216716 - They give employees a share of the profits, and give no option but to have them deposited in a riba-based bank. What is the ruling?

the question

I work in Canada in an aluminum factory. At the end of every year, the company gives a share of the profits to the employees. They give some of that in cash, and the rest is deposited in the bank; this is not optional, and it is to be withdrawn at retirement. The portion that is deposited in the bank receives interest, and there is no way to opt out. What is the shar'i ruling on this money? Please note that I can refuse the money, and there is another way to avoid interest, which is to invest that money with them, but they deal in haram transactions, such as dealing with riba-based banks, alcohol, cigarettes and other things, and other kinds if investment offered by riba-based banks.

Detailed answer

Praise be to Allah.

With regard to the share of the profits that the company pays at the end of every year, that is part of the employee's wages and salary.

Because this money is paid and deposited in an account allocated to the employee, it is regarded as belonging to him, and preventing him from disposing of it during his period of employment, until he retires, makes his ownership of it incomplete, but it does not mean that it is not in fact his property.

The fact that the company deposits it in a riba-based account is pure wrongdoing, because they are ignoring his right (to choose what to do with it) by depositing it in a haram type of account. Even if we assume that preventing him from disposing of it is something to which he gave consent when he signed his employment contract, that does not make it permissible for them under any

circumstances to deposit it in a riba-based account.

After receiving this money, the employee must cleanse it of that [riba], even if he did not agree to it, because it resulted from his wealth. So he should give the extra amount that resulted from interest to charitable causes by way of getting rid of haram wealth, and he should not leave it for them [the company].

If it is a matter of choosing between letting this wealth grow by means of pure riba or investing it in matters that are mixed with haram, then undoubtedly the latter is less grievous than the former. When he receives it, he should get rid of the haram portion of it; he should try to work that out to the best of his ability.

And Allah knows best.