

24 February 2022

Department of Social Services
GPO Box 9820
Canberra, ACT 2601

Response to the draft National Plan to End Violence against Women and Children 2022-2032

Our commitment to ending all forms of gender-based violence¹

Executive Summary

The draft National Plan needs to recognise the significance of financial abuse, economic insecurity and financial vulnerability of women and children.

Financial Counselling Victoria (FCVic) welcomes the opportunity to make a submission to the consultation on the draft National Plan to End Violence against Women and Children 2022-2032 (National Plan).

The National Plan provides an essential overarching roadmap to comprehensively addressing violence against women and children, with key insights articulated in the Foundation Principles and Four National Pillars, alongside essential provision for a dedicated Plan to be developed in consultation with First Nations people. However, there are some key areas in which the National Plan needs to be strengthened around issues of economic and financial abuse, and interlinked financial disadvantage for women and children.

¹ [National Plan to End Violence against Women and Children 2022-2032](#)

Our submission makes the following recommendations:

1. That the recommendations made by the House of Representatives Social Policy and Legal Affairs Committee Inquiry into Family, Domestic and Sexual Violence be incorporated into the National Plan across the corresponding pillars.
2. That an additional focus area is included in Pillar One:
We recognise the critical role of government in:
 - *preventing violence through fostering gender equality in the workplace*
 - *designing programs and services that are safe, based on gender equality and recognition of design that will prevent misuse*
 - *training all government frontline staff in family violence and how to ensure safety of clients.*
 - *ensuring adequate and meaningful support is available in the form of a financial safety net through Services Australia**These responsibilities run across government functions and agencies, including Treasury, Home Affairs, ATO, Services Australia etc.*
3. That the full recommendations of Economic Justice Australia's 2021 report *Debt, Duress and Dob-Ins: Centrelink compliance processes and domestic violence* be included in one or more focus areas in the National plan.
4. That the National Plan provide for identifying and sharing excellence in state services addressing financial and economic security and safety for women and their children impacted by family violence so that best practice can be supported and implemented across Australia.
5. That the National Plan add a new focus area to Pillar 3 that addresses impacts and needs in relation to financial hardship and vulnerability.
6. That financial counselling and community legal centre peak bodies are represented in committees set up to implement the National Plan, and that the National Plan provide for the family violence service system to employ and integrate financial counsellors in service delivery, along with strengthened links to community legal centres. This should be done to ensure access to free advocacy and legal assistance for women and children experiencing financial and legal impacts (including property settlement) from family and domestic violence.

About Financial Counselling Victoria

Financial counselling is a regulated profession providing free, confidential and independent advice and advocacy for people in, or at risk of, financial hardship. Financial Counselling Victoria (FCVic) is the peak body and professional association for financial counsellors in Victoria, and a member organisation of Financial Counselling Australia (FCA). FCVic advocates on behalf of financial counsellors and their clients on systemic issues that cause and exacerbate poverty and hardship.



Introduction

The Victorian financial counselling sector is the largest of any state or territory both in raw practitioner numbers and per capita of population.

Following the Victorian Royal Commission into Family Violence, and in line with some of its recommendations, our financial counselling sector has expanded to include funding for 21 full-time equivalent family violence financial counselling positions. These positions have seen a significant expansion in capacity and expertise on the part of financial counsellors supporting clients affected by family violence, but this has been broader than just those specifically funded for this work. Family violence is so widespread and commonplace that all Victorian financial counsellors deal to some extent with clients affected by family violence. Since 2017, FCVic has worked with Women's Legal Service Victoria, WIRE, and other organisations to train and maintain professional development for financial counsellors working with people affected by family violence – which means our whole membership across the sector, although family violence specialist financial counsellors have become increasingly important in their own right.

