Financial Services Regulatory Framework in Relation to Financial Abuse in Australia

June 2024

Table of contents

Our Commitment to Inclusion ..... **iii**

Executive Summary ..... **iv**

Summary of Recommendations ..... **v**

1 Defining Financial Abuse **8**

2 Existing Regulatory Arrangements **10**

Cohorts with Higher Rates of Financial Abuse *10*

3 Potential Areas for Reform **20**

Regulation of the Buy Now Pay Later Sector *20*

Pay Advance Services *21*

Privacy *22*

Financial Confidence and Empowerment *23*

Safe Credit *24*

4 The Role of Financial Institutions in Detecting and Responding to Financial Abuse **27**

Hardship Arrangements *27*

Detection *28*

Joint Borrowing for Joint Benefit *29*

Strengthening Collaboration Between Financial Institutions and the Service Sector *30*

5 Role of Government Bodies **31**

6 Advisory and Advocacy Bodies **33**

7 Conclusion **35**

Appendix A About The Salvation Army **36**

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

Our Commitment to Inclusion

The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders, past, present and future.

We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children. Our values are:

- Integrity
- Compassion
- Respect
- Diversity
- Collaboration

The Salvation Army is a worldwide movement known for its acceptance and unconditional love for all people. We love unconditionally, because God first loved us. The Bible says, “God so loves the world” (John 3:16, RGT). As both a church and charity, we believe all people are loved by God and are worthy of having their needs met. Everyone is welcome to find love, hope, and acceptance at The Salvation Army.

The Salvation Army Australia Territory wishes to acknowledge that members of the LGBTIQA+ community have experienced hurt and exclusion because of mixed comments and responses made in the past. The Salvation Army is committed to inclusive practice that recognises and values diversity. We are ensuring our services affirm the right to equality, fairness, and decency for all LGBTIQA+ people, rectifying all forms of discriminatory practice throughout the organisation.

We seek to partner with LGBTIQA+ people and allies to work with us to build an inclusive, accessible, and culturally safe environment in every aspect of Salvation Army organisation and services. Everyone has a right to feel safe and respected.

Learn more about our commitment to inclusion: <**salvationarmy.org.au/about-us>**

More information about The Salvation Army is at **Appendix A**.

Executive Summary

The Salvation Army welcomes the opportunity to provide this submission to the Parliamentary Joint Committee on Corporations and Financial Services (the Committee) in relation to its Inquiry into the Financial Services Regulatory Framework in Relation to Financial Abuse in Australia (the Inquiry).

As a major service provider, The Salvation Army see many of our community members experiencing financial abuse, particularly those supported by our Moneycare financial counselling and family and domestic violence services.

We recognise that current regulatory frameworks fail to provide adequate protection against financial abuse amongst some cohorts, many of whom experience ongoing disadvantage. Victim-survivors of intimate partner violence - particularly women, older Australians, people with disability, people from culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islander communities, and people exposed to gambling harm. Any examination of the current financial sector and associated regulatory frameworks must include thorough examination of the impacts of these instruments upon vulnerable cohorts.

The Salvation Army identifies the tightening of Buy Now Pay Later lending structures which are a high-risk source of funds for those experiencing financial abuse, as a critical area for reform. Privacy and safety protections are vital for victim-survivors of financial abuse and where existing frameworks do not maintain these protections, changes must be made.

Ultimately, the best individual protection against financial abuse is education. Maximising people's knowledge of their rights, as well as how to spot and escape financial abuse must be the primary goal of this Inquiry. The Salvation Army calls on the Commonwealth Government to meaningfully invest in a financial confidence and empowerment education campaign to better equip community members.

The prevention of financial abuse will require continued engagement from the financial sector. Despite significant investments in hardship arrangements, more needs to be done in the pre-emptive detection of abuse and collaborative work with the services sector to provide wholistic support to community members.

Commonwealth Government agencies, particularly Centrelink, must also play a role in detecting and responding to community members experiencing financial abuse, and to make processes more accessible for those who are escaping abuse. This support must also extend to helping financial counselling providers and advisory and advocacy bodies to oversee, maintain and better develop the skills of frontline financial counsellors.

The Salvation Army has made **22** recommendations for the Committee to consider. A summary of these recommendations follows on the next page.

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

Summary of Recommendations

Recommendation 1

2.8 The Salvation Army recommends that financial institutions continue to work to minimise the impacts of financial abuse and harassment communicated through transaction descriptions.

Recommendation 2

2.12 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments to include the broader financial sector in coordinated family violence responses. This should include implementing specialist training for financial sector staff which is mandated, repeated regularly, and covers the impacts of trauma.

Recommendation 3

2.17 The Salvation Army recommends that the Commonwealth Government work alongside aged care providers to develop and implement training for frontline workers on how to detect and respond to the financial abuse of older Australians.

Recommendation 4

2.18 The Salvation Army recommends that the Commonwealth Government work alongside the aged care sector to prioritise investment in robust and innovative solutions which address workforce shortages and improve staff retention.

Recommendation 5

2.23 The Salvation Army recommends that the Commonwealth Government work with financial counsellors, and disability advocacy groups, to develop staff training on how to detect and respond to the financial abuse of people with disability.

Recommendation 6

2.25 The Salvation Army recommends that the Commonwealth Government expand the eligibility of the Leaving Violence Payment to include people escaping violence in non-intimate partner relationships.

Recommendation 7

2.28 The Salvation Army recommends that the Commonwealth Government collaborate with Aboriginal and Torres Strait Islander community owned and controlled organisations and financial counsellors, to develop and deliver culturally appropriate financial abuse support services.

Recommendation 8

2.32 The Salvation Army recommends that the Commonwealth Government work with state and territory governments to meaningfully increase funding to community-led and culturally appropriate financial abuse support services which assist families from culturally and linguistically diverse backgrounds. This should include training to enhance the financial service sectors' cultural competency and capability.

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

Recommendation 9

2.33 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments to expand eligibility for and access to services and supports for women on partner-visas with an experience of financial abuse.

Recommendation 10

3.6 The Salvation Army recommends that the *National Consumer Credit Protection Act 2009* be amended to extend greater Responsible Lending Obligations compliance requirements to Buy Now Pay Later lending. This should aim to maximise the protection of community members from financial abuse and include identity verification requirements.

Recommendation 11

3.10 The Salvation Army recommends that the Commonwealth Government work to develop consumer protection regulations, including extending Responsible Lending Obligations, to Pay Advance Services.

