

## Job Agency Scam : Beware of jobs that don't exist

Written by Administrator

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Darshan Singh (left) says job agencies play a game of waiting for people to get frustrated, while Roslan Mahayuddin says consumers can check with government departments if the company is legal. Rungit Singh (right) says job-seekers should choose companies that have a proven track record.

If it sounds too good to be true, it probably is. Less than a year after the banning of scratch-and-win contests, another scam has emerged. Employment agency scams are robbing the innocent of hard-earned money. AUDREY VIJAINDRAN and SONIA RAMACHANDRAN learn that this scam is topping the list of complaints nationwide.

THIS is one job interview you are sure to ace. You don't need any field experience, paper qualifications or language skills.
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You don't need your own vehicle; you can be 99 years old and blind as a bat. But fret not; you are only RM200 away from your dream job. Housewives, fresh graduates and college students flip through the classifieds daily looking for ways to make some pocket money. Data entry, envelope-stuffing and box-folding sound easy enough, especially if you can earn a minimum of RM50 a day.

But there is one catch. The dream job does not exist. Bogus employment agencies are making it all up. And the number of victims falling prey to these scams is on the rise. In the last three months alone, the National Consumer Complaints Centre (NCCC) received 162 complaints of such scams. Last year, 679 complaints were lodged with the NCCC with 523 complaints on such employment agencies in 2006. Cases filed at the Consumer Claims Tribunal against such job agencies are also on the rise. There were 263 cases filed against employment agencies last year. Kuala Lumpur recorded the highest number with 187 cases. In 2006, 244 cases were filed at the tribunal nationwide. The modus operandi of these companies is simple. They advertise jobs in newspapers and on the Internet luring people with the promise of a fat salary at the end of every week. But before applicants are offered jobs, they are required to pay an administration fee of between RM180 and RM200. The fee is said to be, among others, for processing documentation, consultation sessions and phone calls. And the agreement they are required to sign is termed a "consultation agreement".

NCCC director Darshan Singh said: "I receive emails from victims everyday. Employment agency scams are common in this country." But for every complainant who comes forward, there are 200 others who suffer in silence. This type of scam, he says, has been around for almost two years, but until now little action has been taken against these agencies. "Most of these agencies charge an administration fee of up to RM200. But the consultants of these companies know very well that there is no such job vacancy. "If they charge one person RM200, can you imagine how much they are making if one million people answer their advertisements?"

The job applicants spend time waiting for the promised call from the agencies, and will incur expenses phoning them or making visits to them and they are given the run-around. Darshan said the NCCC had also received complaints where employment agencies used names of large and reputable companies, saying there were vacancies in these companies, to encourage people to apply. The agencies, he added, orchestrated their scams in a way that cheated people of their money by preying on their emotions, especially with the rising cost of living. "They know that after three to four months, most people get frustrated and forget about the money. "It is a game they are playing. They just wait for people to get frustrated." NCCC believes authorities like the Domestic Trade and

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Consumer Affairs Ministry, the police and the Human Resources Ministry, are not doing enough to arrest the problem. "It is similar to scratch-and-win scams where millions of ringgit were lost before anything was done. "What is the criteria for action to be taken? Is one complaint enough for action against errant businesses?" Darshan asked. "We don't want cosmetic enforcement procedures. We want them to get real with issues." he said. He suggested that the authorities monitor advertisements to ensure they were genuine, as well as plant "spies" to prevent such scams. The Consumer Claims Tribunal, however, has not been sitting idly. Its chairman, Rungit Singh, introduced a standard practice last year for all tribunals nationwide where the Domestic Trade and Consumer Affairs Ministry's enforcement division was notified if there were five cases or more filed against a particular company. "This is one way we can help enforcement agencies before the problem gets out of hand." He said since the problem involved scams, it had to be tackled at the root. "Our role is to seek redress for each claimant to get back what he lost. You add up these cases and it becomes a scam. "These agencies take the details of a person, charge a basic administration fee and specify a time frame for a job. "When the job does not materialise, complainants come to the tribunal. "An individual is not interested in whether it is a scam or not. He is only worried about his own money. So, we have to deal with each person individually." Rungit's advice to job-seekers is simple: deal with agencies that charge a fee only upon the applicant getting a job or receiving his first salary. "They should also choose reputable companies that have a track record. "There are also many genuine Internet job sites available now." Domestic Trade and Consumer Affairs Ministry director-general of enforcement Roslan Mahayuddin said they had received complaints on the matter. This year, there have been 26 complaints. Roslan, however, said the enforcement unit had acted against several companies. "We are investigating them. We are aware of this. Most of the cases involve data-entry job offers, or box-folding and envelope-stuffing at home. "These agencies charge anything from RM50 to RM200 and promise to contact the job applicants but never do. We are compiling the complaints." Errant companies will be brought to book under the Consumer Protection Act 1999. He has officers doing undercover duty as well as monitoring advertisements in newspapers daily. "Our officers pose as job-seekers and even pay the fees to obtain the materials. "This is also done for direct-selling cases and get-rich-quick schemes," he said. Roslan advised consumers to be wary of advertisements that seem too good to be true. "Consumers have to decide wisely before parting with their money. They can also check with government departments if the company they are dealing with is legal. "The consumers have to work with us and provide information to us." Companies Commission Malaysia (SSM) chief executive officer Abdul Karim Abdul Jalil said it would get involved if a company or business was used for unlawful purposes. "If a company is used as a vehicle to cheat people, we can take court action to wind up the company. "If a business is used for unlawful purposes, we can revoke its registration and blacklist the proprietors." Last year, SSM received six complaints and one so far this year. Out of the seven complaints, two business licences were revoked.

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