FCVic continues to ensure currency and ongoing development of financial counselling skills across the complex intersections between credit and consumer law, and family law. These skills are used to prevent, stop, and reverse the impacts of financial abuse (a form of family violence that may last long after a victim-survivor leaves a perpetrator). They are also used to help enable victim-survivors to gain sufficient control over their financial situation to leave a perpetrator, or recover from financial hardship.

FCVic convenes and supports a network of family violence financial counsellors, and is an active participant in the Economic Abuse Reference Group. Financial counselling advocacy has helped lead to significant improvements in government and industry supports and protections for victim-survivors experiencing debt and hardship.

It is in this context of representing Australia's most developed and specialised family violence financial counselling sector that FCVic makes this submission, informed by the specialist knowledge of financial counsellors working to support victim-survivors of family violence.

Financial abuse as a key issue

It is critical to recognise financial abuse, economic insecurity and financial vulnerability of women and children as significant forms of family and domestic violence to be addressed with specific and well-designed systems of prevention, early intervention, response and recovery.

This issue is particularly significant because financial abuse can be the issue that prevents escape, or that renders victim-survivors destitute. It is essential that the National Plan considers how to support women and their children to re-establish themselves financially following family violence.

Without addressing financial abuse as a significant form of gendered family violence, the National Plan loses credibility and relevance.

We note and support the submissions of other organisations to this consultation, in particular those by our colleagues from the Economic Abuse Reference Group. These echo and draw on the issues canvassed during the panel discussion at the 2021 National Summit on Women's Safety - *The Financial Freedom: creating economic security and escaping financial abuse*.

It follows from these comments that the Pillars and Targets should be amended to include focus areas and measurable outcomes that address financial abuse as a form of violence against women and children.

Sources of insight

Fortunately there are already completed inquiries and reports that can assist in providing relevant content for the Plan to address financial abuse and violence related hardship experienced by women and children. For example, the Gendered Violence Research Network report² into understanding economic and financial abuse in intimate partner relationships highlighted:

- our lack of clear and consistent definition of economic and financial abuse in Australia
- traditional gendered expectations regarding the management of finances can facilitate economically and financially abusive behaviours
- economic and financial abuse frequently occur alongside other forms of intimate partner violence.

The report of the House of Representatives Social Policy and Legal Affairs Committee *Inquiry into family, domestic and sexual violence*³ makes a large number of important and pertinent recommendations as to the issues which the National Plan should address, including economic and financial abuse. The National Plan should incorporate these recommendations which are thorough, well researched and considered and bi-partisan.

RECOMMENDATION ONE: That the recommendations made by the House of Representatives Social Policy and Legal Affairs Committee Inquiry into Family, Domestic and Sexual Violence be incorporated into the National Plan across the corresponding pillars.

² Gendered Violence Research Network (UNSW Sydney and Commonwealth Bank), 2020. *Understanding Economic and Financial Abuse in Intimate Partner Relationships*, UNSW. <https://rlc.org.au/sites/default/files/attachments/UNSW%20report%201%20-%20Financial%20Abuse%20and%20IPV%20-%20PDF%20version%20-%20Final.pdf>

³ House of Representatives Standing Committee on Social Policy and Legal Affairs, 2021. *Inquiry into Family Domestic and Sexual Violence*, Report. March 2021. Commonwealth of Australia. https://www.aph.gov.au/Parliamentary_Business/Committees/House/Social_Policy_and_Legal_Affairs/Family_violence/Report

Pillars

Pillar One: Prevention

The prevention of family and domestic violence against women and children is everyone's social responsibility. It is important to ensure that service systems and products in both public and private sectors are not at risk of being used to further perpetrate abuse. Prevention of violence in the context of financial abuse requires not only attitudinal change, but consideration of how to change systems and processes that enable or allow abuse to occur.

Social Security system

Financial counsellors have witnessed firsthand abuse perpetrated through the social security system relating to payments including parenting payments, family tax benefit, childcare benefits and child support.

For example, where a perpetrator does not give accurate information about their income, this can impact a woman by creating a social security debt when the reconciliation of his income is finally completed.

