

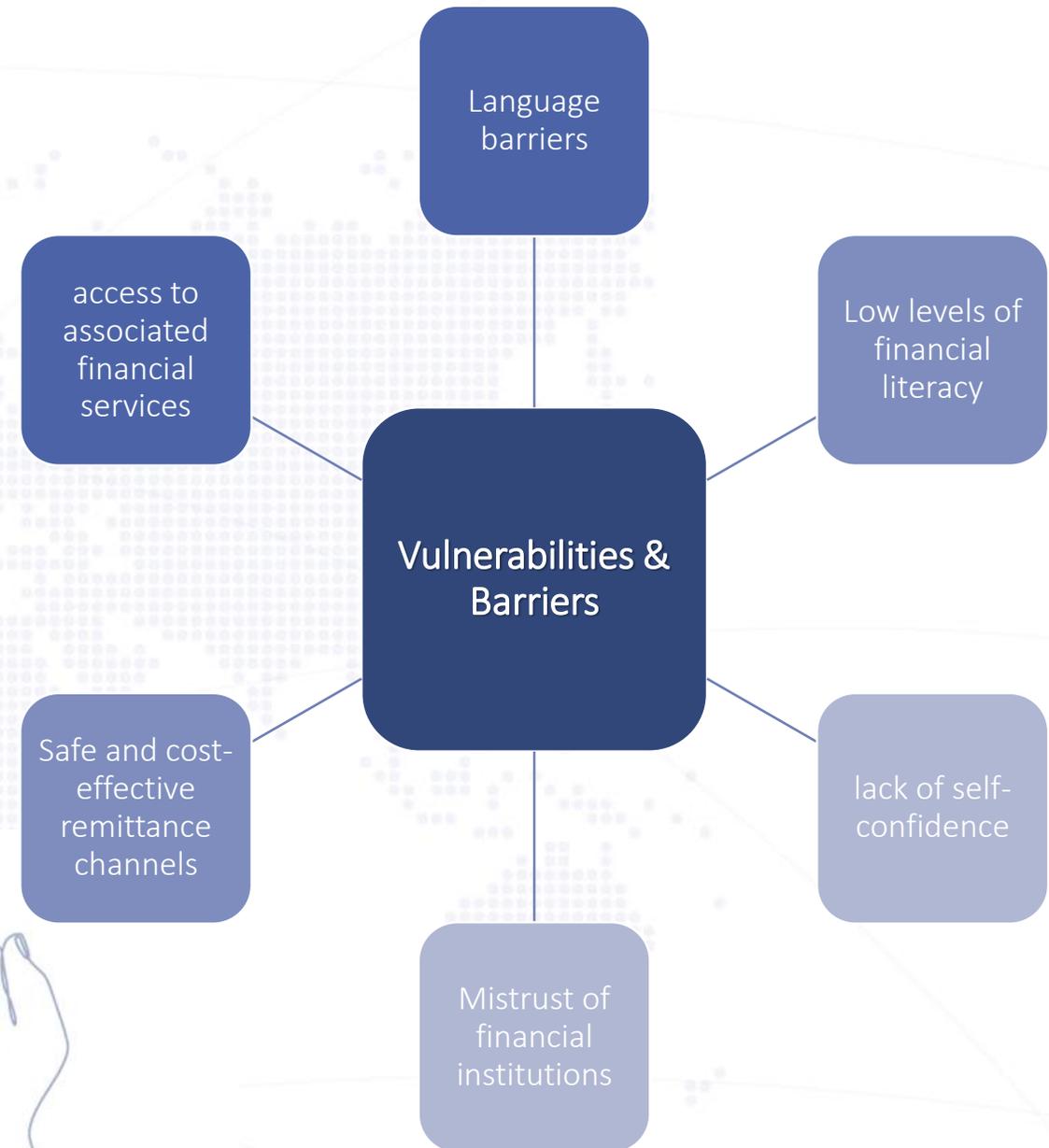
Improving Financial Literacy among Domestic Workers

Erika Broers
Programme Manager, IOM



Financial Literacy & TCWs

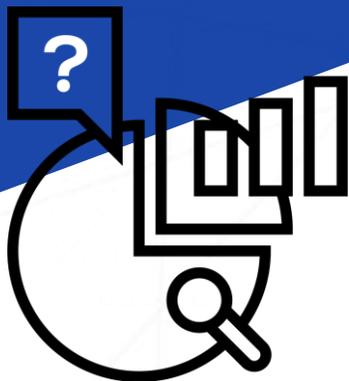
- ❑ Global remittances have reached **\$689 billion**
- ❑ The **gender gap** in financial literacy
- ❑ **Financial decision-making** is no longer the sole domain of the male breadwinner
- ❑ Women and girls often lack the essential life skills and autonomy to make **informed migration** as well as financial decisions, in spite of their frequency in migrating, sending home and using remittances
- ❑ TCWs, particularly domestic workers, can face **additional complications** as they and the main remittance recipient are geographically separated, often for long periods of time.