Recommendation 13

3.25 The Salvation Army recommends that the Commonwealth Government develops a national financial confidence and empowerment program be developed to educate individuals of their economic rights. This should aim to teach about what financial abuse is, how to access support, and how to escape it.

Recommendation 14

3.31 The Salvation Army recommends that the financial services sector and the Commonwealth Government, increase their support for the No Interest Loans Scheme, and other forms of no interest loans. This should aim to better support individuals experiencing or escaping financial abuse and prevent them from entering into other forms of unsafe debt.

Recommendation 15

4.10 The Salvation Army recommends that financial institutions continue to develop accessible, trauma informed resources, and continue to invest in hardship arrangements which minimise the barriers to access for those experiencing financial abuse and other trauma.

Recommendation 16

4.15 The Salvation Army recommends that financial institutions continue to develop and share preventative methods to detect and stop financial abuse, including through the use of technology.

Recommendation 17

4.22 The Salvation Army recommends that additional protections for borrowing against joint assets be explored to ensure that joint borrowing is suitable for all parties to a loan, and to ensure the safety of all community members should a loan be denied.

Recommendation 18

4.27 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments and the frontline service sector, to strengthen cross-sector

partnerships and collaboration in responding to financial abuse. This should include reviewing communication and information sharing structures.

Recommendation 19

5.4 The Salvation Army recommends that the Commonwealth Government invest in additional training for frontline Centrelink staff to better recognise, respond to, and provide support for community members experiencing financial abuse.

Recommendation 20

5.9 The Salvation Army recommends that the Commonwealth Government work to streamline Centrelink processes and invest in on-site social workers in Centrelink offices.

Recommendation 21

6.7 The Salvation Army recommends that the Commonwealth Government work with financial counselling advisory and advocacy bodies to develop up-to-date professional development on all relevant topics including financial abuse.

Recommendation 22

6.8 The Salvation Army recommends that the Commonwealth Government work with financial counselling providers to support the development of and access to professional supervision.

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

1 Defining Financial Abuse

1.1 Financial abuse takes many forms, but it fundamentally involves a person being deprived of their financial autonomy using force, fraud, or misinformation, often by a close friend, partner, or member of their family. This can include taking away a person's access to their own money, manipulating their financial decisions, coercing them into debt, or fraudulently taking out debt in the other person's name without their consent.

1.2 What distinguishes financial abuse from 'scamming' is the breach of trust between parties who have an ongoing and pre-existing relationship. Because financial abuse typically occurs within a close relationship and may begin subtly, worsening over time, it can be difficult to identify and confronting for individuals to address. Financial abuse can cause victim-survivors to feel isolated, ashamed and lack confidence in their skills. Victim-survivors often need more than just support with their finances to recover.

1.3 The Salvation Army's family and domestic violence services define financial abuse in their model of care as "using money to hurt someone, denying reasonable financial autonomy or financial support," and provides the following examples.

- Controlling access to money, financial institutions, bank accounts, assets, and financial information,
- Controlling or denying access to money or other resources required for the care of children,
- Controlling access to, denying, or forcing employment or paid work,
- Denying access to education and personal development opportunities,
- Taking income earnings and denying access to pay,
- Denying financial autonomy completely or providing only an 'allowance,'
- Requiring requests to access and explain use of funds, provide receipts, justify reasonable purchases,
- Using household income for purchases, gambling, or other expenses that cause financial insecurity,
- making a person financial responsible for assets or liabilities by coercion or fraud, and
- Dowry-related threats and abuse.

1.4 Evidence from our Moneycare and Doorways services suggests that definitions in relation to financial controlling behaviours should extend to include the withholding of documentation, and other necessary intellectual property. This could include denying access to bank statements, bills, wills, mortgage information, pay slips and denying access to government platforms such as myGov.

1.5 The Salvation Army's Moneycare services see many community members who are experiencing financial abuse, seeking financial counselling. Although an exact percentage is not recorded, most financial counsellors anecdotally report to support at least one community member per week who is experiencing financial abuse in some form.

1.6 In a previous survey completed by YouGov for the Commonwealth Bank, nearly 40 per-cent of respondents shared that they have experienced or know someone who has experienced financial abuse.[1]

1.7 The people The Salvation Army support through our Moneycare, Doorways and Family and Domestic Violence services disclose financial abuse in all types of relationships. This includes intimate partners, immediate family members, carers, guardians, relatives, and people within family groups across various cultures and communities.

1.8 Many of the community members who seek The Salvation Army's assistance do not present financial abuse as their primary reason for coming. Rather, financial counsellors will often find that financial abuse is an underlying element contributing to financial hardship.

1.9 There are warning signs which suggest financial abuse such as community members with multiple forms of debt, a community member whose partner has concealed their income, or discussions of receiving 'allowances' from their partner. In these instances, Moneycare financial counsellors will work with the community member to reflect on their situation and engage in discussion about the individual and financial rights of the community member themselves.

1.10 Critically, Moneycare works to maximise the autonomy and confidence of the community member. If they are experiencing financial abuse as a manifestation of Family and Domestic Violence, our primary concern is the safety of the community member, as well as instilling a sense of control in choosing how to pursue their financial goals.

[1] Commonwealth Bank of Australia. (2020). *Community Attitudes to Financial Abuse.* https://www.commbank.com.au/content/dam/caas/newsroom/docs/CBA_Community_Attitudes_to_Financial_Abuse.pdf.

2 Existing Regulatory Arrangements

2.1 The areas of current financial regulation listed within the Inquiry terms of reference are identified as the principle pre-emptive protections from financial abuse and harm.

2.2 The reality is that despite the intention of the Parliament, these pieces of legislation do not in practice provide the necessary protections to prevent financial abuse for everyone.

2.3 Critically, they fail to provide protection for some cohorts more than others. The current regulatory framework not only is not enough, but it is disproportionately failing those who require the greatest protection.

Cohorts with Higher Rates of Financial Abuse

Victim-Survivors of Intimate Partner Violence

2.4 As a major provider of Family and Domestic Violence services, The Salvation Army sees many community members accessing our Family and Domestic Violence services who are experiencing financial abuse. In our experience, financial abuse does not occur in isolation, and often appears alongside other forms of family and domestic violence. Financial abuse is an exceptionally common manifestation of coercive control and like other forms of family and domestic violence, the majority of victim-survivors are women.

