

Protecting you and your FDW from salary disputes

Dear Employers,

Singapore's laws require employers to pay salaries in full and on time. Come 1 January 2019, the safekeeping of salaries of foreign domestic workers (FDWs) will not be allowed. This is to protect employers and FDWs from unnecessary conflict and salary disputes.

While some employers have kept the salaries of FDWs with good intentions and their consent, problems have inadvertently arisen between the two parties and soured relations.

For instance, there have been cases where employers and FDWs disagreed over the amount of funds kept because of poor record keeping, or salaries were lost when employers who safe-kept the funds ran into financial difficulties.

It is in the interest of both employers and FDWs for salaries to be kept and managed by the employees, just like other workers in Singapore. Having access to their full salaries will also encourage FDWs to take personal responsibility for managing their own finances.

What you should know

- If you are currently safekeeping any money for your FDW, please return the funds before 1 January 2019.
- You can continue to pay your FDW salary in cash and must keep proper salary payment records. You and your FDW should also sign on a salary schedule every month.
- Or, you can pay your FDW's salary electronically. You can help your FDW start a personal bank account at any bank.
- The Centre for Domestic Employees (CDE) has partnered POSB on a payroll account for FDWs which does not require an initial deposit nor charge a fall-below fee. For accounts with other banks, you may wish to check if fees are charged when a monthly minimum balance is not maintained. For more information about setting up a bank account for your FDW, please click [here](#).
- Should your FDW still request for you to safekeep her money, do inform her of the latest ruling and advise her to keep her own money, bank book and/or ATM card.