In the child support system, women might choose 'private collection' (sometimes this is a decision made to prevent "poking the bear" or inflaming the perpetrator). Under private collection a calculation is made by Centrelink, assuming that a woman is receiving "x" amount of money from the other party. Centrelink then calculates the payments a woman receives for supporting her children based on that child support assessment.

However, often perpetrators do not actually pay any money. That means the Centrelink assessment has no basis in reality as there is no cross-check under private collection. This means the woman not only receives less Centrelink assistance, but also receives little or no child support.

Economic Justice Australia's recent report *Debt, Duress and Dob-Ins: Centrelink compliance processes and domestic violence*⁴ concludes 'Member of a Couple determinations tie women's access to social security payments to their abuser'.

The heading page of the National Plan states "*Our commitment to ending all forms of gender-based violence*". We specifically need the Commonwealth Government to lead the way in achieving this commitment by overhauling and re-designing the social security system to achieve gender equality and prevent financial abuse, as a form of gender-based violence, through these systems.

⁴ Economic Justice Australia, 2021. *Debt, Duress and Dob-Ins: Centrelink compliance processes and domestic violence*. <https://www.ejaustralia.org.au/wp/latest-news/debt-duress-and-dob-ins-centrelink-compliance-processes-and-domestic-violence/>

Australian Tax Office

The Australian Taxation Office is another government agency that is difficult to navigate and find appropriate assistance for financial counsellors working with victim-survivors of family violence. This can create risk to a woman's safety if a family violence safety lens is not applied to the action. It is important that a financial counsellor or their client can speak directly to a person trained in family violence within government departments to ensure the safety of the woman.

Immigration system

The Federal Government's immigration system increases vulnerability for women without permanent residency who are impacted by family and domestic violence because they are unable to establish permanent housing and economic safety due to their exclusion from the social security system.

Segrave and Pftizner showed in their recent report *Family Violence and Temporary Visa Holders During Covid-19*⁵, the significant financial barriers faced by women without permanent residency, highlighting the need for change in government policy and legislation. These insights should be taken account of in the National Plan.

RECOMMENDATION TWO: That an additional focus area is included in Pillar One:

We recognise the critical role of government in:

- *preventing violence through fostering gender equality in the workplace*
- *designing programs and services that are safe, based on gender equality and recognition of design that will prevent misuse*
- *training all government frontline staff in family violence and how to ensure safety of clients*
- *ensuring adequate and meaningful support is available in the form of a financial safety net through Services Australia*

These responsibilities run across government functions and agencies, including Treasury, Home Affairs, ATO, Services Australia, etc.

RECOMMENDATION THREE: That the full recommendations of Economic Justice Australia's 2021 report *Debt, Duress and Dob-Ins: Centrelink compliance processes and domestic violence* be included in one or more focus areas in the National plan.

⁵ Segrave, M. & Pftizner N., 2020. *Family Violence and Temporary Visa Holders During COVID-19*, September 2020, Monash Gender and Family Violence Prevention Centre, Monash University. https://intouch.org.au/wp-content/uploads/2020/09/Family-Violence-and-Temporary-Visa-Holders-During-COVID-19_Monash-report_-Sept-2020.pdf

Pillar Two: Early Intervention

Financial counsellors play a key role in early identification and intervention for women impacted by family violence. As part of the intake process and early investigations into a client's situation, financial counsellors can identify red flags in relation to family violence and open a supportive dialogue to support a woman with ensuring safety and a warm referral to family violence services.

Family violence financial counsellors provide a mix of supportive and preventive interventions. They help create stability and space on financial issues, enabling clients to get the head space they need to deal with other issues. They also act to prevent compounding or additional financial loss for victim-survivors of family violence. For example, by communicating with creditors early on financial counsellors negotiate time for a woman to deal with the immediate priorities including safety, court hearings, housing and counselling so she can be grounded and empowered to make decisions after the initial impact of escaping family violence.

