

## **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.