2.5 Women in regional and remote communities are at higher risk of financial abuse. Smaller towns and less populated communities can make disclosure more difficult and riskier for victim-survivors. A lack of support services in these communities can also elevate risk as it inhibits the ability of victim-survivors to seek support when and how they need it. Victim-survivors in regional and remote areas must travel great distances to access support, which becomes more difficult without access to a vehicle or public transport. This can leave women at-risk and unable to leave abusive relationships, even in situations when staying becomes dangerous.

2.6 The financial abuse many victim-survivors experience can extend long after they have left the relationship. In our experience, beyond failure to pay child support, former partners have been known to utilise child support payments and other transactions to communicate threatening or abusive messages to victim survivors. Many financial institutions have worked to minimise these incidents, including through the use of artificial intelligence. Examples still slip through these protections such as providing payments in extremely small increments, with short, individually non-abusive transaction descriptions, but which when read together spell an effective or abusive message.

2.7 Even where there is no overtly offensive message in a transaction description, where a parent or carer receives a child support payment with a description of what the other party thinks the payment should be used for, such as 'school fees', this is financial abuse. Our services have seen this kind of prescriptive behaviour become a form of coercive control. To address this, work must be done by financial institutions to make appropriate transaction labelling the norm, such as the use of suggested descriptions or through a drop-down menu. Victim survivors could also request that all transactions from a specified account or payee appear with a specific description in their account. Banks must also retain the information of the original description used by the payee, as this information could be necessary as a form of evidence of harassment in legal proceeding.

Recommendation 1

2.8 The Salvation Army recommends that financial institutions continue to work to minimise the impacts of financial abuse and harassment communicated through transaction descriptions.

> *"You need to ensure their safety first, need an escape plan, but also need a financial plan as well."*
>
> **- A Moneycare Financial Counsellor**

2.9 Many individuals who experience financial abuse as a manifestation of family and domestic violence present to Moneycare experiencing other forms of financial hardship, often hiding hardship due to feelings of shame or fear, or unaware of the abusive nature of their financial situation.

2.10 Where individuals are not aware that their situation could be described as economic abuse, our Moneycare financial counsellors are trained to identify red flags and to respond in a trauma informed way. Scenarios where a community member's partner conceals their income, where a community member is unable to say who they bank with or has a lack of access to funds for discretionary purchases, are all common elements of financial abuse. Our financial counsellors engage in reflection with community members about their situation which sometimes becomes the first time they have considered financial abuse. The Salvation Army also benefits from the capacity to provide wraparound supports for victim survivors, including warm referrals to our Family and Domestic Violence services, housing, emergency relief, case management, No Interest Loans, and external services such as legal services and health specialists.

2.11 As 'first responders' to victim-survivors experiencing financial abuse, we continue to advocate for financial counsellors and the broader financial sector to be included within integrated and coordinated family violence responses, to deliver best outcomes for victim-survivors. Our experience delivering financial counselling, as well as family violence support, is that banks do not always have sufficient protections in place to safeguard against financial abuse.

> *"It takes skill to work with people in this situation. They came for help, and if you don't help them in the way they wanted, they can pull away and not come back"*
>
> **- A Moneycare Financial Counsellor**

Lily's Story*

Lily* is a 28-year-old woman, who recently left a 7-year relationship in which she experienced psychological, verbal, sexual and financial abuse, including manipulation, controlling and stalking behaviours. During the relationship her ex-partner controlled all finances and forced her to perform sexual acts in return for money for nappies or milk for their children.

During the relationship Lily's ex-partner also obtained various loans in her name without her knowledge or consent. She discovered this late in 2019 as a result of accessing an email account unused for years. Lily continues to find new debts in her name. The debts currently total over $50,000, in addition to previous debts totaling tens of thousands of dollars in her name.

These debts have severely affected Lily's credit rating and she is unable to purchase a car, which she needs for transport for her children and to access her medical appointments.

The Salvation Army has assisted Lily to contact all creditors and to provide the police with information. This process is a slow one, and continues to have a significant impact on Lily's mental health.

**Name changed*

Recommendation 2

2.12 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments to include the broader financial sector in coordinated family violence responses. This should include implementing specialist training for financial sector staff which is mandated, repeated regularly, and covers the impacts of trauma.

Older Australians

2.13 Financial abuse is a common form of elder abuse, but prevalence is difficult to quantify as it often goes unreported.[2] Some factors that increase the likelihood of elder financial abuse include dependence on others, poor health and reduced cognitive capacity.[3]

> *"It is very hard to manage as a financial counsellor, you can discuss the options, but sometimes they have to choose between losing their money or losing their family."*
>
> **- A Moneycare Financial Counsellor**

2.14 As a provider of both financial counselling and aged care services, The Salvation Army sees scenarios where older community members are taken advantage of and abused financially.

2.15 Aged care staff sometimes become one of the few non-familial interactions older people access and are therefore vital to both detecting and responding to instances of elder financial abuse. This requires frontline aged care staff to have training and confidence in recognising and responding to financial abuse, alongside the time and ability to gain an understanding of the community member's needs and to develop the trust needed for them to disclose abuse. This is complicated when our services report that current workloads of aged care staff are high, and attracting and retaining staff in the industry can be difficult. Job insecurity across the sector is also a problem, and there are sector-wide skill shortages.[4]

2.16 The Salvation Army acknowledges the work being done in implementing the recommendations of the Royal Commission into Aged Care Quality and Safety. We urge the need to continue to prioritise this commitment by working alongside the aged care industry to support the retention and skill building of aged care staff.

Recommendation 3

2.17 The Salvation Army recommends that the Commonwealth Government work alongside aged care providers to develop and implement training for frontline workers on how to detect and respond to the financial abuse of older Australians.

[2] Qu, L. et al. (2021). *National Elder Abuse Prevalence Study: Final Report*. Australian Institute of Family Studies. https://aifs.gov.au/sites/default/files/publication-documents/2021_national_elder_abuse_prevalence_study_final_report_0.pdf
[3] Be Connected. (2022). *Elder Financial Abuse: How to Spot the Signs.* Elder financial abuse: how to spot the signs | Cyber safety tips | Be Connected (esafety.gov.au).
[4] PWC. (Undated). *Four Practical Steps Providers Can Take Now to Support Our Aged Care Workers.* https://www.pwc.com.au/health/aged-care-royal-commission/workforce.html#:~:text=Challenges%20to%20attracting%20and%20retaining%20aged%20care%20workers,-The%20royal%20commission's&text=Work%20is%20often%20physically%20and,shift%20work%20is%20the%20norm.