The development of specialist family violence financial counselling services, and consistent statewide training for financial counsellors in family violence risk assessment (Multi-Agency Risk Assessment and Management - MARAM) and Information Sharing have been key reforms flowing from the Victorian Family Violence Royal Commission. These reforms have significantly increased the capacity of the family violence service system to intervene early to stop the damage of financial abuse. We cannot speak for other states, but a National Plan in a Federation must respect and draw on successes and expertise at the State level to implement best practice.

RECOMMENDATION FOUR: That the National Plan provide for identifying and sharing excellence in state services addressing financial and economic security and safety for women and their children impacted by family violence so that best practice can be supported and implemented across Australia.

Pillar Three: Response

Focus Area 3, under Pillar Three of the National Plan, refers to the need for safe housing, stating "support victim-survivors to find safe housing options in the private market where they have the capacity to do so." Inadequate incomes and financial insecurity are key barriers to accessing safe housing, but they have much wider impacts than just regarding housing. They impact on access to basic utilities, transport, education, health and many other crucial amenities. Pillar 3 needs to have a new Focus Area that recognises the need to address financial hardship and insecurity experienced by women and children affected by violence.

RECOMMENDATION FIVE: That the National Plan add a new focus area to Pillar 3 that addresses impacts and needs in relation to financial hardship and vulnerability.

Pillar Four: Recovery

Following the funding, training and deployment of specialist family violence financial counsellors in Victoria, the importance of these practitioners in a collaborative and integrated response with frontline family violence specialists and community legal services in achieving sustained recovery for victim-survivors has been evident.

The 2021 WEstjustice report '[Restoring Financial Safety: The Transforming Financial Security Project](#)'⁶ showcases the financial independence that can be achieved by a multi-disciplinary approach to working with victim-survivors of family and domestic violence. The model involved an integrated, holistic, place-based legal and financial counselling clinic which was delivered at McAuley House (which provides services for women impacted by family violence, including addressing homelessness). The project ran between mid-2018 and early 2021, assisting 137 clients with their legal problems. The integrated work led to over \$900,000 worth of legal and financial issues being resolved – mostly without attending court.

Specialist family violence financial counsellors also witness continued perpetration of abuse through the property settlement process. If money is tied up in assets and a woman is unable to afford private legal support, there are limited options for legal support to complete this process. It can often take many months, if not years, particularly when the perpetrator has the financial means to contest the process or withdraws and extends the time it takes for property settlement to occur.

CASE STUDY

A family violence victim-survivor fled her family home with her son over 12 years ago. The perpetrator has lived cost-free in the family home for this time, while the victim-survivor contributed over \$75,000 to mortgage payments. During the time that she was making mortgage payments, the victim-survivor was working in order to pay for an additional private rental property and the cost of raising their son, all the while with no child support assistance.

The bank has only just begun proceedings to repossess the property, as the victim-survivor had no financial means to engage with a lawyer to initiate this and was also fearful of retribution by the perpetrator if she did so. She has experienced continued perpetration of family violence over the past 12 years.

⁶ WEstjustice, 2021. *Restoring Financial Safety: The Transforming Financial Security Project*
https://www.westjustice.org.au/cms_uploads/docs/westjustice_restore_fin_safety_web-version.pdf



RECOMMENDATION SIX: That financial counselling and community legal centre peak bodies are represented in committees set up to implement the National Plan, and that the National Plan provide for the family violence service system to employ and integrate financial counsellors in service delivery, along with strengthened links to community legal centres. This should be done to ensure access to free advocacy and legal assistance for women and children experiencing financial and legal impacts (including property settlement) from family and domestic violence.

Thank you for the opportunity to make comments on the draft National Plan.

Please contact Julie Barrow, FCVic Family Violence & Professionalisation Lead, on (03) 9663 2000 or jbarrow@fcvic.org.au if you have any questions.

Yours Sincerely,

Dr Sandy Ross
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