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DIGITAL GOVERNANCE FOR MIGRANT WORKERS' WAGE PROTECTION IN CHINA: INNOVATIONS, CHALLENGES, AND FUTURE DIRECTIONS

XINDONG CHANG, PHD
SCHOOL OF GOVERNMENT, UUM COLLEGE OF LAW, GOVERNMENT AND INTERNATIONAL STUDIES, UNIVERSITI UTARA MALAYSIA, 06010, SINTOK, KEDAH, MALAYSIA., ORCID: HTTPS://ORCID.ORG/0009-0000-6826-1950, EMAIL: qq934839571@gmail.com

TINGFA ZHOU
JIUJIANG POLYTECHNIC UNIVERSITY OF SCIENCE AND TECHNOLOGY，332020, JIUJIANG， JIANGXI, CHINA, ORCID：HTTPS://ORCID.ORG/0009-0006-7428-7368, EMAIL：tingfazhou@yeah.net

CHAO HU
JIUJIANG POLYTECHNIC UNIVERSITY OF SCIENCE AND TECHNOLOGY，332020, JIUJIANG， JIANGXI, CHINA, ORCID：HTTPS://ORCID.ORG/0009-0002-4009-8033, EMAIL：huchao0617@163.com

NORLAILA ABDULLAH CHIK
SCHOOL OF GOVERNMENT, UUM COLLEGE OF LAW, GOVERNMENT AND INTERNATIONAL STUDIES, UNIVERSITI UTARA MALAYSIA, 06010, SINTOK, KEDAH, MALAYSIA. EMAIL: nrlaila@uum.edu.my

NUR'JILA MOHAMMAD
SCHOOL OF GOVERNMENT, UUM COLLEGE OF LAW, GOVERNMENT AND INTERNATIONAL STUDIES, UNIVERSITI UTARA MALAYSIA, 06010, SINTOK, KEDAH, MALAYSIA., EMAIL: nurjila@uum.edu.my

Abstract
Resolving wage arrears among migrant workers is critical to social equity, stability, and the rights of nearly 290 million laborers. In China, digital governance initiatives have significantly advanced this cause. By integrating technologies like big data, blockchain, and artificial intelligence, regions such as Suqian (Jiangsu), Chongqing, and Yichang (Hubei) have established real-time monitoring systems for construction project funds and labor contracts, enhancing early risk detection and enforcement efficiency. For instance, Suqian's digital platform resolved 1,856 wage disputes and recovered ¥27.2 million in unpaid wages through predictive analytics. Blockchain ensures tamper-proof salary records, while AI streamlines labor inspections by flagging high-risk cases. **However, challenges persist:** data silos hinder cross-department collaboration, and technical solutions often lack alignment with on-the-ground realities. Addressing these issues requires breaking institutional barriers, standardizing data protocols, and prioritizing worker-centric design in digital tools. Future efforts should focus on scalable models, ethical AI governance, and empowering migrant workers through digital literacy programs.

Keywords: migrant worker wage arrears; digital technology; digital governance; digital empowerment

INTRODUCTION

Ensuring the timely and full payment of wages to migrant workers has been a top policy priority in China, as it directly affects workers' livelihoods and social stability. President Xi Jinping has emphasized that "attention must be paid to resolving wage arrears for migrant workers," underscoring the issue's importance during an inspection in Guangxi in December 2023file-xryvmitzxdmeoyhjvcrxub. The 2023 Central Economic Work Conference echoed this concern by calling for *"ensuring that migrant workers receive their*

*wages in full and on time"*file-xryvmitzxdmeoyhjvcrxub. These high-level directives highlight the national commitment to protecting migrant workers' rights and maintaining social fairness.

Concrete policy measures have followed these directives. On January 7, 2020, the State Council promulgated the **Regulations on Ensuring Wage Payments to Migrant Workers** (State Council Order No. 724), which took effect on May 1, 2020file-xryvmitzxdmeoyhjvcrxub. Article 38 of these regulations mandates the establishment of monitoring and early-warning platforms for wage payments, enabling real-time information sharing among departments such as human resources, finance, construction, and justicefile-xryvmitzxdmeoyhjvcrxub. This legal framework institutionalized a **"closed-loop" governance model** where government agencies collaborate to prevent and address wage non-payment. More recently, in February 2025, the **Central Document No. 1** on rural revitalization explicitly called for achieving full coverage of the migrant worker wage payment guarantee system, highlighting digital technology as a critical tool for addressing systemic challengesfile-xryvmitzxdmeoyhjvcrxub. These policies provide a strong impetus for leveraging digital solutions to tackle the persistent problem of wage arrears.

BACKGROUND

The issue of wage arrears for migrant workers has long plagued China's labor governance. Migrant workers—who numbered nearly 290 million in 2020s—often face delayed or unpaid wages, especially in sectors like construction. Despite concerted efforts by the government, enterprises, and social organizations in recent years, wage default incidents still occur. Notably, the prevalence of wage arrears had been brought to a historic low: according to the National Bureau of Statistics, the proportion of migrant workers experiencing wage arrears dropped from 0.67% in 2018 to 0.18% by the end of 2021. This improvement reflects initial success in controlling the problem through stricter enforcement and policy interventions.

However, the problem **persists and can resurge** under certain conditions. Economic slowdowns and operational difficulties for some enterprises—such as cash flow problems in small construction contractors—have led to new waves of wage defaults in some regions. In extreme cases, prolonged non-payment of wages has triggered collective protests and labor disputes, undermining social harmony. For example, after a pandemic-induced economic dip, reports emerged of localized spikes in wage arrears that sparked worker demonstrations. In 2024, Chinese prosecutorial authorities intensified efforts to combat malicious wage defaults, approving the arrest of 617 employers (a 16.9% year-on-year increase) and prosecuting 1,866 individuals (a 7.3% increase) for refusing to pay wagesfile-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub. These figures illustrate that while progress has been made, ensuring timely and full wage payments—particularly in the **construction sector**—remains an ongoing challenge.

Recognizing the gravity of the issue, the Chinese government has steadily strengthened its policy response. Early measures included the **Opinions on Comprehensive Governance of Wage Arrears for Migrant Workers (2016)**, which laid out initial guidelines for addressing unpaid wagesfile-xryvmitzxdmeoyhjvcrxub. Subsequent policies like the **Interim Measures for Specialized Accounts for Wage Payments in the Construction Sector** further enforced wage security by requiring project contractors to deposit wage reserves. These institutional frameworks, however, need effective implementation on the ground. The critical challenge lies in translating policy from paper into practice—**bridging the "last mile" of enforcement**. Here, digital technology has emerged as a promising means to strengthen governance capacity, by improving transparency, accountability, and real-time responsiveness in wage payments.

SIGNIFICANCE OF THE STUDY

This study aligns with national objectives to protect migrant workers' wages and explores how digital technologies can transform governance processes to achieve that goal. **Theoretically**, it fills a gap in the existing literature on technology-driven labor governance. Research on digital solutions for wage arrears has been relatively limited, and by integrating concepts from digital governance with labor rights protection, this paper expands the understanding of how emerging technologies can empower public administration. It contributes to the scholarship on e-governance and social policy, illustrating how tools like big data analytics and blockchain can be applied in a specific domain of labor justice.

