

## **Employment of Foreign Manpower Act**

- The Employment of Foreign Manpower Act (EFMA) prescribes the responsibilities and obligations pertaining to the employment of foreign manpower.
- Employers who benefit from the employment of foreigners to complement their local workforce must do so within the rules set by the Ministry of Manpower (MOM). For instance, employers may only employ foreigners who have valid work passes, and may not deploy their foreign employees to another employer or to work in a different industrial sector.
- Likewise, foreign employees must comply with the rules which govern their short-term stay in Singapore for employment. For instance, foreigners are only allowed to be employed if they have valid work passes, and can only work for the employer and in the industrial sector specified on the work pass card.

### ***Responsibilities & Obligations of Employers of Foreign Employees***

- The EFMA allows the Government to impose requirements, as work pass conditions, on employers of foreign employees. In particular, to ensure the well-being of more vulnerable, low income Work Permit Holders (WPHs), the Government imposes additional requirements on employers under the Work Pass Conditions.
- Some key requirements imposed under the Work Pass conditions include:
  - (i) ***In-Principle Approval Letter***
    - a. WPHs are required to present the In-Principle Approval (IPA) letter to immigration officers to gain entry into Singapore. The IPA letter contains important information about the terms of the WPH's employment in Singapore. Employers are required to ensure that the WPH's copy of the IPA letter is sent to the worker prior to the worker's departure for Singapore.
  - (ii) ***Medical treatment and insurance***
    - a. Employers are responsible for the cost of medical care of their FWs. Unlike locals, the Government does not give healthcare subsidies to foreigners. When employers bring in FWs, we must ensure that FWs' medical bills do not remain unpaid. Otherwise, such costs will unfairly get passed on to taxpayers.

- b. To ensure that employers are able to meet this obligation, all employers are required to purchase and maintain medical insurance, of at least \$15,000 per worker per year, for their S Pass holders and WPHs, including Foreign Domestic Workers. Insurance helps employers to better manage the medical costs of their foreign workers through risk-pooling, and reduces their exposure to large medical bills.

*(iii) Acceptable accommodation*

- a. Business employers are required to ensure that their WPHs have acceptable accommodation. Acceptable accommodation is defined as housing that meets various statutory requirements, including technical standards pertaining to structural safety, fire safety, environmental health and sanitation; and complies with prevailing land use policies.
- b. Business employers are also required to register the WPH's accommodation address and update MOM when their worker moves to a new address within five days.

*(iv) Repatriation*

- a. Employers are responsible for the eventual repatriation of their WPHs. Employers are required to pay for the repatriation of the worker to an international port of entry that affords reasonable access to the worker's hometown.
  - b. In addition, employers must ensure that all outstanding salaries or monies due to the worker have been paid before the worker is repatriated. Employers may not repatriate their FWs to frustrate or deny any statutory claim for salary arrears or work injury compensation filed, or intended to be filed, by the worker.
- Under the amended EFMA which came into effect on 9 November 2012, employers who breach these conditions may be fined up to \$10,000, or be subject to a financial penalty of up to the same amount. Employers who commit egregious offences may also be imprisoned up to 12 months, in addition to the fine.