Recommendation 4

2.18 The Salvation Army recommends that the Commonwealth Government work alongside the aged care sector to prioritise investment in robust and innovative solutions which address workforce shortages and improve staff retention.

Lyn's Story*

Lyn is a retired nurse, living on a aged pension.

Her 45-year-old son continued to live with Lyn. Her son was unemployed and did not contribute to the household. He refused to have any interraction with Centrelink which required Lyn's single income to support herself, her son, and eventually his girlfriend.

Lyn was struggling to make ends meet, living off credit cards, and came to Moneycare with a significant debt to the council for unpaid rates.

Moneycare presented Lyn with her options, including requiring her son to pay board, which would signficinatly decrease her stress. But Lyn explained that her relationship with her other children had fallen apart, in part due to the behaviour of her son, and that she feared losing connection with him.

Moneycare worked to develop an arangement with the council to develop a payment plan.

**Name changed*

People with Disability

2.19 People with disability can experience financial abuse from intimate partners and family members, as well as service providers, carers and guardians. Research shows that women with a disability are almost twice as likely as women without a disability to have experienced economic abuse by a cohabiting partner.[5]

2.20 Many community members who seek financial counselling from Moneycare, approximately 36 per-cent, identify as having a disability. This is a significantly higher rate than members of the broader community who identify as having a disability.[6]

[5] Australian Institute of Health and Welfare. (2024). *People with a Disability Australia.* https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/justice-and-safety/violence-against-people-with-disability.

[6] Australian Bureau of Statistics. (2018). *Disability, Ageing and Carers, Australia: Summary of Findings*. ABS. https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release.

2.21 Moneycare works to ensure that our resources and advice are accessible and usable for people with disability and that our interventions are appropriately tailored. The option to utilise a signed letter of authority to approach creditors and other financial bodies on behalf of the community member, is always a possibility. We endeavour to work with community members who identify as having a disability to maximise their financial autonomy.

2.22 It is important for disability service providers to always be conscious of potential financial abuse in relationships, not only with intimate partners. This should include service providers being appropriately trained in recognising warning signs of abuse in other relationships such as with carers or guardians. State based financial counselling organisations, and the national Financial Counselling Australia, provide critical training for financial counsellors. Part of this training includes assistance to tailor services to the needs of people with disability, and to be alert to the specific scenarios of financial abuse that people with disability experience.

> *"There is a community member I work with regularly, she experiences memory impairment, so I work to summarise, and put our experiences and steps in writing. That works for her."*
>
> **- A Moneycare Financial Counsellor**

Brad's Story*

Brad is in his late 20s and has a physical and cognative disability.

His parents have supported him to maximise his independece and to move into a share house with aquaintances.

When the residents of the share house changed, Brad found himself living with a different crowd of people. Funds began to disappear from his account and he experienced pressure to buy things for his new housemates.

At one point, Brad was assulted by a housemate who stole his phone and bank cards which were then used to withdraw cash, and take out debt in Brad's name.

Brad was initially scared to report the incident to his family and the bank, feeling ashamed and unsafe in his home. He did eventually make a report to police and was referred to Moneycare.

Here, financial counsellors worked with lenders and Brad's bank to ensure the stolen funds were returned to his account, and the fraudulent debt was waived.

**Name changed*

Recommendation 5

2.23 The Salvation Army recommends that the Commonwealth Government work with financial counsellors, and disability advocacy groups, to develop staff training on how to detect and respond to the financial abuse of people with disability.

2.24 The Salvation Army highlights the nature of existing structures which aim to address abuse excluding at-risk communities, such as those living with disability. The Commonwealth Government's incoming Leaving Violence Payment, and its predecessor the Escaping Violence Payment, are both designed for people escaping intimate partner violence and abuse. This eligibility requirement unnecessarily restricts and excludes people from the payment who are escaping other abusive scenarios such as abuse from a family member or carer. Eligibility for this payment should be expanded to allow it to better support people experiencing abuse in non-intimate partner relationships.

Recommendation 6

2.25 The Salvation Army recommends that the Commonwealth Government expand the eligibility of the Leaving Violence Payment to include people escaping violence in non-intimate partner relationships.

Aboriginal and Torres Strait Islander Communities

2.26 Australia's history of colonisation has resulted in vast, intergenerational, and ongoing consequences for Aboriginal and Torres Strait Islander people, families, and communities. Systemic disadvantage, marginalisation, and economic hardship continue to impact Aboriginal and Torres Strait Islander peoples. Discrimination and racism, including institutional racism, also continue to occur.

2.27 Aboriginal and Torres Strait Islander people experience financial abuse in intimate partner relationships as well as within broader family systems. It is important to recognise how financial abuse may be understood differently amongst Aboriginal and Torres Strait Islander communities, in line with cultural values and practices of sharing or support within families and communities. For some people, these cultural expectations can increase the risk of financial abuse.

Recommendation 7

2.28 The Salvation Army recommends that the Commonwealth Government collaborate with Aboriginal and Torres Strait Islander community owned and controlled organisations and financial counsellors, to develop and deliver culturally appropriate financial abuse support services.

Culturally and Linguistically Diverse Communities

2.29 Financial abuse is often present within culturally and linguistically diverse (CALD) communities in Australia. Women are disproportionately impacted. Culturally and linguistically diverse cohorts can be isolated due to limited community connections alongside cultural and language barriers. Some women may have a limited understanding of their rights under the law in Australia which in turn may amplify their fear of leaving a relationship if they have no access to money for themselves and their children.

2.30 It is critical that additional risks faced by people on temporary visas experiencing financial abuse and the additional barriers they face when trying to leave a violent relationship, are considered when developing responses. Women on temporary visas can face added threats of deportation by persons using violence and many are told they will not be able to take their children with them if they leave. Our services have encountered cases where the victim-survivor is not aware that they have a working visa as information is concealed from them as a form of control. It is sometimes only when they engage with a service that they learn of their visa status.