Examples of Challenges

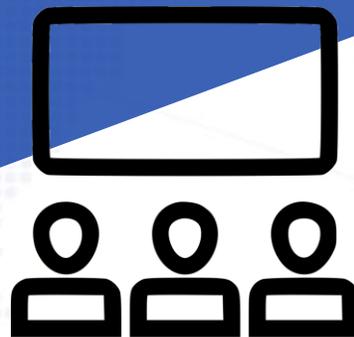
Financial Literacy

- *Struggle to understand terms and features of different financial services and products*



Provision of Financial Education

- *Sessions are not necessarily tailored to the needs of different groups of temporary contractual workers*



Financial Services Infrastructure

- *Lack of experience in dealing with financial institutions and formal products*



Documentation Requirements

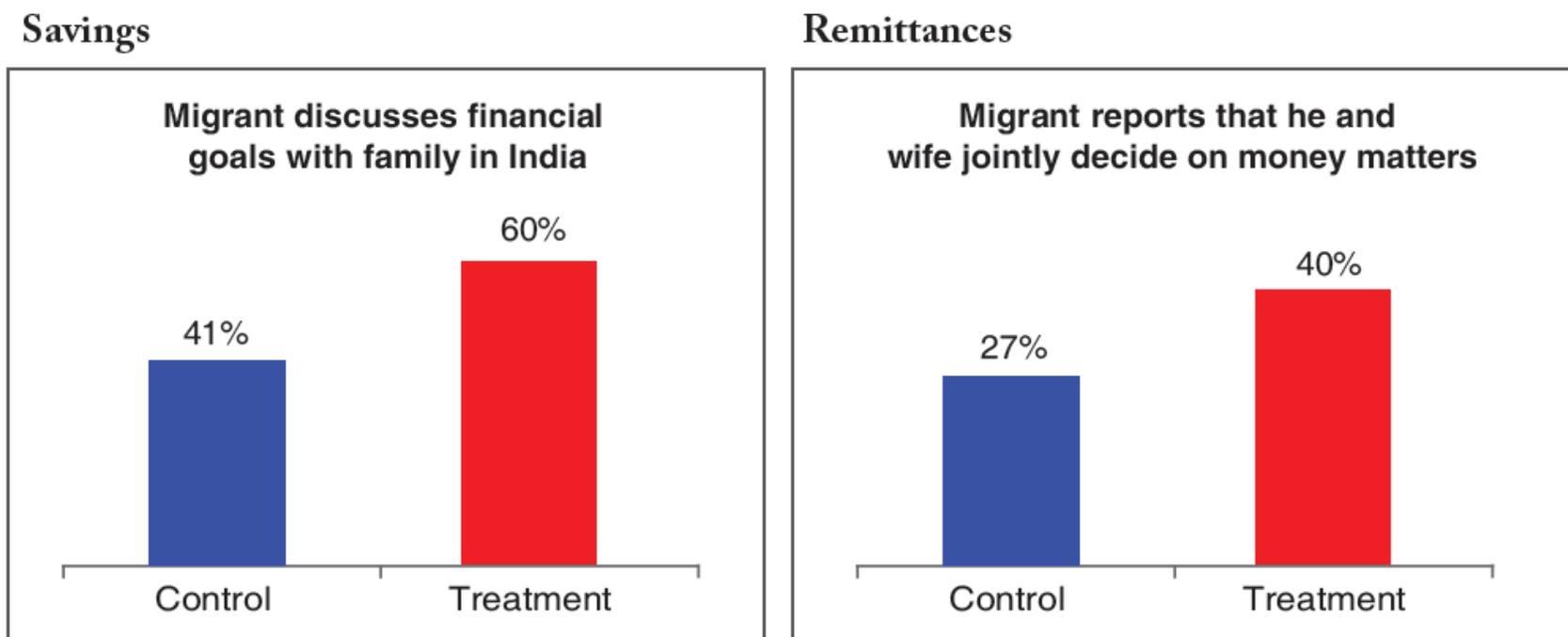
- *Unable to fulfil administrative requirements and lack confidence in seeking advice*



Financial Literacy and Orientation

Policy makers are increasingly focusing on financial education as a tool to empower domestic workers to manage their finances effectively

Figure 4: Impact of workshop treatment on joint decision-making



Note: The treatment group had 134 couples while 66 couples were assigned to the control group.

