

EA Alert Dated: 17 April 2015

EA Alert: Orchard Cluster Audit Operations: May 2015

# EA ALERT(06/15)

## ORCHARD CLUSTER AUDIT OPERATIONS: MAY 2015

The Ministry of Manpower (MOM) will be conducting an audit operation on employment agencies (EAs) situated in the Orchard Cluster.

During the audits, MOM officers will be using a checklist similar to the attached Self-Assessment Compliance Toolkit, which lists the provisions in the EA Act, EA Rules, and EA Licence Conditions.

EAs are therefore encouraged to use the Self-Assessment Compliance Toolkit to ensure internal compliance before MOM's audit. Results of past audits revealed that EAs who had used the checklist to verify their practices prior to the audits performed better. We wish to remind EAs that enforcement action will be taken for non-compliance and demerit points will also be issued. Details of the past audits and the Demerit Points System are appended below.

During this period, audits may be conducted at other areas as well. We also wish to highlight that we may audit your EA even if your EA has been audited before.

EAs are reminded to request the MOM audit officers to show their MOM authority cards, before allowing them to audit your EAs. Please also contact MOM's Employment Agency Licensing Branch at 6692 4355 if you believe that someone is impersonating as an MOM audit officer.

### COMPLIANCE RATE FOR PAST CLUSTERS AUDIT

**Bukit Timah (Conducted during May/June 2012)**

47 EAs with infringements (72%)  
18 EAs with no infringement (28%)

**Hougang Green (Conducted during Jan 2013)**

8 EAs with infringements (90%)  
9 EAs with no infringement (90%)

**Katong (Conducted during May/June 2013)**

23 EAs with infringements (42%)  
32 EAs with no infringement (58%)

**Chinatown (Conducted during April/May 2014)**

20 EAs with infringements (63%)  
12 EAs with no infringement (37%)

### MOST COMMON INFRINGEMENTS UNCOVERED DURING PAST CLUSTER AUDITS

**Failure to issue itemized receipt to applicant for employment**

**Failure to furnish FDW's employment history and obtain acknowledgement from employers**

**Failure to insert EA personnel name and registration number in all forms of documents**

### Overview of Demerit Points System

**No. of DP** 0 4 8 12 18 24

- 1) Minimum \$40K SD
- 2) Minimum \$60K SD
- 3) Partial forfeiture of \$10K SD, top up to max 60K
- 4) All KAHs to sit for CEI(KAH) exam and pass
- 5) WPOL/EPOL suspended until all KAHs pass CEI
- 6) EA placed under surveillance, with information made publicly available
- 7) Partial forfeiture of \$15K SD, top up to max \$60K
- 8) WPOL/EPOL suspended until EA rectifies problem.
- 9) Surveillance, with information made available (same as at 12 DPs)
- 10) Suspension/Revocation

Yours Sincerely

Brian Wong

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