2.31 There remains a number of barriers for victim-survivors on partner visas, with both Commonwealth migration legislation, and state and territory services and supports limiting access for women in this cohort. The Salvation Army supports the Australian Women Against Violence Alliance's (AWAVA's) key recommendations to ensure that victim-survivors of family and domestic violence more broadly can access the supports they need.[7]

> *"Financial abuse is high within this (culturally and linguistically diverse women) cohort. They often have this as a threat – you have no money so where will you go?"*
>
> **- A Salvation Army frontline worker**

[7] Australian Women Against Violence Alliance. (2022). *Blueprint for Reform 2022*. https://awava.org.au/2022/12/06/research-and-reports/the-blueprint-for-reform-2022.

Recommendation 8

2.32 The Salvation Army recommends that the Commonwealth Government work with state and territory governments to meaningfully increase funding to community-led and culturally appropriate financial abuse support services which assist families from culturally and linguistically diverse backgrounds. This should include training to enhance the financial service sectors' cultural competency and capability.

Recommendation 9

2.33 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments to expand eligibility for and access to services and supports for women on partner-visas with an experience of financial abuse.

People Exposed to Gambling Harm

2.34 Gambling harm can be a precursor to financial abuse. Where a community member is engaging in harmful gambling behaviour, The Salvation Army has seen instances where individuals may access funds from a partner or other family member to allow them to continue gambling, or to chase their losses.

2.35 This may take the form of asking friends or family for money which many find hard to rebuff, or escalate to using a family member's bank cards or savings to continue gambling.

2.36 Where a relative or intimate partner engages in harmful gambling, greater financial pressure is placed upon the household. In these scenarios our Financial Counsellors see community members entering various forms of debt, from Buy Now Pay Later (BNPL) loans to refinancing mortgages, to access funds to purchase necessities for the household. Maintaining these debts, as well as the gambling behaviour of their partner, is often unaffordable.

2.37 The Salvation Army also sees scenarios where community members will support a loved one to access expensive gambling 'retreats' which claim to be able to cure a gambling addiction. These retreats lack clinical expertise, and charge significant sums of money for services which other providers would offer for free.

Rachel's Story*

Rachel is a 49-year-old single mum of three children. Her life was affected by the devastating impact of gambling harm caused by her ex-partner, leading to 16 years of on-and-off violent episodes.

Her ex-partner failed to contribute financially for the family instead spending his earnings on gambling and even taking the little money Rachel had, to gamble. Despite numerous attempts to leave, the viscious cycle persisted.

Rachel's three children, two of whom have diagnosed disabilities, added to her responsibilities. She relied on Centrelink income, struggled to make ends meet, and had an ever increasing debt. Rachel fell behind on bills and was unable to provide essential study equipment for her children during Covid for home schooling.

The Salvation Army helped Rachel to leave her violent relationship. She also received financial counselling through Moneycare to help manage the financial hardship she faced.

With newfound stability, Rachel and her sons thrived. Her sons showed significant progress at school.

**Name changed*

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

3 Potential Areas for Reform

> *"People who are using violence, they look for vulnerability. They find cracks in any system and they will exploit them."*
>
> **- A Salvation Army Family and Domestic Violence Specialist**

Regulation of the Buy Now Pay Later Sector

3.1 The Salvation Army has engaged in joint advocacy, along with others in the financial counselling sector, calling for improved consumer protections of Buy Now Pay Later (BNPL) loans for many years. The current minimal regulation of the BNPL sector is of great concern and has led many community members into unmanageable debt.

3.2 The existing regulatory structure for these instruments exempts providers from complying with the Responsible Lending Obligations (RLOs) the *National Consumer Credit Protection Act 2009* requires of other lenders. Despite the comparatively small sums available through BNPL loans, the lower requirements for verification leave the possibility for several loans to form part of financial abuse.

3.3 The Salvation Army has seen BNPL lending impacting people experiencing financial abuse in several ways.

- A person using violence may take out debt in the name of the community member without their knowledge,
- A person using violence may force the community member to take out a debt in their name for fear of violence, and
- The community member may be forced to take out a debt as a form of accessing vital funds to leave their unsafe environment, or to purchase necessities within the household.

3.4 Each of these forms of abuse are made possible by the comparatively lax regulation that surrounds BNPL. The lack of RLOs has been the key to the success and expansion of this form of credit. Without suitable steps to prevent identity theft, intimidation, or verify the benefit of a loan to the debtor, they have also been a key source of financial harm and abuse.

3.5 Although the government has recently tabled the Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Bill 2024, to extend modified RLOs to BNPL lending, these still lack the safeguards to reduce the risk of financial abuse. Particularly, the limited requirements for verification documents, including the identity of the debtor.

Recommendation 10

3.6 The Salvation Army recommends that the *National Consumer Credit Protection Act 2009* be amended to extend greater Responsible Lending Obligations compliance requirements to Buy Now Pay Later lending. This should aim to maximise the protection of community members from financial abuse and include identity verification requirements.

Pay Advance Services

3.7 A new form of credit which has begun to become popular is Pay Advance services. These forms of credit differ from BNPL lending, providing individuals quick access to money in an account, to be repaid through automatic deduction from their next pay cycle, or over the course of several pay cycles. Pay Advance services can be coordinated through an app, with limited oversight, and often carries a transaction fee which is a percent of the amount borrowed.

3.8 The implications of this type of borrowing are similar to that of BNPL. Late fees, and multiple pay advances from multiple providers quickly becoming unmanageable for community members.

3.9 The Salvation Army has begun to see an increase in community members accessing our services with this form of debt causing financial hardship. We urge the Committee to consider tightening regulation around this newer form of lending early. There is a history of financial regulation lagging behind new forms of credit, only taking place after significant harm has occurred to community members. We encourage the government to engage in proactive consumer protection, including extending RLOs, to ensure Pay Advance instruments are a safe form of borrowing, and do not exacerbate community members' risk of experiencing financial harm.

> *"We are in an arms race of financial regulation. When we tighten one thing, they just develop something new. Wouldn't it be good to be out in front of something for once? Before the horse has bolted"*
>
> **- A Moneycare Financial Counsellor**

Recommendation 11

3.10 The Salvation Army recommends that the Commonwealth Government work to develop consumer protection regulations, including extending Responsible Lending Obligations, to Pay Advance Services.

Privacy

3.11 The responsibility that financial institutions have in protecting community members' privacy is significant. Where a person is experiencing financial abuse, or is at risk of financial abuse, privacy and confidentiality of the community member is vital.

3.12 Should a person using violence become aware that the victim-survivor is seeking external support or is undertaking steps to leave an unsafe environment, there is a risk that the abuse may become worse and jeopardise their safety or prospects of escape.

