# Unpaid Wages and Remittances: Deconstructing the Impact of COVID-19 and Ways Forward 09 December 2020 (Wednesday) 1:00PM - 2:30PM (London)

# **Background**

Remittances constitute a crucial lifeline to migrant families and communities which are utilized for necessities, investments or entrepreneurship. It has a direct link to poverty reduction as well as increased educational and health outcomes, thus constituting a central factor for the achievement of the SDGs. Remittances also represents a significant source of financial resources for many low and middle income countries (LMICs). Official figures point out that the money migrant workers send back home is more than three times larger than Official Development Assistance (ODA) and also exceeds Foreign Direct Investment, reaching over US\$ 550 million in 2019.

As the world suffers the socio-economic repercussions of the COVID-19 pandemic, the flow of global remittances to LMICs is projected to experience a decline of 14 per cent compared to pre-pandemic levels in 2019by 2021 globally, with significant differences among regions ranging from close to zero to 16 percent. According to the International Labor Organization (ILO), 495 million jobs¹ have been lost worldwide in the 2<sup>nd</sup> quarter of 2020, many of those are jobs held by migrant workers. LMICs suffered the most with an estimated 240 million of jobs lost in the same period.² This sharp and sudden decline in remittance however is not only due to the loss of employment but also due to the millions of dollars in unpaid wages that were denied to workers. As a result of the pandemic, many migrant workers in destination countries have experienced wage theft, in the form of non-payment of wages or unlawful wage deductions. Many migrants were repatriated without their wages, while others continue to work in highly exploitative situations akin to forced labor. Under current circumstance, access to justice and compensation for unpaid wages continue to be a huge obstacle for migrant workers.

### The Webinar

The Justice Wage Theft Campaign led by Migrant Forum in Asia in partnership with the Call to Action "Remittances in Crisis: How to Keep them Flowing" co-led by Switzerland and the UK is organizing a virtual discussion via Zoom to explore the links between the unpaid wages of migrant workers and the sharp reduction in remittances. The webinar will address the question of how a steady flow of remittances can be maintained by ensuring that migrant workers are compensated for their work in countries of destination. In addition, the webinar will explore what could be some of the innovative and informal ways of ensuring access to justice and compensation as a strategy to facilitate expedited remittances to families that strongly rely on them back home.

<sup>&</sup>lt;sup>1</sup> https://news.un.org/en/story/2020/09/1073242

<sup>&</sup>lt;sup>2</sup> https://news.un.org/en/story/2020/09/1073242

## **About the Justice Wage Theft Campaign**

The Justice Wage Theft campaign is a global campaign led by civil society organizations and trade unions to compel action on the issue of wage theft that migrant workers are facing in countries of destination as a result of the COVID-19 pandemic.

For more information: <a href="https://justiceforwagetheft.org">https://justiceforwagetheft.org</a>

## About the Call to Action "Remittances in Crisis: How to Keep them Flowing

The Call to Action is a multi-stakeholder initiative co-led by Switzerland and the UK, calling on policymakers, regulators and remittance service providers to consider sets of actions to keep remittances flowing during the crisis in line with the 2030 Agenda for Sustainable Development. <u>Call to Action "Remittances in Crisis: How to Keep them Flowing"</u>

### **Program Agenda**

Time	Session
1:00 PM – 1:10 PM	Introduction / Welcoming Remarks
1:10 PM – 1:15 PM	Framing
1:15 PM – 1: 30 PM	First round: Presentation (2-3 minutes per speaker)
1:30 PM – 2:00 PM	Second round: Panel Discussion
2:00 PM – 2:25 PM	Feedback from participants and final round of inputs from the speakers
2:25 PM – 2:30 PM	Closing Remarks