

## EMPLOYMENT OF FOREIGN WORKERS

4. **Er Lee Bee Wah** asked the Acting Minister for Manpower (a) what number of foreign workers were not paid their wages during the past six months; (b) what steps are being taken to check on employers to prevent the situation of unpaid labour from getting out of hand; (c) at what stage will the Ministry step in to protect the workers from being abandoned by their employers.

5. **Er Lee Bee Wah** asked the Acting Minister for Manpower if the Ministry will impose stricter conditions on employers who intend to bring foreign workers to Singapore.

**The Acting Minister for Manpower (Mr Gan Kim Yong):** Sir, with your permission, can I take Question Nos. 4 and 5 together?

**Mr Speaker:** Yes.

**Mr Gan Kim Yong:** Sir, as the economy slows down, the number of foreign workers who have approached the Ministry for assistance on salary arrears has increased. The number of foreign work permit-holders who are involved in salary disputes increased from about 0.2% of the total work permit population in 2007, to about 0.4% in 2008.

My Ministry has stepped up enforcement and mediation efforts to ensure that employers fulfil their obligations to their workers. In addition to the regular audits that MOM conducts on companies to check for infringements of the Employment Act - such as failure to pay salary, overtime, or provide leave benefits - we are also stepping up inspections at foreign workers' dormitories to check, among other things, if they face salary arrears problems.

If they do, MOM will step in to help them recover their outstanding salaries. Through MOM's intervention, most of these complaints have been resolved quickly and amicably. Over the past six months, 85% of the cases involving foreign workers were dealt with within three weeks. Complex cases could take longer and could involve adjudication by the Labour Court. The foreign workers involved are allowed to stay in Singapore under a Special Pass for a short period to enforce their claims. Even if they return home, MOM will continue to help them with their claims.

We have also put in place a number of early intervention measures to detect non-payment of salaries. We monitor employers who default on levy payments, and work with housing operators to gather information about employers who default on their rental payments. Such employers are likely to be facing cash-flow problems and may have salary disputes.

While we can understand that some employers may be facing business difficulties under the current economic environment, this does not absolve them from their basic responsibilities towards their foreign workers. These include paying salaries and providing workers with proper accommodation, food and medical care. MOM will not hesitate to take action under the Employment Act (EA) or the Employment of Foreign Manpower Act (EFMA) against errant employers who fail to pay salaries on time. The penalty for non-payment of salaries under the Employment Act has been increased to \$5,000 per charge for first-time offenders since January this year. MOM may also prosecute employers, as well as debar them from hiring foreign workers. Employees who are not paid their salaries are advised to approach the Ministry for assistance.

Further upstream, MOM has also implemented measures in the work pass approval process to minimise the possibility of workers being brought in without jobs. For example, construction and marine companies need to show documentary proof that they have ongoing projects before work permits are issued. For subcontractors, an endorsement of work is also required from their principal contractor. MOM has stepped up scrutiny in processing work permit applications by companies specially in the marine sector. However, we have to do this in a calibrated way so that we do not create rigidity and inconvenience for the vast majority of lawful and responsible employers.

We must also recognise that in a volatile business environment, some employers may find that the projects they had earlier planned for are delayed or even cancelled. In such situations, companies may not have work for some of their foreign workers. If so, the work permit conditions require the employer to terminate the contracts and facilitate the repatriation of their workers to their home

country after ensuring that all outstanding employment issues have been resolved. MOM will continue to monitor the situation closely, and we will step up enforcement and tighten checks, if necessary.

**Er Lee Bee Wah (Ang Mo Kio):** Sir, I have four supplementary questions.

First, during the past two years, how many employers have been charged by MOM? Second, will there be a stricter requirement imposed on those employers who are found to be irresponsible on the future hiring of workers? Third, are there any signs of syndicates, who are bringing in foreign workers to Singapore without any jobs available? Fourth, in view of the challenging economic situation, is the Ministry going to reduce the number of foreign workers, so that there are sufficient jobs for Singaporeans?

**Mr Gan Kim Yong:** Sir, let me give the Member some numbers. In 2008, we had a total of 26 employers who were prosecuted for Employment Act violations, 14 of whom involved salary disputes.

With regard to stricter control on employers who have violated on our Employment Act and other legislations, I have explained in my answer that some of them, when found guilty, will be debarred from employing foreign workers in the future. So there are quite stringent controls on their ability to have access to foreign workers.

With regard to syndicates or employers who bring in foreign workers without work, we are currently investigating a number of employers who have brought in foreign workers without proper work for them. Some of them, earlier on, had contracts with some of their principals, but some of these contracts did not materialise. Some of them had brought in too many foreign workers, and these are the cases that the Ministry is currently investigating. Because the investigations are still under way, I rather not discuss the details of these cases.