Practically, the study highlights concrete ways in which digital tools enhance governance effectiveness. For instance, big data analytics enable precise identification of high-risk enterprises and early warning of potential wage defaults, thus allowing regulators to intervene proactively. Blockchain technology ensures the reliability and traceability of wage payment records, providing tamper-proof evidence that can reduce disputes and improve trust. These innovations not only safeguard migrant workers' rights but also benefit

honest businesses by fostering a fairer competitive environment. By documenting successful cases and challenges, the study offers insights for policymakers and administrators seeking to optimize digital governance in the public welfare domain. Ultimately, strengthening digital governance of wage payments can promote social stability, improve the business environment, and advance the broader agenda of digital empowerment in government management.

Theoretical Framework: Digital Technology Empowering Wage Arrears Governance

Digital technologies provide a multi-faceted support system for improving the governance of wage arrears. In this theoretical framework, we examine two key dimensions: **(1) Technological components** that underlie digital governance platforms, and **(2) Innovations in governance mechanisms and models** enabled by these technologies. Together, these lay the groundwork for understanding how digital empowerment can reshape wage arrears governance.

Technological Components in Wage Arrears Governance

Modern governance platforms for wage protection are built on several foundational technologies that collectively enhance data processing, monitoring, and enforcement capabilities:

Big Data Analytics: Big data serves as a robust technical foundation for wage arrears governance by aggregating and analyzing large datasets from employment records, social security systems, banking transactions, and other sources. Advanced analytics can construct risk models to predict wage default probabilities. For example, Guizhou province's "Wage Guard" platform integrates data on over 2 million migrant workers, dynamically analyzing project approvals and labor contracts to identify enterprises at risk of defaultfile-xryvmitzxdmeoyhjvcrxub. When abnormal patterns (e.g. sudden drops in payroll disbursements) are detected, the system automatically issues alerts, enabling regulators to intervene proactively. In this way, big data analytics quantifies each enterprise's wage payment capacity and flags instability, shifting governance from reactive investigations to preventive supervision.

Blockchain Technology: Blockchain ensures the reliability and traceability of wage payment records by storing salary information on an **immutable distributed ledger**. Once wage data (e.g. hours worked, amount owed, payments made) is recorded on the blockchain, it cannot be tampered with, which deters malpractices like under-reporting of wages. Workers and regulators can transparently trace complete payment histories. In the event of disputes, blockchain records serve as **irrefutable evidence** for legal claims. For example, the city of Suqian's wage payment system employs blockchain to unify data across departments, ensuring that records are consistent and accountablefile-xryvmitzxdmeoyhjvcrxub. This added trust mechanism reduces opportunities for fraud and boosts confidence that the recorded wages are accurate and will be paid.

Artificial Intelligence and NLP: Artificial intelligence (AI), including natural language processing (NLP), improves the efficiency of identifying wage-related issues and compliance violations. **Online**, NLP algorithms can sift through social media posts, forums, and complaint hotlines to detect discussions or reports of unpaid wages, automatically extracting relevant information and alerting authorities to potential cases. **Offline**, AI-powered tools digitize and analyze written complaints or labor inspection reports, spotting key terms and patterns that indicate wage arrears. For instance, some provinces like Anhui have deployed AI-driven models to scan databases for wage arrears patternsfile-xryvmitzxdmeoyhjvcrxub. By automating the monitoring of both formal and informal information sources, NLP helps authorities respond more swiftly to emerging wage disputes and ensures fewer cases slip through the cracks.

These technological components form an integrated support system, enabling real-time data sharing and intelligent analysis that augment human oversight. They provide the *capabilities* needed for new governance models described next.

Innovations in Governance Mechanisms and Models

Leveraging the above technologies, local governments in China have piloted innovative governance models to more effectively prevent and handle wage arrears. Key innovations include:

Full-Cycle Supervision: Digital platforms facilitate **end-to-end oversight** of wage payments, covering preemptive, active, and post-incident stages. The 2020 Regulations on Ensuring Wage Payments mandate a closed-loop model where potential risks are addressed at every stagefile-xryvmitzxdmeoyhjvcrxub. For example, before projects commence, construction contractors are required to deposit wage security funds or guarantees that can cover potential defaults. During project implementation, systems like Suqian's monitoring platform continuously track labor contracts and wage payments in real time, immediately flagging irregularities. After an incident (such as a confirmed non-payment), legal enforcement is initiated promptly via the platform to recover owed wages. Such full-cycle digital supervision—encompassing **prevention,**

detection, and enforcement—reduces reliance on reactive measures and ensures that wage protection is built into every phase of project management.

Cross-Departmental Collaboration: Interagency coordination is greatly enhanced by shared digital platforms. Traditional governance faced silos between departments (labor, construction, justice, etc.), causing delayed or fragmented responses to wage arrears. Now, integrated systems break down these silos. For instance, Suqian's "Three-Tier Application" system links the databases of the human resources bureau, construction authority, and public security departmentfile-xryvmitzxdmeoyhjvcrxub. When one department (e.g., construction regulators) flags a risk—such as a building project where payments to workers are delayed—other departments can immediately see this alert and take complementary action (the labor bureau can inspect wage ledgers; the police can monitor for unrest). Similarly, in Chongqing, rapid arbitration tribunals bring together labor authorities and judicial officials on a shared platform to streamline dispute resolutionfile-xryvmitzxdmeoyhjvcrxub. This **real-time data sharing and joint action** ensures a swift, unified government response to wage violations, rather than isolated efforts.

Cost-Free Platform Adoption: To encourage universal use of digital wage payment systems, many regions have adopted innovative funding models that remove financial barriers for enterprises and workers. A common approach is **"government-led, bank-funded, tech-operated"** platformsfile-xryvmitzxdmeoyhjvcrxub. Banks or financial institutions fund the development and maintenance of the wage monitoring platforms, recouping their investment through transaction fees or the float from wage payment accounts. Meanwhile, the government endorses and oversees the platform, and enterprises and workers can use it free of charge. Guizhou's "Wage Guard" system and Suqian's platform both follow this modelfile-xryvmitzxdmeoyhjvcrxub. By eliminating user fees and even providing incentives, this approach accelerates adoption. Enterprises are more willing to transition to the digital system when it is provided at no cost (or when they receive tax breaks for using it), and workers face no charges to receive their wages or access their wage records online. This model aligns stakeholders' interests: banks gain customers and transaction volume, governments gain compliance data, and workers gain a reliable wage payment channel.

In summary, digital technology not only provides new **tools** for governance but also enables new **processes** and institutional arrangements. The combination of comprehensive supervision, collaborative governance, and sustainable operational models characterizes China's digitally empowered approach to wage arrears management.

Advantages and Applications of Digital Technology in Wage Governance

The adoption of digital technologies in governance has yielded clear advantages in addressing wage arrears, as well as specific applications that illustrate these benefits in practice. This section outlines the key advantages of digital governance and provides concrete examples of digital tools being applied to protect migrant workers' wages.

Key Advantages of Digital Governance

Enhanced Efficiency: Digital tools process large volumes of data with speed and accuracy, greatly reducing the need for manual intervention in monitoring wage payments. Automated checks and analytics can perform in seconds what might take officials days to investigate. For instance, Suqian City's migrant worker wage monitoring platform integrates data from over 30 government departments and automatically runs risk assessments on each construction project, reducing case processing time by 60% compared to traditional methodsfile-xryvmitzxdmeoyhjvcrxub. This efficiency gain allows regulators to handle many more cases in parallel and focus human effort on the most complex situations.

Increased Transparency: Technology makes the wage payment process more transparent to all stakeholders, thereby mitigating information asymmetries that often disadvantage workers. **Blockchain-based payroll systems** provide immutable, time-stamped records of wage calculations and disbursements. For example, the "Transparent Labor Platform" developed by a firm (Jianxin Zhuhe) uses blockchain to record every payment in real time, allowing workers to instantly verify that their wages have been transferred file-xryvmitzxdmeoyhjvcrxub. This level of transparency deters employers from attempting to alter records or delay payments, since the data is visible to authorities and workers alike. Overall, digital record-keeping builds trust that wages are being handled fairly and in accordance with the law.

