qatar Visa Centres in countries of origin prior to departure.

9.3. Unit level

The following recommendations can be carried out by the WPSU.

Recommendation 12: WPSU Monitoring and Reporting

At present, data is systematically collected on a number of indicators that do not reveal the full picture of wage payment practices and irregularities. The WPS database has the potential to generate far more interesting measures to identify trends and track progress. The results would convey a powerful message to employers, workers, the international community and others.

Some of the indicators require cooperation from outside the WPSU, and therefore would need to be taken up at the ministerial or even inter-ministerial level (see Recommendations 1 and 6). The WPSU is itself ideally placed to determine exactly how the SIF should be modified, and in proposing these changes to the QCB it can cogently explain the pressing need for expanded data collection, sharing and analysis.

Suggested triggers of a “red flag” alert

Separate data should be collected on the number of alerts that are automatically generated by the system, and the number of violations that are subsequently confirmed by WPSU staff after discussions with the employer:

- Non-payment of wages.
- Payment below the minimum wage (to replace the alert for payments of less than QR50).

46 CEACR, Observation on the application of ILO Convention No. 29 by Qatar (2017), section (v) “Late payment and non-payment of wages”.
Non-payment and underpayment of overtime. Overtime pay should be based on the overtime rate (calculated by simply multiplying the correct hourly rate or rates – contractual overtime rate and/or higher Friday or Ramadan rates as appropriate – by the overtime hours recorded). The SIF must be modified to show these details clearly. A fundamental first step in that direction must be the creation of a separate, explicit main category for overtime. This will preclude current practice, whereby overtime is subsumed under the category of “Additional Income”, which could denote any of several other allowances (See item 12 in Appendix A). Clearly, an overtime calculation must correspond to a specific relevant sum of money transferred and be verifiable.

Non-payment of the agreed food allowance (when a food allowance is stipulated in the contract). As recommended for overtime, a separate category for food allowance should be included in the SIF (see Item 12 in Appendix A). This is particularly important in light of the discussion on a possible new minimum wage. LID should follow this up to verify whether decent food is being provided or not.

Unlawful deductions. Currently, deductions are only checked if they exceed the threshold of 50 per cent set out in the Labour Law. However, the reasons for deductions should be stringently monitored (see section 7 above on automatic alerts).

**Suggested indicators for follow-up**
The indicators below would provide a fuller picture of the wage violations identified by the system, as well as subsequent actions and outcomes:

- Number of labour inspections triggered by the WPSU;
- Number of enterprises denied ADLSA services (blocks);
- Number of enterprises referred to the police for violations of the WPS;
- Number of fines imposed by the judiciary for violations of the WPS, and total amount of fines; and
- Number of prison sentences imposed by the judiciary for violations of the WPS.

**Recommendation 13: Efficiency measures introduced**
More than 62,000 enterprises are registered with the WPS (Table 2). Owing to limited staffing of the WPSU and other factors mentioned above, there is a backlog of reviews of alerts ranked lower on the risk index.

In addition to a strategic approach on the risk index (See Recommendation 6), a number of other measures can be introduced to improve the efficiency of the WPSU:

- The workload, operations and productivity of checkers (and blockers) should be reviewed in a consultative manner with all staff of the Unit. Key performance indicators for the Unit should be established, and linked to staff performance. Instead of being rigidly and exclusively required to review a fixed number of alerts per month, checkers should be assessed on progress achieved (such as the outcomes of their interventions). In addition, the Unit should request any additional staff needed as a matter of urgency, explaining how this fits in with the overall priorities of the Ministry.
Employers should be given fewer chances to resolve issues before blocks come into force. This would serve as a stronger deterrent, and also reduce the number of follow-up actions that a checker is obliged to undertake with individual employers.

The authority of checkers and blockers should be increased, so that interventions demand less attention from the head of the WPSU. This would involve detailed Standardized Operating Procedures (SOPs) and training, in particular for issuing penalties against violating enterprises. An additional benefit would be the consequent assurance of impartiality.

Technical solutions should be identified, including for example sending automatic alerts to employers (rather than manually via the checkers), as is already under consideration.