Ms Lee's fourth question is whether we are going to tighten the supply of foreign workers. As I explained at the last sitting, foreign workers will continue to be needed in some of the sectors, including the construction and marine sectors. These foreign workers are here sometimes to do jobs which Singaporeans do not want to do or are unable to do. I think it is important for us to ensure that these foreign workers will continue to help us in our economy.

I also mentioned in a previous answer that for companies which are facing difficulties and which have insufficient work, these companies should release their foreign workers so that they can return home. To keep these foreign workers here without adequate work will not be beneficial for them. So, in short, I think we will calibrate our framework for foreign workers to ensure that we respond to changes in the economy's outlook, but it is important for us to ensure that we have sufficient flexibility in the labour market.

This recession will come and we do not know how long it will last. But what is important for us during this recession is to ensure that our long-term economic fundamentals are not compromised. And one key strength that we have is our flexible labour market, that we are able to expand when the economy grows, and we are able to then respond to the economy when the economy slows down. So I think it is important for us to ensure that our labour market remains flexible. What we want to focus on now is really to help Singaporeans to improve their employability, and SPUR is one key strategy for us to help Singaporeans improve their employability, through training as well as through upgrading. And we also use SPUR to help companies cope with the downturn by helping their workers upgrade and, at the same time, to share the cost in their absentee payroll. I think, through SPUR, we want to ensure our Singaporeans are more productive, more employable, and they will be attractive to the companies. And when the companies employ them, their skills will also benefit our local companies. This way, we will ensure the businesses in Singapore will remain competitive and will be able to survive, and we will be able to save more jobs.

## UNPAID FOREIGN WORKERS

### (Risk of crime)

6. **Er Lee Bee Wah** asked the Deputy Prime Minister and Minister for Home Affairs (a) what steps are being taken to pre-empt foreign workers who have not been paid wages from turning to crime; and (b) what the Ministry is doing to provide security to residents living near foreign workers' dormitories housing abandoned or unpaid foreign workers who may be tempted to turn to crime.

**The Senior Minister of State for Home Affairs (Assoc. Prof. Ho Peng Kee) (for the Deputy Prime Minister and Minister for Home Affairs):** Sir, while we can appreciate the sense of insecurity felt by some residents as a result of the presence of foreign workers living nearby, let me say that this sense of insecurity is based more on perception rather than reality. The fact is that foreigners generally commit fewer crimes than locals. In 2007, the overall arrest rate, ie, number of persons arrested for every 100,000 in the population was 407. The arrest rate for foreigners at 279 was much lower than the figure of 456 for Singapore residents. Indeed, the arrest rate for work permit holders, which is the focus of Ms Lee's question, was even lower, at 217 per 100,000 work permit holders.

Moreover, Sir, we should not conclude that foreign workers with contractual disputes with employers will naturally turn to crime. Indeed, these workers would be familiar with our strict laws and social norms. When they first arrive here, they would have received a guide book produced by MOM in nine languages, providing information on key laws and norms, and also reminding them to be law abiding during their stay here.

In addition, the Singapore Police Force has ongoing programmes to engage the foreign workers' community, leveraging on the Community Safety and Security Programme (CSSP). Foreign workers themselves are co-opted to address crime and security concerns. Currently, there are 18 such CSSP projects which have received positive feedback. Basically, involving foreign workers in CSSP projects, increases the eyes and ears in our neighbourhoods, as they are more aware of suspicious activities that should be reported to the police.

Besides these community engagement measures, police also conducts frequent visits to foreign workers' dormitories to project police presence. At the same time, police also work with dormitory operators so that they would have a good idea of what is happening in the dormitories, and are aware of any potential law and order issues. Indeed, many of these operators also engage their own security officers to maintain good behaviour by the foreign workers.

**Er Lee Bee Wah:** Sir, during my recent visit to the Teachers' Estate, which is very close to Tagore Industrial Park, we received a number of feedback from the residents. Very often, they see foreign workers loitering around Teachers' Estate, and the foreign workers also approach residents for jobs. Therefore, there is this sense of insecurity. I would like to ask the Senior Minister of State whether the police step up more patrols in residential areas, which are near to a foreign workers' dormitory? And does our Police Force have sufficient manpower to carry out these patrols?

**Assoc. Prof. Ho Peng Kee:** Sir, in regard to the incident that Ms Lee has indicated, in terms of foreign workers, I think it is more a question of social disamenity that is being caused - they loiter around. They are visible but they do not commit crime. Some of them, in fact, may engage in anti-social behaviour. The key point to note is that it is not a law and order problem; it is not a crime problem. That is why I mentioned just now that whilst police can be involved, the key really is that the community is involved, and indeed, like some dormitory operators do, they engage auxiliary police or security officers. This is something which I think we have to face in Singapore. And employers can play a part too, to advise and to see that the foreign workers do not to loiter around in areas that may cause anxiety.