Proactive Risk Prevention: Perhaps the most transformative advantage is the shift from reactive enforcement to **proactive prevention**. Advanced analytics and early-warning algorithms can identify signs of trouble before wages go unpaid. For instance, Suqian's AI-driven system analyzes payroll data for anomalies and has achieved about 90% accuracy in predicting wage arrears risks, enabling pre-emptive action before a crisis developsfile-xryvmitzxdmeoyhjvcrxub. Such predictive capabilities mean that government agencies can intervene (e.g. by freezing funds or pressing an employer to pay) *before* workers resort to

protests or legal action. Early intervention not only protects workers from harm but also helps employers avoid legal penalties by correcting course in time.

Specific Applications of Digital Tools

Chinese localities have implemented a variety of digital applications tailored to wage protection. Some notable examples include:

Migrant Worker Wage Payment Monitoring Platforms: Nationwide, authorities are deploying integrated platforms that monitor wage payments and issue early warnings. Suqian's model, described as "One Center + Two Platforms + Three-Tier Application," links a central data center with monitoring and service platforms, and connects provincial, city, and county levels of governmentfile-xryvmitzxdmeoyhjvcrxub. These platforms consolidate data on construction project approvals, labor contracts, and wage transactions. If an employer fails to deposit wages on time or if project funds appear insufficient, the system triggers an alert for investigation. By 2024, such platforms have been expanded across many provinces, creating a **real-time oversight network** that spans from major cities down to rural county projects, significantly improving compliance.

Blockchain-Based Payroll and Contracts: Some regions leverage blockchain and even digital currency to manage wages. In Zhaoyang (a locality in China), the "Transparent Labor Platform" uses **smart contracts** on a blockchain to automatically calculate wages and trigger direct bank transfers to workersfile-xryvmitzxdmeoyhjvcrxub. This system ensures that once a worker's attendance and work hours are logged (often via digital biometric systems), their wage is computed according to the agreed contract and then paid out without manual intervention. The use of blockchain means records cannot be falsified, and smart contracts reduce human error in payroll. Zhaoyang's initiative reportedly cut wage disputes by 75% and ensured 100% on-time payments, demonstrating the power of combining blockchain with automated execution of payroll rules.

Big Data Analytics for Targeted Enforcement: Data analytics are also guiding policymakers in identifying hotspots and trends in wage arrears. Qingdao's "Wage Protection Digital Governance Platform" analyzed over 4 billion data points encompassing different industries and regionsfile-xryvmitzxdmeoyhjvcrxub. From this massive analysis, Qingdao identified the construction and manufacturing sectors as the highest-risk for wage defaults and concentrated enforcement efforts there. As a result, wage arrears in those targeted sectors fell by 40% in 2024file-xryvmitzxdmeoyhjvcrxub. This example shows how big data can inform a **risk-based allocation of oversight resources**, focusing attention where non-payment problems are most acute, and thus improving the overall effectiveness of governance.

Through these applications, digital technology has transitioned from a theoretical solution to tangible tools on the ground. The following section will delve deeper into detailed case studies that exemplify how these digital innovations are being implemented and what outcomes they have achieved.

Case Studies and Practical Outcomes

To illustrate the real-world impact of digital governance on wage arrears, this section presents three in-depth case studies from China: **(1) Suqian City in Jiangsu Province**, which has developed a data-driven early warning system; **(2) Chongqing Municipality**, which is pioneering blockchain-based wage disbursement via the digital yuan; and **(3) Luoyang in Henan Province**, which has employed legal oversight combined with data screening to protect wages. These cases demonstrate the diversity of approaches and the measurable results of digital interventions.

Data-Driven Early Warning in Suqian (Jiangsu)

Suqian City has emerged as a national leader in **proactive wage arrears prevention** through its comprehensive digital monitoring system, often summarized as a "One Center + Two Platforms + Three-Tier Application" model. This system functions as a tightly woven net, aggregating and integrating **over 49 million data points from more than 4,000 local construction projects**file-xryvmitzxdmeoyhjvcrxub. Key features include:

Real-Time Wage Account Monitoring: The platform links directly with designated enterprise wage accounts at banks. It tracks fund flows in these accounts continuously and flags anomalies such as unusual withdrawals or delayed salary transfers. For example, if a sudden drop in an account balance occurs (potentially indicating that funds meant for wages were moved elsewhere), the system immediately issues an alertfile-xryvmitzxdmeoyhjvcrxub. Regulators can then step in before workers miss a paycheck.

Smart Attendance Integration: Suqian's system is connected to biometric attendance devices at construction sites. Workers clocking in/out are recorded digitally, and the platform analyzes attendance data. **Abnormal labor patterns**—for instance, a large number of workers not showing up (possibly due to a work

stoppage over unpaid wages) or unexpected reductions in workforce—signal potential project financial distressfile-xryvmitzxdmeoyhjvcrxub. These triggers prompt early investigations into whether the project is facing cash flow problems that could lead to wage delays.

The results have been impressive. In 2024 alone, Suqian's data-driven mechanism flagged over 10,000 potential wage default risks and helped reduce the average time to resolve arrears cases by 50%file-xryvmitzxdmeoyhjvcrxub. Previously, addressing a wage dispute often involved **weeks of investigation** and bureaucratic back-and-forth, during which workers remained unpaid. Now, with real-time alerts and a central data repository, officials can *immediately* access project-specific information (such as the list of workers, their contracts, and the status of fund disbursements) as soon as a risk is identifiedfile-xryvmitzxdmeoyhjvcrxub. This allows them to pinpoint root causes and demand corrective action from employers within days instead of months. For example, if the system detects that a particular construction project is likely to default on wages, authorities can quickly convene the developer, contractor, and relevant bank to ensure remaining funds are secured for wage payments or to draw on the security deposit to pay workers.

Suqian's platform also enables multiple innovative governance scenarios that go beyond early warningsfile-xryvmitzxdmeoyhjvcrxub:

Integrated Law Enforcement Dispatch: When a wage arrears warning is confirmed, the system automatically coordinates actions among labor inspectors, police, and other enforcement units, ensuring a rapid, joint response.

"Zero-Contact" Online Dispute Mediation: The platform provides online portals for workers to report grievances and for mediators to handle disputes remotely, reducing the need for in-person visits and speeding up resolutions.

Differentiated Credit Management for Enterprises: Suqian rates companies based on their compliance records (e.g., whether they have had wage violations). Firms with good records are rewarded with easier market access, while repeat offenders face penalties and closer scrutinyfile-xryvmitzxdmeoyhjvcrxub.

These innovations have positioned Suqian as a benchmark for **smart labor governance**. The city's approach has not only protected workers—recovering tens of millions of yuan in back wages—but also contributed to broader social stability and a healthier business environment. Its success is now informing provincial and national efforts to replicate similar systems elsewhere.