Seshan, 2015: Evaluating Financial Literacy Training for Migrant Workers in the Gulf

CIOP

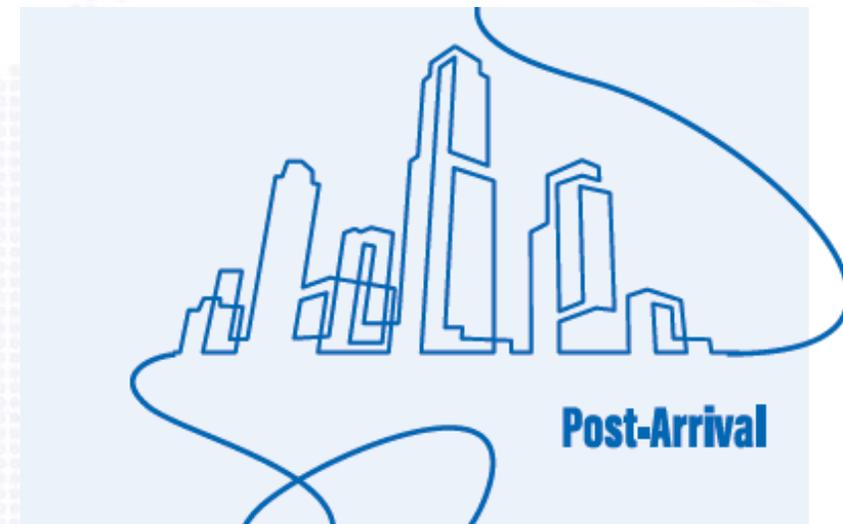


Pre-Employment Orientation

'Equips prospective TCWs with accurate and tailored information to enable them to make an informed decision on whether or not foreign employment is a realistic and adequate option'

Pre-Departure Orientation

'Supports outgoing TCWs in preparing for their journey, adjustment period, life and work in the COD along with providing guidance on ways to get access to support channels and grievance mechanisms'



Post-Arrival Orientation

'Provides TCWs with further information regarding local labour laws, socio-cultural norms and practices, workplace expectations and good conduct'



CIOP and Financial Education I



Pre-Employment Orientation

'Understanding basic financial management'

↔ 2 hours ↔ with family members ↔ key concepts ↔ healthy and realistic financial expectations ↔ decision-making process accounts for potential savings and cost ↔ financial division of labour

Pre-Departure Orientation

'Management of earnings and remittance'

↔ 1-2 hours ↔ tips on earning and remittance management ↔ saving action plans and budgets ↔ common challenges and remedies ↔ planning for the future



