

## **Educate Domestic Helpers on Borrowing**

More than 252,000 Foreign Domestic Workers (FDWs) are working for estimated 200,000 families in Singapore.

Many FDWs do have financial problems back home.

When the family of an FDW experienced a financial crisis, she has little option but to resort to borrowing.

Besides borrowing from friends, the only viable option is to take a loan from a money lending company and, regrettably, some borrow from unlicensed money lenders.

Most FDWs would nary venture to borrow from their employers for fear that the latter might terminate their employment. FDWs we interviewed, shared their concerns that employers may perceive them to be not mentally sound to do their work properly in their current state. Though the repayment of loans by FDWs to facilitate their employment here is one of the reasons for the FDWs to be saddled with a debt, it is by no means the main reason for them to borrow.

From our interaction with the FDWs, the main reason stems from the inability of many FDWs to meet the financial needs of their families back home.

More so when there is a crisis such as sickness or natural disasters. The crisis situation is more pronounced when the FDW is the main or sole bread winner supporting the whole family.

We have to bear in mind that the FDWs' contribution to our economy cannot be taken for granted. Their presence freed parents to pursue their careers and enabled all to be economically active as our children, seniors and homes are being look after.

We can do more to help them. Proper education should be made available and accessible to the FDWs to help them understand the consequences of borrowing.

There should also be a safety net to help those already in serious financial problems.

Many non-profit organisations including Foreign Domestic Worker Association for Social Support and Training (FAST) have been conducting regular talks and workshops to support these FDWs.

Working with the Credit Association of Singapore, FAST has helped many FDWs restructure their loans so that they have a longer period to repay them.

Counselling is available to all who need a listening ear and to help them make better life decisions.

At the same time, we urge employers to be more sympathetic towards their helpers when the latter have to deal with a financial crisis.

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FAST