

LABOUR SOCIETY

Indian migrant workers in Gulf countries are returning home without months of salary owed to them

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Wage theft — non-payment for overtime, denying workers their last pay check after he or she leaves a job, not paying for all of the hours worked, not paying minimum wages — is a trend that often goes unreported



Haneesh Kumar P.B., an Indian migrant supervisor in an automobile company in Oman, was told to resign on April 30, along with some 400 colleagues. In all, the company asked around 1,400 workers to resign in phases, citing as reason the COVID-19-induced economic crisis.

Haneesh, who was among the first to go, refused to sign the 'voluntary' resignation form and insisted on being terminated so that he could get the attendant benefits. As per his contract, if the company terminated him, it would have to give him either a 30-day notice period or a 30-day salary.

As the company couldn't serve him the 30-day notice period, he was eligible to a month's basic salary, around \$570. But he was not only not paid this amount, he was forced to work until May 11, for which the company did not pay him either. Even more shocking, he didn't get the \$181 food allowance for the 35 days either, which he was assured of when he was terminated.

In all, Haneesh was denied \$960 of dues by the company. In other words, he was a victim of wage theft, a trend that often goes unreported and unnoticed.



Wage theft is the non-payment for overtime; denying workers their last pay check after he or she leaves a job; not paying for all of the hours worked; not paying minimum wages; not paying a worker at all; and not adhering to the terms of the contract.

Empty-handed

In Haneesh's case, the company failed to pay him for the 10 days he worked, the 30-day salary for being terminated, and the food allowance clearly stated in the contract.



An oil worker climbs the steps of a new oil rig being drilled in the Sakhir, Bahrain | Photo Credit: AP

“I realised the wage theft only after they credited the amount into my bank account just two days before I travelled out. So I didn’t have time to complain either to my office nor to the Indian Embassy. I had to just give up that money and fly back,” says Haneesh.

Even if Haneesh indeed had enough time to approach the Indian Embassy in Oman, there is little it could have done, with no process in place to help Indian migrants subjected to wage theft.

All 1,400 employees who were dismissed from the company faced similar issues. If we assume the lowest monthly salary to be \$250, and calculate the unpaid amount for 10 days as well as the denied food allowance for each of the 1,400 workers, Haneesh’s company would have saved – or stolen – \$369,000 from its workers.

This is not an isolated case: it is happening in several companies across the Gulf countries during the pandemic.

R. George, an engineer with a petroleum company in the U.A.E., had to return after giving up two months’ salary. “I had to return empty-handed. I was owed at least \$2,500. I have a pending bank loan here and I am clueless about what to do,” says George.

Indian labourers work at the construction site of a building in Riyadh | Photo Credit: **REUTERS**

Six million jobs

Beginning from the first week of March, all six Gulf Cooperation Council (GCC) countries locked down their borders to contain the coronavirus. As sea, land, and air borders were shut, the market came to a halt forcing businesses to pull down shutters and send workers back to camps or to their home countries.

The World Bank's June *Global Economic Prospects* predicted that economic activity in West Asia and North Africa, which includes GCC countries, is expected to contract by more than 4% in 2020, as consumption, exports, and tourism are severely disrupted by the pandemic.

Parallel to the pandemic

As of September 9, there were 3,22,237 COVID-19 positive cases with 4,137 deaths in Saudi Arabia. In the U.A.E., the number of cases was 75,098; in Bahrain, 56,778; in Kuwait, 91,244; in Oman, 87,950; and in Qatar, the number of positive cases was 1,20,579.

And by March-end, the benchmark Brent crude oil price was \$22 per barrel – less than half the price at the beginning of the month. Because of the dual shock, the growth downgrade for the GCC as a whole is 2.6 percentage points in 2020. In U.S. dollars, this amounts to about \$41 billion.

Workers install paving stones in front of an advertisement for luxury real estate, in the Marina district of Dubai | Photo Credit: **AP**
In the Arab region, an estimated six million jobs will be lost, the International Labour Organisation said in its May report; and the majority of jobs in the Arab region are held by migrant workers. Media reports reveal that since the start of the pandemic, millions of

migrant workers have been repatriated to Asia, many of them hurriedly and without proper protocols in place.

And taking advantage of these mass repatriation moves are employers who terminate workers without paying them their legitimate wages, compensation and benefits.

Unfortunately, the Indian repatriation form, an online Google document, shows that of the nine boxes listed here asking for the reason for repatriation to India, there is only one box that asks if the migrant worker was laid off . And even this gives no space for workers to elaborate on their grievances if any. As for Indian embassies, they have not been encouraging in-person visits by workers because of COVID-19 protocols. The in-person visits are restricted to a token system.

“We are recording only the reasons for Indians leaving the country. We are neither addressing the workers’ rights violations nor taking any power of attorney,” says a senior Indian Embassy official in Kuwait. Meanwhile, courts in the migrants’ home countries are not running at full strength due to the pandemic, and neither are labour ministries addressing wage theft issues or other grievances that migrant workers may have before repatriating them.

Shashi Tharoor, Member of Parliament, has suggested that an escrow fund be set up where the employer deposits wages for six months once the worker’s visa is approved. Such a fund, says Tharoor, can help pay the worker during a crisis such as the present one.

Extraordinary measures

William Gois, Regional Coordinator of the Migrant Forum in Asia (MFA), a regional network that looks into the rights of migrant workers, says extraordinary times call for extraordinary measures. “There is a need to set up a transitional justice mechanism to address grievances, claims and labour disputes of repatriated workers who have lost their jobs as a result of the pandemic,” he says.

“For migrant workers in particular, the pandemic has heightened pre-existing problems of wage theft. Some businesses have taken advantage of the pandemic to unlawfully dismiss and withhold the wages of the migrant workers. Many workers return home empty-handed, having been coerced into forgoing their wages and benefits, while others continue to work under exploitative conditions and reduced wages for fear of losing their livelihood in this climate of global economic recession,” says Gois.

In June, the MFA along with a few other civil society organisations and trade unions called on governments to set up an international claims commission and a compensation fund, and to reform national justice systems to address wage theft.

However, says the MFA, even such commissions and funds are no substitutes for fair and functioning justice systems at the national level. And so far, national justice systems have largely failed migrant workers. This failure should no longer be accepted or normalised.

The current pandemic provides an opportunity to ensure that such systemic and structural barriers are forever removed, says Mandha Bheem Reddy from the Emigrants Welfare Forum. “I am seeing hundreds of Indian workers returning empty-handed. I know cases of people who lost six months’ salary, and end-of-service benefits when they were repatriated in a hurry. Unfortunately, the Indian mission houses in the Gulf are not recording these worker grievances. And there is no platform to claim the lost wages,” says Reddy .

Quoting a World Bank report that says there would be a 20% dip in remittance, Rafeek Ravuther, a migrant rights activist, said this decrease would hit India’s Sustainable Development Goals (SDG) too. “Remittances contribute to reaching the SDGs in a variety of ways. At the family level, remittances eradicate poverty and hunger, grant access to

healthcare and quality education, and ensure gender equality. If remittances go down, then it is going to have a negative impact on all of this,” he says. .

According to the World Bank, remittances could fall by \$100 billion because of the pandemic. In 2019, the global remittance was \$714 billion, and India received some \$80 billion, the largest share in the world. “A 20% dip is going to have a huge impact on India, especially on Kerala, as the State depends heavily on remittances,” says Ravuther.

Some 90 lakh migrant Indians work in West Asia. And the majority of them are low-paid workers. They cannot afford to be robbed of their rightful wages.

The writer is a researcher and writer on migrant rights.

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