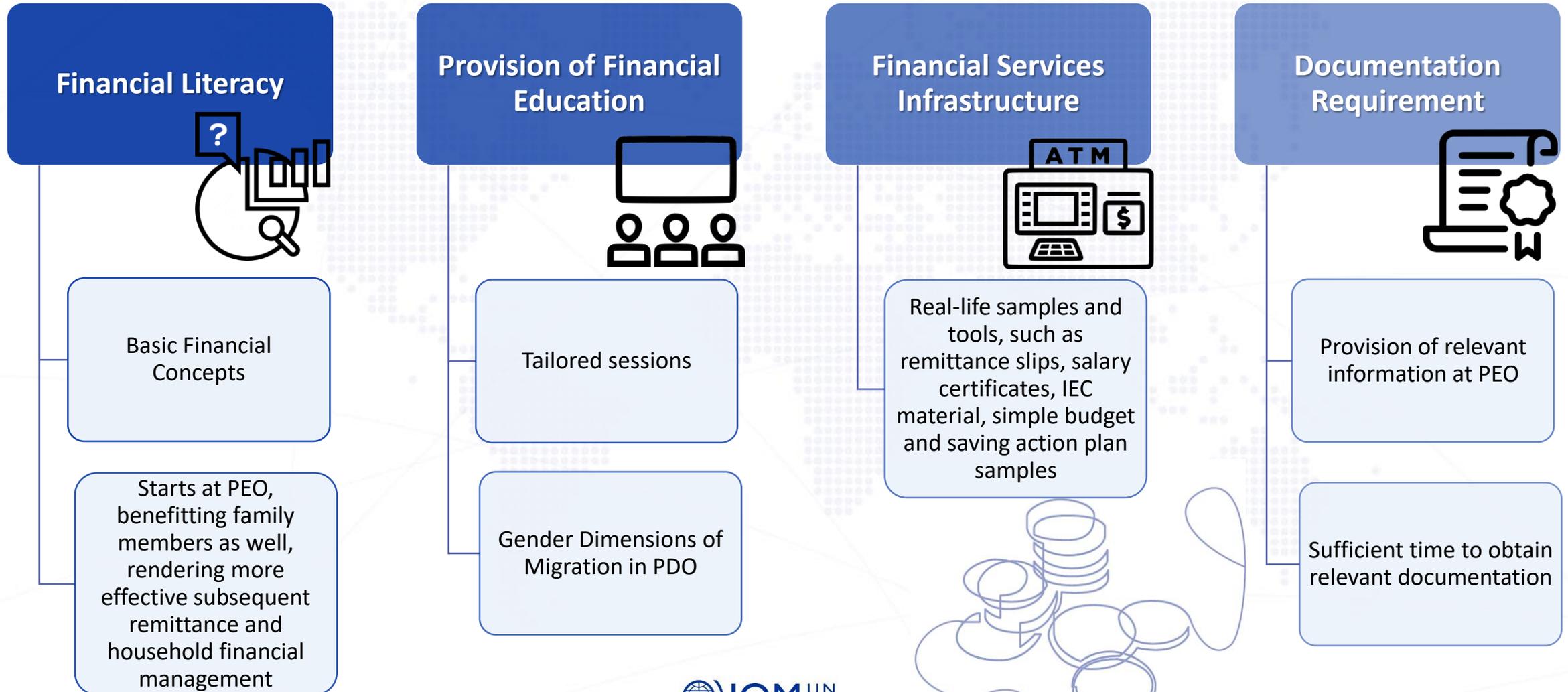
Post-Arrival Orientation

'Financial Management'

↔ correct modes of remittances ↔ national procedures and regulations ↔ opening and maintaining bank accounts ↔ saving responsibly ↔ recognizing financial scams



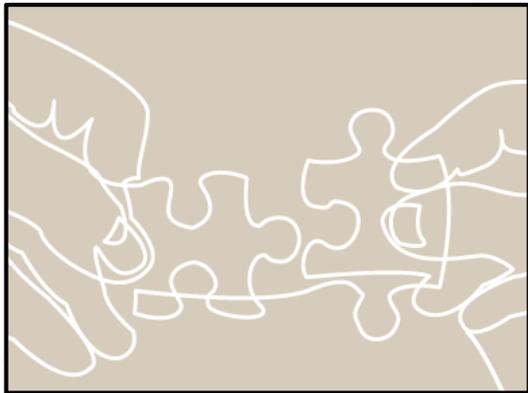
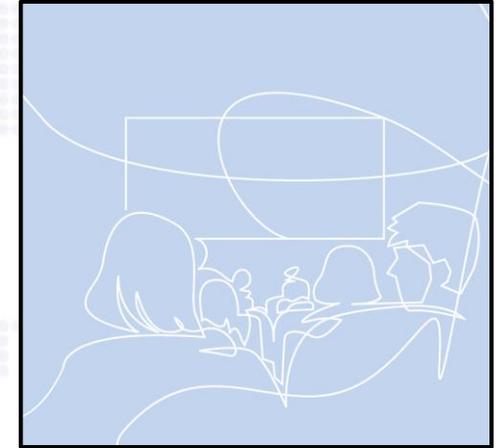
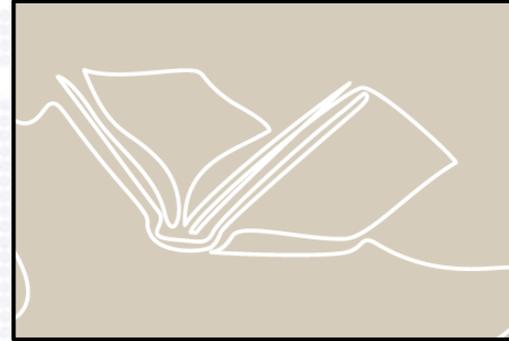
CIOP and Financial Education II



Benefits of Financial Literacy

Financial literacy skills facilitates financial inclusion

Orientation is vital for effective money management and long-term financial planning



Sound financial decisions and behaviour can significantly improve financial wellbeing

Domestic workers and their families need to be able to effectively manage their financial situation, income and expenses

Thank You

Erika Broers
ebroers@iom.int