3.13 Banks have taken steps to work with community members who are experiencing family and domestic violence or financial abuse. The Salvation Army has however seen examples where other bank protocols or inflexible procedures prevent commonsense privacy and risk community member safety. This sometimes occurs even where a community member or financial counsellor has expressly explained why a different course of action is critical to maintain the safety of the community member.

3.14 Where there is any mention that the safety of a community member is at risk, it must be incumbent upon a financial institution to take all reasonable steps to maintain the privacy of the individual.

3.15 The current process of comprehensive credit reporting also presents some privacy concerns. Where a community member accesses hardship arrangements for any form of borrowing, this is recorded and is picked up in a credit statement.

3.16 Where a person may be a part of joint borrowing with a person using violence, the necessary credit checking process presents a risk for the victim-survivor that hardship arrangements are discovered.

3.17 The Salvation Army agrees that a credit check must highlight where a borrower has utilised hardship arrangements. But it is incumbent upon the Committee and financial institutions to consider the possibility of harm that comes from this process. Work must be done to ensure that the safety and privacy of community members is not at risk.

Celia's Story*

Celia is a 45-year-old woman who lived for many years in a financially abusive relationship. Her partner restricted her access to money, and exerted many controlling behaviors over Celia.

In preparation to leave the relationship, and in consultation with a financial counsellor, Celia opened an account in her own name, sending a small amount of money directly out of her paycheck to this account.

Celia's account became overdrawn by a small amount. The Bank's procedure was to send a written letter to the residential address of the account holder.

Celia and her financial counsellor both contacted the bank on several occasions to prevent the notice of overdraft being sent to her home address, fearing her partner would intercept it.

Despite suggesting the letter be sent to a PO Box, a business address, or to her financial counsellor, there was no accommodation made by the bank. Celia spent several days home from work, waiting in fear, to ensure she was home to receive the letter before her partner.

**Name changed*

Recommendation 12

3.18 The Salvation Army recommends that financial institutions develop internal processes which protect the privacy of community members who have sought hardship arrangements due to financial abuse. This should include a review of the appearance of these arrangements within comprehensive credit reporting.

Financial Confidence and Empowerment

3.19 One of the critical steps that must be taken to assist community members to escape financial abuse is to establish confidence and empower them to take control of their financial rights. Where a community member may not initially interpret their situation as financial abuse, it is through increased awareness of their rights, and discussing their financial circumstances, that they begin to find greater financial autonomy.

3.20 Beyond this, The Salvation Army believes that educating community members, particularly cohorts at higher risk of financial abuse, and instilling confidence and empowerment is an important preventative or early intervention tool. This will make up part of a pre-emptive process, stopping financial abuse in advance of its more significant consequences.

3.21 Previous advocacy has focused on 'financial literacy'. The Salvation Army believes the word 'literacy' is limited in its application. Indeed, in many instances, people who experience financial abuse are highly literate and capable with the funds they can access. The goal of programs should be to equip participants with the tools to understand their economic rights, both within their intimate and family relationships, and in all economic scenarios, including employment and lending.

3.22 The Salvation Army operates a financial capability program called You're the Boss, which helps to put community members in charge of their finances, with a focus on confidence and autonomy. You're The Boss is also available to community sector partners, and individuals can access the resources for free online.

3.23 A nationally backed financial confidence and empowerment program should be developed and proactively distributed. This program must include resources developed in partnership with groups to maximise the usability and appropriateness for cohorts most at risk. This includes an understanding of the needs and experiences of victim-survivors of family and domestic violence, older Australians, and the Aboriginal and Torres Strait Islander, CALD, disability, and rural and remote communities.

3.24 Financial confidence and empowerment programs must be promoted and accessible within people's existing networks and communities. Careful consideration must be taken to ensure people experiencing other forms of disadvantage and barriers to access can utilise these services. Partnerships with other organisations, such as the Country Women's Association, University of the Third Age and Men's Sheds can also be a major asset for the delivery of financial confidence and empowerment education.

Recommendation 13

3.25 The Salvation Army recommends that the Commonwealth Government develops a national financial confidence and empowerment program be developed to educate individuals of their economic rights. This should aim to teach about what financial abuse is, how to access support, and how to escape it.

Safe Credit

3.26 The Salvation Army sees many individuals experiencing financial abuse turn to unsafe forms of credit. BNPL and Pay Day loans are often fast, easily accessible forms of debt, but have numerous hidden fees and late penalties. This can see small borrowing turn quickly into unmanageable debts.

3.27 The Salvation Army is a provider under the No Interest Loans Scheme (NILS) in partnership with Good Shepherd. In concert with the community member, we are able to assess their specific circumstances, help to build a budget, and design a repayment plan for no interest loan.

3.28 The Salvos Domestic Violence Loan Program (Salvos Loans) is a national program which allows victim-survivors of family and domestic violence to borrow up to $5,000 for essential products and services in support of finding a safe and suitable environment for themselves and their children. The loans are interest and fee free and can be repaid over a period up to three years to ensure affordability. This program incorporates financial confidence and empowerment and our Positive Lifestyle Program to provide additional support and skills development for community members.

3.29 Both Salvos Loans and NILS divert individuals away from higher forms of credit which are higher risk, and often lead to significant long-term disadvantage. Throughout this program, the loan capital funding continued to be provided by The Salvation Army, was not part of corporate or Department of Social Services funding. Salvos Loans have a very high rate of successful repayment, approximately 96 per-cent, which preserves this initial loan capital funding.

3.30 The Salvation Army recognises and appreciates the work that corporate partners and governments have done to support and deliver the NILS and Salvos Loans programs, but more work must be done. Expanding the delivery of these vital lending instruments is needed to support Australians who are experiencing financial abuse to access safe capital, in turn allowing them to escape unsafe scenarios.

Recommendation 14

3.31 The Salvation Army recommends that the financial services sector and the Commonwealth Government, increase their support for the No Interest Loans Scheme, and other forms of no interest loans. This should aim to better support individuals experiencing or escaping financial abuse and prevent them from entering into other forms of unsafe debt.

Terri's Story*

A Salvos Loans client story written in her own words and shared with permission.

Salvos Loans enabled me to obtain household items which made a rural living situation comfortable and suitable for my newborn son and me. The Salvos Loan enabled me to remain independent and safe while I nursed my son and recovered from FDV.

