

Wage theft is a human rights violation, affects India's economy

It is good news that wage theft will soon be discussed among other labour issues at the United Nations' first International Migration Review Forum Progress Declaration.

The [Progress Declaration](#) scheduled to be discussed at UN General Assembly in May reads that “many migrant workers, especially women migrant workers, continued to face precarious working conditions, wage theft, labour exploitation, reduced wages salaries, discriminatory dismissals, withholding of benefits, forced unpaid leave and protracted separation from their families, which have been exacerbated during the Covid-19 pandemic.”

What is wage theft?

Wage theft is the non-payment for overtime; denying workers their last paycheck after they leave 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.

Wage theft is an important issue because it is a human rights violation, and it has an impact on a country's economy, especially one which has great remittance inflows like India.

Workers in countries such as [the United States](#) and [Australia are protected](#) from wage theft, but in West Asian countries — where some 23 million migrant workers, including 10 million from India, are working — wage theft isn't seen as a grave labour rights violation. Even migrant-sending countries, like India, have failed to recognise wage theft as a crime.

Since the COVID-19 outbreak, when Indian migrant workers have been returning from West Asia in large numbers, the Indian missions in these countries failed to record wage theft. The [returning workers weren't asked](#) whether there was any wages or end of service pending to be cleared.

Interestingly, the missions of some Asian countries, [such as Nepal](#), recorded instances of wage theft, and are now in the process of reclaiming workers' stolen wages.

William Gois, the Regional Advisor of Migrant Forum in Asia (MFA), a civil society organisation advocating for migrant worker rights, told this author that the MFA and its partners collected hundreds of cases to show that wage theft occurs at every level, systemically, organisationally, and interpersonally.

The MFA has been fighting to deliver justice for wage theft victims' since June 2020. A [recent MFA report](#) reveals about 3,106 cases of workers' wage theft cases from five countries, and found that the workers lost about \$25.2 million in wages alone. This would be about one worker losing an average wage of \$7,217 for a period of 14 months.

Interestingly, in 2021, the MFA and its partners were successful in reclaiming the stolen wages of hundreds of migrant workers from a multi-national company in Qatar.

Similar to the MFA, the Centre for Indian Migration Studies conducted a survey among 3,345 migrant workers in Kerala who returned mainly from West Asia, and estimate that in wage theft alone the damage is about Rs 1,200 crore. In most cases employees got a raw deal citing COVID-19-induced economic woes.

Kerala saw some [1.5 million of its residents](#) returning from foreign countries, mainly from West Asia, between June 2020 and June 2021. Out of that, some 120,000 returned empty-handed due to job losses.

In India remittances from migrant workers play a vital role in the economy. While India receives about [\\$87 billion as remittances](#), the largest remittance-receiving country, Kerala receives some \$2 billion, annually.

During the COVID-19 period, when wage theft was rampant, remittance to India fell. In 2021, when millions of Indian workers were forced to return from West Asian countries, [India's remittances fell by 0.2 percent to \\$83 billion](#). The same year, Dilip Ratha, Lead Economist, Migration and Remittances and Head of KNOMAD, World Bank, [said that wage theft was a significant factor in remittance dip](#).

Remittances are relevant within the Sustainable Development Goals 2030, particularly as tangents of families' welfare, government development objectives, private sectors and [market agilities, and inclusive development](#).

As India is the largest migrant-sending country and the largest remittance-receiving country in the world, it is the obligation and duty of the Government of India to ensure that the wages of Indian migrant workers abroad are not stolen anymore, because the loss is not only for the migrant worker, but it is also a loss for India.

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