

## **Support Group for HK Employers with Foreign Domestic Helper**

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Clerk to Panel on Manpower  
Legislative Council Secretariat  
Legislative Council Complex,  
1 Legislative Council Road,  
Central, Hong Kong

To Whom It May Concern:

#### **Re: Views on ""Intermediary charges for foreign domestic helpers"**

Support Group for HK Employers with Foreign Domestic Helper is a newly established organization formed to collect recommendations from employers of foreign domestic helpers (hereinafter referred to as "employers") in order to improve the prevailing policies in this area and fight for the best interests of both parties.

Regarding the existing intermediary charges for employing foreign domestic helpers, our organization would like to submit to you our concerns and recommendations for your consideration when developing initiatives.

In recent years, feedback from employers about the service quality provided by foreign domestic helper (hereinafter referred to as "FDH") and the intermediary companies (hereinafter referred to as "intermediaries") have gone from good to bad. Examples include theft, fraud, and abuse of children. These issues all have a hand in eroding the stability of families in Hong Kong. This is a serious problem and this organization identifies the following as the root causes: an imperfect intermediary licensing system operating without much oversight, allowing it to act in its own best interest to reap financial rewards.

According to the Economic Times on April 24, in just the first quarter of 2013, the Council received over 300 complaint cases. Compared with Q1 of 2012, this represents an increase of 43%. Unscrupulous intermediaries continue to operate, and there will be a continued increase in the number of complaint cases. Due to increased competition between intermediaries, many have sought a variety of methods to increase revenue, some of which include concealing poor work records of FDH and deliberately recommending incompetent workers or those that broke their contract.

Currently, there are no standard guidelines governing how agencies operate. It seems that profit is their only motive and it shows in their typical operations. Some intermediaries pass off the responsibility of intermediary charges to employers, even requiring them to pay illegal deductions to the FDH's wages. In recent months, the cost to the employers has ranged from several thousand to ten thousand dollars, on top of what they already have to pay in wages. This, however, does not guarantee the quality of service provided by FDH. As a result, the number of grievances filed by employers is increasing.

In order to govern this industry, this organization is proposing the following four recommendations:

- 1) A demerit point system shall be instituted among FDH intermediaries whereby it would affect their licensing. There also needs to be co-regulation among agencies regarding their practices, service quality, and service guarantees. A complaints management procedure should be established to handle the incoming grievances and to help enhance the overall level of service provided by the intermediaries;
- 2) Intermediary charges should be clearly defined, including, and not limited to, listed services, protection provisions, documents/accreditation fees, and other details. Upon signing of the contract, employers should only have to pay a portion of the intermediary charges, with the balance payable only when the FDH has been properly on-boarded by the employer. Should the FDH not be the

one requested by the employer, the intermediary will be responsible for following up or compensating the employer for costs if any incurred;

- 3) Fees required by the intermediary agency representing the FDH in the foreign country cannot and shall not be passed onto the employer. This is to protect the employer from paying more than the FDH wages;
- 4) The Legislative Council should find it in their interest to set up a regulatory FDH sub-committee to follow up on the FDH, the intermediaries, and any problems that the employers may have. The authorities have a pressing need to address the seriousness of this problem, in addition to their responsibility to protect over 300,000 of its citizens who currently act as employers of FDH.

The Support Group for HK Employers with Foreign Domestic Helper urges you to consider our recommendations in establishing a sound policy for all the parties involved. This is vital in seeking and preserving the well-being of Hong Kong citizens. Thank you.

Support Group for HK Employers with Foreign Domestic Helper