Blockchain-Based Wage Disbursement in Chongqing (Digital Yuan Pilot)

Chongqing Municipality has pioneered a cutting-edge solution by leveraging China's new **digital currency (e-CNY, or digital yuan)** and blockchain technology to overhaul wage disbursement processes. This model essentially removes intermediaries in the payment chain, ensuring wages go **straight from the source (project funds) to the workers' digital wallets**. Traditionally, in large construction projects, layers of subcontractors often stand between the primary project owner's funds and the workers, creating opportunities for funds to be skimmed or diverted, which is a common cause of wage arrears. Chongqing's digital approach addresses this vulnerability:

Key Features and Innovations:

Tamper-Proof Transaction Records: Every step of the wage payment process is recorded on a blockchain ledger, from the logging of hours worked to the final disbursement of wagesfile-xryvmitzxdmeoyhjvcrxub. This immutable record-keeping means any attempt to alter wage data or misreport hours would be evident to all stakeholders (including auditors and law enforcement). The transparency deters fraudulent practices such as inflating worker numbers, under-reporting hours, or siphoning off funds. *Example:* In Liangping District of Chongqing, 13 migrant workers at a manufacturing project received their salaries via e-CNY directly from the main contractor, bypassing subcontractors entirelyfile-xryvmitzxdmeoyhjvcrxub. All transactions were logged on the blockchain, ensuring full accountability and leaving a clear trail for each yuan paid.

Closed-Loop Governance System: Chongqing has integrated the blockchain wage payments into a broader **"full-cycle management"** framework for wage arrearsfile-xryvmitzxdmeoyhjvcrxub. This system covers four stages: (1) **Risk Collection** – aggregating data on wage payment risks across all projects (e.g., monitoring if any project is delaying payments); (2) **Issue Tracking** – continuously tracking any reported wage issues or disputes in real time; (3) **Resolution Enforcement** – streamlining how authorities intervene, by automating legal or administrative actions (such as freezing accounts or triggering insurance/guarantee payouts) when a non-payment is confirmed; and (4) **Feedback Mechanism** – evaluating the outcome after each case is resolved to ensure accountability and improve the systemfile-xryvmitzxdmeoyhjvcrxub. In practice, this closed-loop means that once a wage arrears case is identified, the process from investigation to

enforcement to follow-up is managed within one digital ecosystem, drastically reducing coordination time between separate agencies.

Impacts: Chongqing's blockchain and e-CNY wage disbursement model has yielded significant improvements in efficiency and security. In 2024, this system reduced wage claim processing time by over 50%, *recovering approximately ¥300 million for 26,000 workers*, and many disputes that used to take weeks to resolve were settled in mere hours or daysfile-xryvmitzxdmeoyhjvcrxub. Additional benefits include:

Instant Settlements: Digital yuan transactions settle in seconds once approved, eliminating delays inherent in traditional banking transfers (which might take a day or more, especially across different banks or over weekends/holidays)file-xryvmitzxdmeoyhjvcrxub. Workers receive their pay immediately on payday.

No Transaction Fees: Workers can transfer their digital yuan to their bank accounts or use it via popular payment apps (WeChat, Alipay) with zero feesfile-xryvmitzxdmeoyhjvcrxub, ensuring that they get the full amount of their earnings without deductions.

Regulatory Empowerment: Because all wage payments are recorded on the blockchain, government regulators in Chongqing can **audit payments in real-time**. If a worker files a complaint that they were underpaid, officials can quickly check the blockchain record to verify hours worked and wages issuedfile-xryvmitzxdmeoyhjvcrxub. This ability to instantly trust but verify has made dispute resolution more authoritative and less prone to evidentiary ambiguities.

Broader Implications: Chongqing's experiment shows how marrying digital currency with blockchain can transform wage protection. By ensuring traceability of funds and cutting out middlemen, it addresses core vulnerabilities like subcontractor misappropriation and payment delays. The success in early trials has led Chongqing to plan scaling this model to all major construction projects citywidefile-xryvmitzxdmeoyhjvcrxub. If adopted more widely, it could fundamentally **eradicate wage arrears** by making it nearly impossible (and certainly pointless) for any intermediary to intercept wages. This case is being closely watched as a template for using **Central Bank Digital Currency (CBDC)** technology in social policy enforcement.

Legal Oversight and Data Screening in Luoyang (Henan)

Luoyang, a city in Henan Province, provides a compelling example of combining **legal oversight** with data-driven analysis to strengthen wage arrears governance. The Luoyang Procuratorate (public prosecutor's office) developed an innovative "Guarantee-Based Wage Arrears Legal Supervision Model," focusing on the enforcement of wage payment guarantees in construction projectsfile-xryvmitzxdmeoyhjvcrxub. Wage payment guarantees are like insurance: developers or contractors must obtain a guarantee (often from a bank or insurance company) that can pay out workers if the employer defaults. Luoyang's approach was to rigorously audit these guarantees across projects and use legal authority to correct any deficiencies.

Data-Driven Screening: In a 2024 initiative, Luoyang's prosecutors conducted a comprehensive screening of **196 construction projects** in the city, examining nearly **30,000 data points** related to wage payment guaranteesfile-xryvmitzxdmeoyhjvcrxub. This included checking whether each project had the required wage guarantee in place, and if so, whether the guarantee amount was sufficient, whether the guarantee was still valid (not expired), and whether the issuing institution was qualified. The data analysis **uncovered 161 anomalies** – cases where there were problems such as insufficient guarantee amounts, expired guarantees, or guarantees issued by unqualified institutionsfile-xryvmitzxdmeoyhjvcrxub. Each of these represented a potential risk: if a project without proper guarantee were to default on wages, workers might have no immediate recourse.

Legal Intervention: Upon identifying these issues, the procuratorate swiftly took action by coordinating with relevant government departments. They issued 23 legal supervision recommendations to the agencies overseeing those projects, essentially formal notices requiring that the problems be fixedfile-xryvmitzxdmeoyhjvcrxub. In many cases, this meant forcing developers to top up their guarantee amounts or renew expired guarantees. The legal backing of the procuratorate gave teeth to enforcement—developers and companies faced the prospect of legal action if they did not comply. Through this campaign, Luoyang authorities proactively closed loopholes and **ultimately recovered ¥14 million in unpaid wages** for workers that might have gone uncompensated without the guaranteesfile-xryvmitzxdmeoyhjvcrxub.

Cross-Agency Collaboration: A notable outcome of Luoyang's effort was the establishment of an interdepartmental joint meeting mechanism on wage protectionfile-xryvmitzxdmeoyhjvcrxub. The procuratorate worked closely with the Human Resources bureau, the Housing and Urban-Rural Development department, and others to share data and responsibilities. For example, the Housing department monitored project progress and funds, the Human Resources department tracked labor contracts and wage payment records, and the Procuratorate provided legal guidance and issued enforcement ordersfile-

xryvmitzxdmeoyhjvcrxub. By working in concert, these agencies set up a **closed-loop governance system** ensuring that **100% of active projects in Luoyang had compliant wage accounts and guarantees** after the campaignfile-xryvmitzxdmeoyhjvcrxub.

Key Outcomes: Luoyang's practice shifted the focus from reactive "debt collection" after wages are already owed, to **preventive governance** that secures funds before problems occurfile-xryvmitzxdmeoyhjvcrxub. It also led to **policy innovation**, as insights from the campaign contributed to drafting the "Ten Measures for Wage Protection" in Henan, which standardized wage guarantee requirements to close systemic loopholes file-xryvmitzxdmeoyhjvcrxub. Additionally, the initiative emphasized **public empowerment** – the city promoted tools like QR code posters at worksites for workers to easily file complaints, distributed rights protection pamphlets, and publicly disclosed companies' wage payment recordsfile-xryvmitzxdmeoyhjvcrxub. This education and transparency helped workers know their rights and increased pressure on employers to comply.