**Recommendation 14: WPS communication with workers**

At present, when the WPS system raises an alert and the staff of the WPSU contact the employer, WPSU staff may be given misleading information on the reasons for delays, deductions or wrongly entered data. This leaves the WPSU with only one side of the story.

The system could function far more effectively if a worker’s contact information was also available on the SIF. As already proposed by WPSU, this would enable the staff to contact workers directly, rather than to rely solely on the employer. However, direct contact with employees will require further resources for the WPSU, including interpretation services.

In this context, communication would be greatly enhanced if workers were routinely in possession of an accurate payslip (see Recommendation 3).
### Annex A. Details of payroll file entries

<table>
<thead>
<tr>
<th>S. No</th>
<th>Field Name</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Registration serial number</td>
<td>It is a non-duplicate serial number used to define an employee’s record in the payroll file.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the file is extracted from Microsoft Excel applications, the field must be a text / character field.</td>
</tr>
<tr>
<td>2</td>
<td>Personal number</td>
<td>According to what is registered in the Qatari ID card, noting that the length of the field is fixed.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If the worker is new in the country and has not received the country ID card yet, the field shall be left empty and the field that follows shall be filled.</td>
</tr>
<tr>
<td>3</td>
<td>Visa number</td>
<td>If the worker is new in Qatar and does not get the ID, this field shall be filled with the visa number.</td>
</tr>
<tr>
<td>4</td>
<td>Employee name</td>
<td>The name shall be identical to what is registered on the Qatari ID card and must be at least two sections.</td>
</tr>
<tr>
<td>5</td>
<td>Employee Bank code</td>
<td>Worker Bank Code [i] [2]</td>
</tr>
<tr>
<td>6</td>
<td>Employee account number</td>
<td>If the account of the employee is in the same bank of the entity, the field shall be filled with the account number of the employee in the bank. If the account of the employee is in another bank, the field shall be filled with an IBAN no.</td>
</tr>
<tr>
<td>7</td>
<td>Period of Salary Performance</td>
<td>One value of two choices</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For the biweekly “B”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>For the monthly salary “M”.</td>
</tr>
<tr>
<td>8</td>
<td>The number of working days</td>
<td>It means the number of working days during the month of salaries. The number of working days may decrease or increase as a result of the absence of the employee. If the employee is on vacation for the whole month, the value is recorded at zero.</td>
</tr>
<tr>
<td>9</td>
<td>Net remuneration received</td>
<td>It means the sum of the additions of the total additional wages to the wage due on the working days, less the total deductions from the wage and represents the net actual remuneration received by the worker in Qatari riyals.</td>
</tr>
<tr>
<td>S. No</td>
<td>Field Name</td>
<td>Comment</td>
</tr>
<tr>
<td>-------</td>
<td>-----------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>10</td>
<td>Basic Remuneration</td>
<td>The average amount paid to the worker for the work he performs in a certain period of time on a daily, monthly or yearly basis.</td>
</tr>
<tr>
<td>11</td>
<td>Number of overtime</td>
<td>It means the hours of work outside regular working hours, whether during working days or on holidays or official leaves.</td>
</tr>
<tr>
<td></td>
<td>hours</td>
<td>In the absence of additional working hours, the value is recorded at zero.</td>
</tr>
<tr>
<td>12</td>
<td>Additional income</td>
<td>It is the sum of the additional wages paid to the worker other than the basic wage due for the working days.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wages include overtime during normal working days, during weekends and public holidays, as well as any other allowances such as housing allowance, transfer, bonuses or any other benefits as late payments.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>In the event that no additional wages are due, the value is recorded at zero.</td>
</tr>
<tr>
<td>13</td>
<td>The amount of</td>
<td>It includes any periodic deductions as a result of imposing sanctions or seizure in favor of a judicial judgment or repayment of a loan or compensation for injury to the employer or reduction of salary in case of sick leave, work injury or in a similar case.</td>
</tr>
<tr>
<td></td>
<td>deduction</td>
<td>In the absence of any additional deductions, the value is recorded at zero.</td>
</tr>
<tr>
<td>14</td>
<td>The basis of the</td>
<td>Settlement and payment of overdue salaries.</td>
</tr>
<tr>
<td></td>
<td>receivable</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Notes</td>
<td>Any additional observations the entity deems necessary.</td>
</tr>
</tbody>
</table>

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