

**[POEA Memorandum Circular No. 09, s. 2014,
December 12, 2014]**

PLACEMENT FEE POLICY FOR NEW ZEALAND

Adopted: 12 December 2014

Date Filed: 05 January 2015

Pursuant to Section 3, Rule V, Part II of the POEA *Rules and Regulations Governing the Recruitment and Employment of Land-based Overseas Workers* which provides that a recruitment agency may charge and collect from its hired workers as placement fee, an amount equivalent to one month salary, exclusive of documentation costs, except where the prevailing system where the worker is to be deployed, either by law or practice, does not allow charging or collection of placement and recruitment fee.

Along this line, New Zealand's Wages Protection Act 1983, which was validated by the New Zealand embassy provides for the following:

12A No Premium to be charged for employment

(1) No employer shall seek or receive any premium in respect of the employment of any person, whether the premium is sought or received from the person employed or proposed to be employed or from any other person.

(2) Where an employer receives any amount of money in contravention of Subsection (1), whether by way of deduction from wages or otherwise, then, Irrespective of any penalty to which the employer thereby becomes liable, the person by whom the money was paid, or as the case may be, from whose wages was deducted, may recover that amount from the employer as a debt to the person; and civil proceedings for the recovery of the amount may be instituted in the Employment Relations Authority by the person or, by a Labour Inspector designated under Section 223 of the Employment Relations Act 2000 on behalf of the person.

Hence, agencies recruiting and hiring workers and deploying to New Zealand are prohibited from charging and collecting any recruitment and placement fee from said workers.

For immediate and strict compliance.

(SGD) LIBERTY T. CASCO
Officer-in-Charge