Luoyang's model has been **nationally recognized**; China's Supreme People's Procuratorate highlighted it as a best practice, and elements of it are being adopted in other regionsfile-xryvmitzxdmeoyhjvcrxub. The case demonstrates that even within a digital governance framework, strong legal oversight remains crucial. Data analytics can identify hidden risks, but enforcement agencies must then act on that information. Luoyang shows how prosecutors can use data as a tool to uphold labor laws, ensuring the financial mechanisms meant to protect workers (like wage guarantees) truly serve their purpose.

International Case Studies on Digital Wage Protection

China's efforts are part of a broader global movement to leverage digital solutions for labor rights. This section examines two international case studies – **Singapore's electronic payslip system** and the **United States' electronic wage garnishment system** – which offer valuable lessons and points of comparison for digital wage governance.

Singapore's Mandatory Electronic Payslip System

Singapore has been a pioneer in digitizing labor management. The Ministry of Manpower (MOM) in Singapore implemented a **Mandatory Electronic Payslip System** for all employers, regardless of company sizefile-xryvmitzxdmeoyhjvcrxub. Since April 2016, it has been compulsory for employers to issue itemized payslips, and increasingly, this has moved to a government-endorsed digital platform. Key features of Singapore's system include:

Automated Data Verification: Employers must input detailed wage components into the online system for each pay period – including base salary, overtime hours and pay, allowances, deductions, and working days/hours. The system is programmed to cross-check these entries against Singapore's labor regulations in real timefile-xryvmitzxdmeoyhjvcrxub. If there are any discrepancies (for example, if an overtime payment is calculated below the mandated rate, or if total working hours exceed legal limits), the system flags them for the employer to correct and simultaneously alerts the Ministry for potential investigation. This proactive verification ensures compliance issues are caught *before* payslips are finalized.

Real-Time Employee Access: Workers in Singapore can access their payslips anytime through a secure online portal or mobile app provided by the governmentfile-xryvmitzxdmeoyhjvcrxub. This gives employees immediate visibility of what they've been paid and how it was calculated. Importantly, the platform includes an integrated feedback or dispute function—if a worker believes there is an error (say, missing overtime pay), they can lodge a query or dispute through the system. This notifies the employer (to review the entry) and MOM if the issue isn't resolved promptly, creating an electronic trail for complaints.

Government Oversight and Analytics: The Ministry of Manpower receives wage data from across the economy in real time through this system. This enables **macro-level monitoring** of labor compliance. For instance, if a company consistently pays very low wages or irregular wages, or if many workers are filing disputes against a particular employer, MOM's enforcement teams are alerted to investigate that employer. A concrete example: if any company's reported wages fall below the statutory minimum or if overtime calculations don't match legal requirements, the system triggers an alert and MOM can intervene, often even before the worker files a formal complaintfile-xryvmitzxdmeoyhjvcrxub.

Outcomes: Singapore's electronic payslip system has led to a 40% reduction in wage-related disputes since its implementationfile-xryvmitzxdmeoyhjvcrxub. By standardizing how wages are reported and verified, it has greatly improved compliance. Employers have clear guidance and automated checks to help them follow the law, and employees have immediate proof of pay, reducing confusion and mistrust. The system also streamlines government inspections—labor officers can audit companies remotely via the data, reserving on-site visits for the most problematic cases. Singapore's approach shows the power of **universal digital**

compliance: when every employer participates in a centralized digital system, oversight becomes much more effective and uniform.

United States' Electronic Wage Garnishment System

In the United States, one notable digital tool in wage enforcement is the **Electronic Wage Garnishment System**, which is used to enforce court-ordered wage payments, especially in cases of labor violations or debts. While the U.S. generally relies on a legalistic framework for resolving wage disputes (individual lawsuits, Department of Labor complaints, etc.), the garnishment system stands out as a tech-enabled enforcement mechanism. When a court or labor commission orders an employer to pay unpaid wages or damages and the employer fails to comply, this system automates the process of seizing and transferring funds from the employer to the affected workersfile-xryvmitzxdmeoyhjvcrxub. Key components of the system:

Court-Order Integration: Once a judgment is issued against an employer for unpaid wages, the details are uploaded into the electronic garnishment system. The system is connected to financial networks so it can identify the employer's bank accounts and assets. It will automatically issue notices to banks to freeze the employer's accounts up to the amount of the judgmentfile-xryvmitzxdmeoyhjvcrxub. This prevents the employer from moving money or concealing assets after losing a case.

Automated Fund Transfer: If the employer does not pay the owed wages within the court-stipulated period, the system initiates a direct transfer of funds from the frozen accounts to a dedicated fund or directly to the workersfile-xryvmitzxdmeoyhjvcrxub. Essentially, the unpaid wages are electronically withdrawn from the employer's bank and redirected to the rightful recipients without further human intervention. This is overseen by enforcement officials, but the technology handles the actual transaction swiftly once the legal trigger is activated.

Anti-Evasion Measures: The system provides real-time monitoring to prevent employers from dodging the garnishment. For example, if an employer attempts to empty or close an account after a court order, the system catches that and can escalate the response (in the U.S., willful evasion can lead to contempt of court or criminal charges)file-xryvmitzxdmeoyhjvcrxub. It also ensures that partial payments or asset shifts are tracked. Penalties escalate if compliance is not met, creating a strong deterrent.

Impacts: The electronic wage garnishment approach in the U.S. has significantly reduced the time and bureaucracy involved in recovering unpaid wages through legal means, cutting recovery timelines by about 60% on averagefile-xryvmitzxdmeoyhjvcrxub. Workers who might otherwise wait months for a slow debt collection process now receive their due compensation faster. It also deters employers from defying court orders, knowing that digital mechanisms will immediately enforce the judgment. While this system comes into play **after** a legal case concludes (thus it's a post-hoc enforcement tool rather than a preventive one), it represents an important use of digital infrastructure to uphold labor rights. It shows how legal rulings can be linked with financial tech to ensure outcomes are carried out efficiently.

These international examples underscore different focal points: Singapore's model emphasizes **preventive compliance and transparency** at the wage issuance stage, whereas the U.S. model emphasizes **post-violation enforcement efficiency**. Together, they provide a useful contrast to China's approach, which we analyze next.

Comparative Analysis: China and International Approaches to Digital Wage Governance

By comparing China's digital wage governance efforts with those of Singapore and the United States, we can discern unique strengths and areas for improvement in each approach. The following analysis considers key dimensions: **focus and scope of digital intervention, technological adoption and accessibility, and enforcement mechanisms**.

Focus Areas and Scope of Digital Intervention

Different countries target different points in the wage payment process with their digital tools:

Singapore – Transparency at Source: Singapore prioritizes **upfront transparency and compliance** in wage calculations and payments. The mandatory e-payslip system focuses on ensuring every payslip is correct and accessible to the worker, effectively digitalizing the employer-employee payroll interactionfile-xryvmitzxdmeoyhjvcrxub. This means the critical intervention is at the point of wage issuance. By flagging any discrepancy as soon as wages are calculated, Singapore's approach prevents underpayments or illegal deductions from becoming prolonged issues. It's a **preventative, worker-centric** model that standardizes how wages are documented.

United States – Post-judgment Enforcement: The U.S. digital tool (the garnishment system) targets the **end-stage of dispute resolution**. It comes into play only after an employer has been adjudicated to owe

wages and fails to payfile-xryvmitzxdmeoyhjvcrxub. In other words, the focus is on **enforcing compliance through financial seizure** when other means (voluntary payment or standard legal pressure) have failed. This makes the approach very effective in its specific niche—recovering unpaid wages after a legal victory—but it doesn't provide early warning or help ensure wages are paid on time initially. It's a strong remedy for worst-case scenarios of non-compliance.