Not only did the items I obtained help us physically but the support that I experienced from Salvos team members helped me feel like I had a community to reach out to. PTSD is extremely confronting after domestic violence and knowing there are services who can make such an impact has humbled me and impacted my life path in a very wholesome way.

The Salvation Army gave me the support to live and to maintain a safe environment where I could heal after circumstances that no human, especially a pregnant woman should endure.

Being a single mother is full time job. Having the support of external services that offer financial alleviation with a no interest loan, for me, has proven to be a very successful system. The Salvos Loan has helped me gain financial independence.

**Name changed*

4 The Role of Financial Institutions in Detecting and Responding to Financial Abuse

4.1 The Salvation Army's experience is that financial institutions, particularly larger banks, have taken steps to support victim-survivors of financial abuse. These steps are, however, retrospective in supporting people after having already experienced abuse. There needs to be a greater focus upon pre-emptive action to prevent harm from financial abuse. These procedures must be done while maintaining, and in many cases improving, post facto responses.

Hardship Arrangements

4.2 The significant power of lenders to assist community members experiencing hardship is arguably the most substantial response to individuals experiencing abuse. The Salvation Army's experience of working with community members and lenders to manage debts during hardship or periods of financial abuse, has been positive.

4.3 Larger lenders have developed hardship streams, which are effective at helping community members delay payments, manage accounts, and even to waive the entirety of a debt. These hardship teams are responsive to the needs of the community member, work in collaboration with Moneycare financial counsellors, and have helped to restore community members' financial autonomy. Work has been done to ensure these services are trauma informed.

4.4 Recent findings of the Australian Securities and Investment Commission (ASIC), however, have found that hardship arrangements through lenders have not been accessible to individuals conducting self-advocacy, and that hardship arrangements are complex, inflexible, and ill-suited to many borrowers' needs.[8] ASIC has observed 35 per-cent of community members dropping out of the assessment process at least once.[9]

4.5 These findings from ASIC are in stark contrast to the experience of The Salvation Army, and may speak to inconsistent application of hardship services amongst community members, and financial institutions.

4.6 The dropout rate indicates that, despite efforts to make hardship arrangements trauma informed for those experiencing financial hardship and financial abuse, the administrative processes of hardship applications will always have a retraumatising effect. Due to there complexity, these processes create further strain for those in already extremely stressful scenarios, leading to dropping out of the assessment process.

[8] Australian Securities and Investment Commission. (May 2024). Report 782: *Hardship, Hard to Get Help: Findings and Actions to Support Customers in Financial Hardship*. 7. https://asic.gov.au/regulatory-resources/find-a-document/reports/rep-782-hardship-hard-to-get-help-findings-and-actions-to-support-customers-in-financial-hardship/

[9] Ibid 11.

4.7 This may explain why the experiences of individuals who have the support of a Moneycare financial counsellor, differ significantly from community members who navigate processes alone. Having the backing of a financial counsellor minimises the mental load of those experiencing trauma, and lessens the ordeal that prevents completing the application process.

4.8 As such, work must still be done by financial institutions to ensure that hardship arrangements are flexible, responsive, and easily navigable by community members experiencing crisis.

4.9 Joint assets, present additional difficulty when addressing financial hardship. When obtaining hardship arrangements on a joint debt, although not legally necessary, lenders will often require both borrowers to agree. This can lead to financial abuse where a former partner refuses to allow such an arrangement for a joint asset after a relationship has broken down. This lack of flexibility unnecessarily penalises many victim-survivors.

Recommendation 15

4.10 The Salvation Army recommends that financial institutions continue to develop accessible, trauma informed resources, and continue to invest in hardship arrangements which minimise the barriers to access for those experiencing financial abuse and other trauma.

Detection

4.11 An area The Salvation Army would like to see further investment is in pre-emptive detection. Where possible, banks should act to prevent financial abuse before it has caused harm.

4.12 Hardship arrangements, as well as lender's willingness to wipe debts of community members who have experienced financial abuse, are extremely helpful responses to instances of financial abuse or family and domestic violence. These processes however, do not fully mitigate the financial and emotional harm that comes from abuse or hardship.

4.13 Software approaches are currently in place in some institutions and aim to prevent various forms of financial abuse, such as offensive transaction descriptions, or vexatious payments. Some banks are working collaboratively with others in the sector to share learnings and embed these practices throughout the sector.

4.14 This type of sector collaboration is extremely beneficial. The Salvation Army supports investment in detection of financial abuse, and the sharing of advances in this area with others within the financial services sector to build stronger responses.

Recommendation 16

4.15 The Salvation Army recommends that financial institutions continue to develop and share preventative methods to detect and stop financial abuse, including through the use of technology.

Joint Borrowing for Joint Benefit

4.16 The Committee will be aware that borrowing against a joint asset, such as redrawing on a mortgage, presents significant prospects for financial abuse.

4.17 The Salvation Army sees instances where mortgages are redrawn upon to finance assets which only benefit one party. Where this occurs, the equity the owners have in the property is reduced which can have significant negative impacts should these joint assets need to be split, such as in the event of a divorce.

4.18 Many lenders have taken significant steps to try and prevent harm in these scenarios, but more needs to be done.

4.19 Banks currently conduct interviews with both borrowers individually, aiming to prevent coercive controlling behaviour leading to a joint debt that is not for the benefit of both or all parties. However, regardless of these safeguards, there remains significant risk to the victim-survivor. Should they disclose abuse or coercion, their safety may well be at risk. Should the other borrower become aware that the bank has denied the loan as a result of a disclosure of abuse, violence may escalate.

4.20 Lenders must take steps to protect victim-survivors in these instances and be prepared to act should a community member suggest they are afraid for their safety. Maintaining the confidence and safety of community members at risk of financial abuse is crucial.

4.21 Independent legal advice for each party could be successful in ensuring joint borrowing is for joint benefit of both parties. The Salvation Army respects however, that the practical implications of such a policy would be difficult and expensive to incorporate into the lending system.

Recommendation 17

4.22 The Salvation Army recommends that additional protections for borrowing against joint assets be explored to ensure that joint borrowing is suitable for all parties to a loan, and to ensure the safety of all community members should a loan be denied.

Strengthening Collaboration Between Financial Institutions and the Service Sector

4.23 Strong partnerships between financial institutions and the frontline service sector are critical in protecting individuals at risk of, or who have experienced, financial abuse.

