

Examples of inconveniences and risks associated with safekeeping arrangement

1. Employer fell into coma and FDW could not recover her money readily

FDW "A" and Employer "A" agreed that Employer "A" would help FDW "A" safe keep \$100 out of her \$600 salary every month. Unfortunately, Employer "A" suddenly developed seizures and fell into a coma. FDW "A" visited Employer "A" at the hospital and cared for her, but eventually had to go home. However, FDW "A" was unable to retrieve her money (which amounted to \$2,000) back from Employer "A" who was still in a coma. FDW "A" was lucky that through various help channels, she managed to receive about \$2,000. However, such a fortunate outcome cannot be counted on in all cases, and it caused a lot of stress on FDW "A" in the time it took to try and get her money back.

2. Employer unable to pay accumulated salary to FDW due to unforeseen circumstances

FDW "B" had been working with Employer "B" for more than 2 years, and had a salary safe-keeping arrangement. When FDW "B" was ready to take back her money, the amount had grown to \$11,000. By that time, Employer "B" was in financial difficulties. Although Employer "B" wanted to return the money to FDW "B", she could not put together \$11,000 on short notice. Both were quite distressed as they did not expect such a situation. Employer "B" could only pay by instalments, and she was fortunate that FDW "B" was kind enough to accept this. Such a situation would have been avoided if safekeeping was prohibited.

3. Employer and FDW had disputes over the amount of money kept because of poor record-keeping

FDW "C" and Employer "C" had a salary safekeeping arrangement for close to 2 years. When it was time to return the money, both could not agree on the amount kept because Employer "C" had not maintained proper salary records. It was a difficult time for both of them who tried their best to come to an agreement on the correct amount. Eventually, with MOM's assistance, Employer "C" returned \$2,000 to FDW "C". As employers have to maintain a record of the monthly salary paid to the FDW under the Employment of Foreign Manpower Act (EFMA), Employer C was also given a Caution under the EFMA.