China – Integrated, Multi-Stage Governance: China's strategy combines elements across the entire process, from **early risk prediction to multi-agency resolution**. Digital platforms in China often integrate data from labor departments, banks, project management, and even justice departments to form a comprehensive viewfile-xryvmitzxdmeoyhjvcrxub. For instance, Hunan province's system and Chongqing's blockchain model aggregate labor contracts, payroll banking data, and project status to enable both **real-time risk monitoring and rapid enforcement**. The Luoyang case, where prosecutors cross-referenced hundreds of projects to check compliance, exemplifies how China's approach is to cast a wide net and intervene at any sign of trouble (even before any complaint is filed)file-xryvmitzxdmeoyhjvcrxub. Thus, China's digital governance tends to be **holistic**, covering prevention, detection, and enforcement in one framework.

Technological Adoption and User Accessibility

The success of digital systems depends on how widely they are adopted by stakeholders (government, employers, workers) and how user-friendly they are:

China's Challenges: China has developed advanced systems (e.g., Shandong's "One Platform + One Center + One Network" system or Fujian's big-data-driven wage protection platform)file-xryvmitzxdmeoyhjvcrxub. However, **uneven digital literacy** and resource gaps mean not all users can fully utilize these tools. Some small businesses and migrant workers lack experience with smartphones or computers, limiting their engagement. In certain areas, workers still prefer to resolve issues face-to-face rather than through an app, and some employers see the digital platforms as burdensome. This indicates a need for training and outreach. The Chinese experience shows that *technical capability alone is not enough*—adoption by end-users is a major hurdle. If, for example, a worker doesn't know how to check their wage payments on a digital portal, the transparency offered by the system is lost on them.

Foreign Strengths: Singapore mitigates adoption issues by **mandating compliance** and providing support. Every employer must use the e-payslip system, and the government offers clear guidelines and even training sessions for companies to get on boardfile-xryvmitzxdmeoyhjvcrxub. Because it's a national requirement, the system achieves near-universal coverage, and over time even less tech-savvy employers have adjusted. For workers, the government's straightforward apps and availability of assistance in multiple languages help ensure accessibility. The United States' wage garnishment system is largely invisible to employers until triggered, and since it operates through banks and courts automatically, it doesn't require user interaction—thus sidestepping the need for user training altogetherfile-xryvmitzxdmeoyhjvcrxub. These approaches highlight that **ease of use** (through simplicity or automation) and **compulsory use** can drive adoption.

Implication for China: The comparison suggests China could increase the effectiveness of its systems by investing in **user education** (similar to Singapore's training) and by simplifying interfaces. Some Chinese initiatives are already moving that way—mobile apps with chatbot assistants, for example, have been introduced to guide workers—but scaling digital literacy programs will be key to bring every enterprise and worker onto the platforms.

Enforcement and Policy Integration

How strongly and uniformly policies are enforced via these digital tools is another distinguishing factor:

China – Strong Policies, Variable Enforcement: China's central government has issued robust policies (as outlined earlier) to promote digital wage governance nationwidefile-xryvmitzxdmeoyhjvcrxub. There are national platforms and directives for every county to have an early warning system. However, enforcement can vary by locality. Some provinces like Henan (with Luoyang's success) demonstrate rigorous enforcement and coordination, whereas in other places, interagency data sharing might still be **fragmented**, causing delays. The result is that while one city might resolve an unpaid wage case in hours, another might still take days if their systems aren't fully integrated. Strengthening consistency across regions remains a challenge.

United States – Judicial Certainty: In the U.S., once a case reaches the garnishment stage, enforcement is swift and standardized—banks comply uniformly with court orders or face penaltiesfile-xryvmitzxdmeoyhjvcrxub. The integration between the judiciary and financial system ensures a *binding outcome*: the money will be paid, and fairly quickly. This reflects a system where **legal rulings directly activate enforcement technology**, leaving little room for local discretion. The downside is it only applies after litigation; the upside is when it does apply, it's very effective.

Singapore – Administrative Rigor: Singapore's model relies less on after-the-fact enforcement because non-compliance is caught early. However, if an employer somehow bypasses or ignores the e-payslip requirements, Singapore's Ministry of Manpower can enforce penalties. The administrative fines or legal actions, combined with continuous monitoring, make the enforcement environment in Singapore quite strict.

In summary, **China's approach is comprehensive and ambitious**, covering multiple stages of wage governance with digital tools and strong policy backing. It excels in prevention and multi-agency collaboration but faces challenges in uniform adoption and execution. **Singapore's approach** excels in ensuring compliance at the source by standardization and compulsory adoption, serving as a model for user engagement and transparency. **The U.S. approach** demonstrates how legal enforcement can be made efficient through technology, highlighting the importance of integrating digital tools with judicial processes for accountability.

The comparative insights suggest that China can learn from these examples to refine its own systems. The next sections will discuss the challenges China still faces and recommend strategies – some inspired by these international practices – to optimize digital governance for migrant workers' wage protection.

Challenges in Implementing Digital Wage Governance in China

While China has made significant strides in using digital technology to address wage arrears, several challenges continue to impede the full realization of a robust, nation-wide digital governance system. The main challenges include: **(1) data-sharing barriers between departments and regions, (2) lagging legal frameworks, (3) insufficient technology adoption among some enterprises and workers, and (4) data security and privacy concerns**. Below we discuss each of these hurdles in detail.

Data Silos and Integration Barriers

Fragmented data systems remain a critical obstacle. Different government departments and localities often maintain their own databases with little interoperability. For example, the labor bureau's database of labor contracts may use different formats and categories than the construction department's database of project permits, making it difficult to merge or compare informationfile-xryvmitzxdmeoyhjvcrxub. Financial institutions might record wage transactions with their own coding and timing standards that don't align neatly with government data. These inconsistencies – in data format, definitions, and granularity – create blind spots in the digital monitoring platformsfile-xryvmitzxdmeoyhjvcrxub. An early warning system might fail to flag a high-risk enterprise simply because, say, the enterprise name is spelled differently across two datasets or because crucial fields (like project status or number of workers) cannot be automatically matched.

The consequence of these silos Is reduced analytical precisionfile-xryvmitzxdmeoyhjvcrxub. If the system cannot aggregate complete and consistent information about an enterprise or project, its risk predictions may be flawed. In turn, regulators might miss warning signs of wage arrears or waste time investigating false alarms caused by data errors. Breaking down these silos is challenging due to institutional reasons – agencies can be hesitant to share data due to turf concerns or privacy regulations, and technically it requires standardizing systems that were built independently.

Lagging Legal and Regulatory Framework

Technology has outpaced the legal framework in many respects. Current labor laws and regulations have not fully caught up with issues arising from digital governance. Key legal challenges include:

Digital Evidence Ambiguity: When disputes do go to arbitration or court, the status of digital evidence (such as data from monitoring platforms, screenshots of wage payment apps, or chat logs where wage promises were made) can be unclearfile-xryvmitzxdmeoyhjvcrxub. Judges may lack guidance on how to evaluate the authenticity of such evidence. For instance, if a worker presents a mobile app record showing an unpaid wage, is that as credible as a signed paper ledger? In many cases, the standards for admissibility and weight of digital records are not well-defined, leading to inconsistent judicial outcomes.

Validity of Electronic Contracts: Increasingly, labor contracts and wage agreements might be signed electronically (e.g., via e-signature platforms or even simple WeChat agreements). However, not all jurisdictions in China have clear rules on what constitutes a valid electronic labor contractfile-xryvmitzxdmeoyhjvcrxub. If a dispute arises, one party might challenge the validity of the digital contract on technical grounds (such as arguing the e-signature is not verifiable or that the contract wasn't filed properly). This uncertainty can undermine trust in digital contracting for wages.