4.24 In our experience, those at risk of, or experiencing financial abuse often present to services with multiple and complex needs. For this reason, we believe that financial institutions alone cannot meet the needs of those who experience of financial abuse.

4.25 We believe that strong partnerships and collaboration between financial institutions and the community service sector can ensure that those experiencing financial abuse are met with holistic, wraparound responses which ensure their safety and long-term best outcomes are paramount. In our experience, strong partnerships including warm referrals and the sharing of skills, expertise, and resources, promote improved outcomes for those experiencing financial abuse.

4.26 Collaboration between financial institutions and frontline services must be supported through enhanced communication and information sharing structures and bolstered by robust privacy and consent processes.

Recommendation 18

4.27 The Salvation Army recommends that the Commonwealth Government work alongside state and territory governments and the frontline service sector, to strengthen cross-sector partnerships and collaboration in responding to financial abuse. This should include reviewing communication and information sharing structures.

5 Role of Government Bodies

5.1 One of the principal agencies that people experiencing financial abuse interact with is Centrelink. Centrelink must therefore take on a significant role in the prevention and discovery of financial abuse.

Centrelink

5.2 Where possible, the staff of Centrelink must be equipped with the skills and knowledge to identify, and assist in instances where a community member is experiencing financial abuse. We recognise that training in the detection and response to financial abuse in many frontline staff is lacking. Even fundamental assessments such as asking, “Has anyone forced you to say this?” is a useful circuit breaker.

5.3 Beyond being able to identify financial abuse, frontline staff need to be equipped and appropriately resourced to respond to community members who are experiencing abuse. This includes suitable procedures for ensuring the immediate safety of the community members, and follow-up or referral mechanisms.

Hannah’s Story*

Hannah* and her former husband had split custody of their six-year-old son, Travis, on a 60/40 basis.

Travis’s father went on an extended trip for 3 months, meaning that for this period, Hannah had full parental custody.

In telling Centrelink of this new arrangement, Hannah’s child support entitlement rose, increasing the payments her former partner had to make.

Hannah then received abusive calls and harassing messages from her former partner, bullying her to lie to Centrelink, so he was not forced to pay extra child support.

Hannah did go to Centrelink feeling forced to falsely tell them she had made a mistake, and that she did not have full custody of Travis during that period.

**Name changed*

Recommendation 19

5.4 The Salvation Army recommends that the Commonwealth Government invest in additional training for frontline Centrelink staff to better recognise, respond to, and provide support for community members experiencing financial abuse.

5.5 Centrelink processes are often protracted and inaccessible for young people, which inhibits their ability to leave situations of violence and places them at increased risk of the prolonged impacts of poverty and financial hardship.

5.6 Many of the young people who attend our Oasis service following instances of family violence arrive with just one bag of clothes, no identification, and no income. Our service works alongside these young people to access income through Centrelink.

5.7 In our experience, the application process becomes complicated when payments presume young people are dependent on their family until the age of 25. Subjective safety assessments make it difficult for a young person to be classified as independent and impact their ability to access financial assistance. For young people who have experienced violence in the home, requirements for parents or legal guardians to sign forms can also be a barrier to applying for the payment.

5.8 It is critical that Centrelink processes are age appropriate and streamlined for young people. The Salvation Army also identify the need for on-site dedicated social workers within Centrelink offices to better support young people fleeing violence.

Recommendation 20

5.9 The Salvation Army recommends that the Commonwealth Government work to streamline Centrelink processes and invest in on-site social workers in Centrelink offices.

6 Advisory and Advocacy Bodies

6.1 Advisory and advocacy bodies, including Financial Counselling Australia (FCA) and state based financial counselling bodies are a critical part of the response to financial abuse. The Salvation Army believes adequate government support for these bodies is vital.

6.2 Financial counsellors, including those working in The Salvation Army's Moneycare service, benefit from professional development and training offered by these bodies. This includes training on the issue of financial abuse, particularly for at-risk cohorts where financial abuse may present differently, and where culturally appropriate responses are needed.

6.3 Professional development can also increase professional confidence.

6.4 Training provided by these bodies provide a foundation for further practice development in financial counselling. Therefore, ensuring that these bodies can continue to develop and provide this training, is crucial the sector.

6.5 Affordable and accessible professional supervision is another important part to ensure financial counsellors remain up to date with legislative changes and best practice evidence. Additional access to professional supervision must be supported.

6.6 Our staff at Moneycare highlight the importance of quality professional supervision to improve practice and service delivery. Professional supervision provides an opportunity to discuss methods to support people experiencing financial abuse. Professional supervision can also provide support for the challenging and emotionally demanding aspects of the role including hearing traumatic experiences or supporting client's autonomy even when concerned about their decision. Quality professional supervision is a protective mechanism to alleviate stress, anxiety, and prevent burnout.

Recommendation 21

6.7 The Salvation Army recommends that the Commonwealth Government work with financial counselling advisory and advocacy bodies to develop up-to-date professional development on all relevant topics including financial abuse.

Recommendation 22

6.8 The Salvation Army recommends that the Commonwealth Government work with financial counselling providers to support the development of and access to professional supervision.

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34

7 Conclusion

7.1 The Salvation Army thanks the Joint Committee on Corporations and Financial Services for the opportunity to have input on the issue of financial abuse.

7.2 The Salvation Army would welcome the opportunity to discuss the content of this submission should any further information be of assistance. Further information can be sought from government.relations@salvationarmy.org.au.

The Salvation Army Australia Territory

June 2024

Appendix A About The Salvation Army

The Salvation Army is an international Christian movement with a presence in more than 130 countries. Operating in Australia since 1880, The Salvation Army is one of the largest providers of social services and programs for people experiencing hardship, injustice and social exclusion.

The Salvation Army Australia provides more than 1,000 social programs and activities through networks of social support services, community centres and churches across the country. Programs include:

- Financial counselling, financial literacy and microfinance
- Emergency relief and related services
- Homelessness services
- Youth services
- Family and domestic violence services
- Alcohol, drugs and other addictions
- Chaplaincy
- Emergency and disaster response
- Aged care
- Employment services

As a mission-driven organisation, The Salvation Army seeks to reduce social disadvantage and create a fair and harmonious society through holistic and person-centred approaches that reflect our mission to share the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.

Further information about The Salvation Army can be accessed at: < https://www.salvationarmy.org.au/>

Financial Services Regulatory Framework in Relation to Financial Abuse
Submission 34