Recognition of Digital Instruments: Tools like digital payslips, e-wallets for wages, or electronic wage guarantees are sometimes not explicitly recognized in law as equivalent to their paper counterpartsfile-xryvmitzxdmeoyhjvcrxub. For example, if a platform shows a worker was paid a certain amount, but the bank statement shows another (due to timing issues or platform errors), which is legally binding? There have

been instances where discrepancies between platform data and traditional records created enforcement headaches.

These gaps mean that **legal enforcement can lag behind technological capabilities**. An employer might exploit ambiguities – for example, claiming that data from a blockchain record isn't admissible evidence of non-payment because regulations didn't foresee blockchain. Or workers might not fully trust an electronic payslip if they fear it won't hold up in court. The legal framework needs to modernize to support, rather than hinder, digital governance innovations.

Low Technology Adoption and Digital Literacy

Not all stakeholders are equally prepared to embrace the new digital systems, which limits their effectiveness:

Enterprise Resistance: Especially among small and medium-sized enterprises (SMEs) in construction and manufacturing, there is resistance to moving away from traditional methods. Many SMEs operate on thin margins and view new digital reporting requirements as burdensome. Some continue to **manually record attendance and wages** on paper or simple spreadsheets, even when a free government platform is available file-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub. Reasons include lack of technical staff, fear that using the system might expose them to more scrutiny or penalties, and a comfort with "how things have always been done." This resistance means that in some areas, the digital platforms have not reached full coverage – if the data isn't input by the enterprises, the system can't monitor those workplaces.

Migrant Worker Digital Literacy: A significant portion of migrant workers have limited formal education and little experience with technology beyond basic smartphone use. Many are unfamiliar with apps beyond messaging and might find a government wage inquiry app confusingfile-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub. If a worker doesn't know how to check their wages or file a complaint online, they remain essentially outside the digital governance loop. Furthermore, some older workers or those from remote areas might not even use smartphones regularly. This digital divide means the very people the systems are meant to empower might not benefit unless special efforts are made to include them.

The outcome of low adoption is that **digital governance tools have incomplete reach**. Wage payment irregularities in firms that eschew the system go undetected until they become serious. Workers who don't engage digitally still have to rely on traditional complaint channels (which might be slower). This creates a two-speed scenario: a digitally covered sector with effective prevention, and a lagging sector where old problems persist.

Data Security and Privacy Concerns

As more sensitive data is collected and shared on digital platforms, issues of security and privacy become paramount. Wage governance systems handle personal information (worker IDs, bank account details), business information (company financials, payrolls), and inter-agency data. Several concerns arise:

Cybersecurity Risks: A breach in a wage database could expose workers' personal details or allow malicious actors to manipulate records. There have been worrying hypotheticals: for instance, if hackers infiltrated a wage platform and altered payment instructions, they could divert funds or delete records of debt. Some local systems may not have the latest security measures, making them targets for cyberattacks. Migrant workers, if victim to identity theft or fraud due to a breach, often have limited means to seek recourse, and such incidents would severely erode trust in the digital approach.

Unauthorized Access and Misuse: Within the system, multiple agencies and officials have access to data. Without strict **role-based access controls and audit trails**, there's potential for abuse – e.g., an official snooping on data they shouldn't, or a data leak of worker complaints that could lead to employer retaliation file-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub. Privacy regulations in China are still evolving (with the recent Personal Information Protection Law), and ensuring that wage platforms comply with these standards is a challenge. Workers may not be fully informed about who can see their data or how it's used, leaving them vulnerable.

Worker Trust: Many migrant workers are not well-versed in data rights. If they hear news of any data incident, they may withdraw from using the system out of fear. Ensuring privacy is not just a legal duty but essential for user trust. Workers need to feel confident that reporting a wage issue on a platform won't result in their personal information being exposed or misused by employers or scammers.

In summary, despite the promise of digital governance, these challenges — data fragmentation, legal lag, uneven adoption, and security/privacy issues — must be addressed to ensure the system's integrity and inclusiveness. The next section provides recommendations to overcome these hurdles and optimize the digital governance of wage arrears.

RECOMMENDATIONS FOR STRENGTHENING DIGITAL WAGE GOVERNANCE

To address the above challenges and further enhance the governance of migrant workers' wages through digital technology, the following strategies are recommended:

1. **Establish Unified Data Standards and Sharing Mechanisms:** Government agencies should collaborate on a national **data integration protocol**. This would include standardizing data formats, definitions (for example, agreeing on common codes for types of construction projects, job roles, etc.), and frequency of data updates across departments. A central authority (such as the Ministry of Human Resources and Social Security) could issue guidelines that all local platforms must follow for data entry and exchange. Additionally, building **cross-regional data exchange platforms** would help track migrant workers who move between provinces, ensuring their wage records travel with them. By aligning technical standards and breaking down silos, early-warning systems will gain accuracy and comprehensive reachfile-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub.

2. Modernize Legal Frameworks for Digital Evidence and Contracts: Lawmakers and the judiciary should update regulations to **recognize digital records and agreements** explicitly. For instance, the Supreme People's Court could issue judicial interpretations clarifying that authenticated digital payslips and blockchain records are admissible evidence of wage paymentsfile-xryvmitzxdmeoyhjvcrxub. Labor laws should be amended to define the validity of e-contracts and establish that an electronic labor contract (with proper e-signatures) holds the same legal weight as a paper contract. Regulations for **electronic wage guarantees** should be introduced, certifying digital issuance and real-time monitoring by regulatorsfile-xryvmitzxdmeoyhjvcrxubfile-xryvmitzxdmeoyhjvcrxub. These legal reforms will remove ambiguity, making it easier to enforce rights and obligations in the digital realm. Alongside this, training programs in digital forensics should be provided for judges and labor arbitrators so they can competently handle technical evidencefile-xryvmitzxdmeoyhjvcrxub.

3. Promote Widespread Technology Adoption through Training and Incentives: To overcome resistance and low literacy, a dual approach is needed:

Education and Training: Governments should launch large-scale digital literacy campaigns targeting both employers and workers. For employers (especially SMEs), this could involve workshops that demonstrate how using the wage platform benefits them (e.g., reduced disputes, better credit with authorities) and hands-on assistance in initial setupfile-xryvmitzxdmeoyhjvcrxub. For migrant workers, outreach teams can visit construction sites to teach basic app usage for checking wages or filing complaints. Leveraging trade unions or worker organizations to host training sessions in native dialects can improve receptiveness. As seen in Singapore's model, making the usage of digital systems essentially mandatory but providing ample support can increase adoptionfile-xryvmitzxdmeoyhjvcrxub.

Incentives: Encourage participation by rewarding those who embrace the technology. For businesses, local governments could offer **tax breaks or priority in public project bidding** to firms that demonstrate full compliance via the digital systemfile-xryvmitzxdmeoyhjvcrxub. Small firms might receive subsidies or free software/equipment to ease the transitionfile-xryvmitzxdmeoyhjvcrxub. For workers, positive incentives might include mobile data reimbursements for using apps or quick-response mechanisms that make it clearly worthwhile (like fast-track dispute resolution for those who use the online system). Recognizing and publicizing "model enterprises" that successfully adopted digital wage payment can also create social incentives.

4. **Strengthen Data Security and Privacy Protections:** As the system expands, it is vital to **embed robust security architecture**. All wage platforms should employ end-to-end encryption for data in transit and storage, and consider **blockchain-based data integrity** checks for critical records to prevent tamperingfile-xryvmitzxdmeoyhjvcrxub. Regular third-party security audits and penetration testing can help identify vulnerabilities before they are exploited. In terms of privacy, implement strict **role-based access controls** so that only authorized personnel see sensitive informationfile-xryvmitzxdmeoyhjvcrxub. Every access or change in the database should be logged and subject to oversight to deter internal breachesfile-xryvmitzxdmeoyhjvcrxub. Moreover, a clear privacy policy must be communicated to workers: they should know what data is collected, how it is used, and have channels to report concerns. Establishing an independent watchdog or ombudsman for data protection in these systems could help maintain trust. Empower workers by integrating easy-to-use privacy settings and **grievance redressal mechanisms** — for example, allowing a worker to request confirmation that their personal data is deleted after a case is resolved, or to report any suspected misuse directly through the appfile-xryvmitzxdmeoyhjvcrxub.

5. **Enhance Inter-Agency Enforcement Coordination:** Building on the success of places like Luoyang, the central government should institutionalize **joint enforcement task forces** for wage arrears in every province. These task forces, supported by digital platforms, would convene labor inspectors, police, prosecutors, and financial regulators regularly to review system alerts and decide swift action. By formalizing such cooperation (through memorandums of understanding or directives), China can ensure that digital alerts translate into on-the-ground action uniformly. Additionally, integrating judicial tools akin to the U.S. garnishment system—such as automating the freezing of assets when serious cases are confirmed by the platform—could be piloted in Chinese cities to see how legal tech can expedite resolutionsfile-xryvmitzxdmeoyhjvcrxub.

By implementing these recommendations, China can move closer to a resilient digital governance ecosystem where migrant workers' rights are proactively safeguarded. These measures draw on both domestic lessons and international best practices, aiming to create a more transparent, efficient, and fair wage protection system.

CONCLUSION AND FUTURE PERSPECTIVES

The application of digital technology is transforming how governments can address the longstanding challenge of migrant workers' wage arrears. China's experience to date shows that leveraging advanced data processing, intelligent analytics, and cross-departmental platforms can significantly improve governance **efficiency** and **transparency** in this domain. Digital systems are breaking down information silos by consolidating employment, financial, and project data in real time, thus enabling authorities to profile risks and hold enterprises accountable more effectively than ever beforefile-xryvmitzxdmeoyhjvcrxub. For example, Bozhou City's "Manxin Manyi" platform integrates data from over 20 departments and achieved a 67% reduction in construction sector wage disputes through predictive analyticsfile-xryvmitzxdmeoyhjvcrxub. These outcomes illustrate how interlinked databases can catch problems early and facilitate timely interventions.

Moreover, multi-agency collaboration has been greatly enhanced. Platforms like Suqian's wage payment monitoring system unify actions across provincial, municipal, and county levels; as noted earlier, Suqian resolved 1,856 early warning cases and recovered ¥27.2 million in unpaid wages through coordinated enforcementfile-xryvmitzxdmeoyhjvcrxub. Such examples underscore a shift toward **proactive risk mitigation** – in some pilot areas (e.g., Hangzhou's Chun'an County, Taian City), AI models and integrated tools are reportedly addressing up to 80% of wage disputes before they escalate, by digitizing contracts, tracking attendance, and verifying payments automaticallyfile-xryvmitzxdmeoyhjvcrxub. These successes point to a future where the norm is to prevent wage arrears from happening rather than only reacting after the fact.

Looking ahead, several **future directions** emerge for sustaining and enhancing this momentum:

Deeper Technological Integration: There is scope to expand the use of cutting-edge tech like AI and blockchain even further. Early-warning algorithms can be continuously refined (Suqian, for instance, uses a sophisticated set of 25 risk indicators; these could be adapted and adopted nationally)file-xryvmitzxdmeoyhjvcrxub. Blockchain could be deployed for *all* major wage transactions, not just pilot projects, to ensure tamper-proof records countrywide. Bozhou's initiative of disbursing wages via social security cards linked to a unified system (handling over ¥5.24 billion in wages) demonstrates a scalable model file-xryvmitzxdmeoyhjvcrxub. Embracing these tools also entails investing in **ethical AI governance** – ensuring algorithms are fair and transparent – so that decisions (like which company is flagged as high-risk) are accountable.

Enhanced Data Security Measures: As digital governance expands, maintaining robust data security will be non-negotiable. End-to-end encryption, multi-factor authentication for system access, and regular security audits must be standard practice (an approach exemplified by Luoyang's careful handling of data for 895 workers in its legal oversight model)file-xryvmitzxdmeoyhjvcrxub. Future systems might explore decentralized data storage (to reduce single points of failure) and advanced privacy-preserving techniques so that sensitive personal data is protected even as it is analyzed.

Policy and Institutional Reforms: The legal and institutional infrastructure needs to evolve in tandem. Clarity on the admissibility of digital evidence – for instance, confirming that an e-payslip or a chat log can serve as proof of a wage agreement – will bolster confidence in digital systemsfile-xryvmitzxdmeoyhjvcrxub. Standardizing electronic contract protocols and incorporating them into labor law will ensure that digital agreements are enforceable. Additionally, establishing **long-term coordination bodies** (perhaps building on

Suqian's model of a centralized command center with tiered applications) could make interdepartmental cooperation routine rather than ad hocfile-xryvmitzxdmeoyhjvcrxub. This might involve dedicated units or officers in each relevant agency whose role is to interface with the digital platform and counterpart agencies.

Social Empowerment and Inclusion: A truly effective system will not only be top-down but also empower bottom-up participation. Therefore, expanding digital literacy programs for migrant workers is crucial. The aim is that every worker should have the ability to use a smartphone or kiosk to check their wages, understand their rights, and report issues. Outreach can leverage innovations like **AI chatbots** that guide users in simple language – an approach already tested in some areas (Suqian's mobile app with built-in assistance)file-xryvmitzxdmeoyhjvcrxub. Furthermore, engaging civil society and community monitors can complement official efforts. For instance, the use of mini-programs like Taian's "Taishan Anxin Code" has enabled over 700 worker complaints to be resolved in 2024 by allowing easy reporting via social media platformsfile-xryvmitzxdmeoyhjvcrxub. Encouraging such third-party participation creates additional channels for accountability.

Scaling and Sustaining Best Practices: By 2030 and beyond, China envisions scaling successful pilot models nationwide. The case studies we discussed (Suqian, Chongqing, Luoyang, etc.) provide blueprints. The challenge is to adapt these to different local contexts (urban vs rural, coastal vs inland provinces). It will be important to develop a **flexible yet standardized** framework – perhaps a national platform with modular features that local governments can customize. The future also involves fostering a culture of compliance: combining technology with education such that enterprises internalize fair wage practices as a norm. When nearly all transactions and contracts are monitored digitally, the transparency itself can deter non-compliance. Some localities have reported worker satisfaction rates above 95% with the new systems (Suqian's real-time payroll monitoring, for example, has a 98.6% satisfaction rate)file-xryvmitzxdmeoyhjvcrxub, indicating that these measures, when effective, greatly improve trust in governance.

In conclusion, China's journey in digital empowerment for wage governance demonstrates a promising convergence of technology and public policy. By continuing to innovate, addressing current challenges, and scaling up proven solutions, the country can move decisively from reactive dispute resolution to a proactive, prevention-oriented model of labor governance. This not only safeguards the rights and livelihoods of millions of migrant workers but also reinforces social equity and harmony — goals at the heart of Asia-Pacific policy development in the digital era.

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