

**inTOUCH SUBMISSION IN RESPONSE TO:  
*INQUIRY INTO THE FINANCIAL SERVICES  
REGULATORY FRAMEWORK IN RELATION TO  
FINANCIAL ABUSE IN AUSTRALIA***

**inTouch Multicultural Centre Against Family Violence**

**June 2024**

## Acknowledgement of Country

*We acknowledge the Aboriginal and Torres Strait Islander people as the first inhabitants of this nation and the Traditional Custodians of the land on which we work and live. We pay our respect to their Elders – past and present. We express our gratitude for the sharing of this land, our sorrow for the personal, spiritual and cultural costs of that sharing and hope that we may move forward together in harmony and in the spirit of healing.*

## Acknowledgement of Victim-Survivors

*We also acknowledge the countless women who have experienced family violence, in particular women from migrant and refugee backgrounds. We recognise the courageous path they have travelled to rebuild their lives and honour their stories which continue to inspire and drive our work.*

## A Note on Terminology

*Across all inTouch's services and programs, we utilise the inLanguage, inCulture model, emphasising clients' cultural needs. With over 80% of our staff from migrant and refugee backgrounds, they bring an understanding of intersectionality and cultural sensitivity to their work. Our approach ensures that clients are paired with case managers who either speak their language or grasp the cultural nuances of family violence and recovery needs in the context of their migration journey, language and culture. Beyond speaking the same language, our staff have experiences as newly arrived migrants, understand complex migration journeys and the cultural norms that combine to impact on the nature and experiences of violence, and barriers to response and recovery.*

## Thank you

*inTouch thanks the members of our NOOR Survivor Advocates group who generously contributed their stories, insights and valuable lessons from their lived experiences of financial abuse to this submission. It is their courage and continued advocacy and leadership that guides our work and strengthens our understanding and contributions to this Inquiry.*

## About inTouch

inTouch Multicultural Centre Against Family Violence (inTouch) has provided person-centred, integrated and culturally responsive family violence services to migrant and refugee communities in Victoria since 1984.

inTouch works across the family violence continuum, providing culturally-informed early intervention, case management, legal and migration assistance, perpetrator programs, post-crisis recovery and enhanced capacity-building across the sector and community through our learning and development and project management teams. We are proud to provide high-level leadership and guidance to all levels of government with our evidence-based policy and advocacy work.

Our services are informed by an integrated *inLanguage, inCulture* delivery model and supported by our diverse workforce, which is comprised primarily of people who are migrants and refugees themselves. Our team's unique understanding of culture and the migration journey allows inTouch to deliver expert, specialist case management to our clients in over 20 languages.

### inTouch's services include:

- Case management that encompasses a first-hand understanding of the migration journey and unique cultural barriers women may face when seeking assistance for family violence.
- An integrated community legal centre (**inTouch Women's Legal Centre**) working at the intersection of family and migration law - the first multidisciplinary practice in Australia to provide this inclusive service response.
- inSpire, a post-recovery initiative for victim-survivors, focusing on economic independence, social connection and emotional wellbeing.
- A policy, advocacy and research unit that informs government legislation, service provision and media coverage and is informed by victim-survivors and our client services' team.
- Prevention and capacity-building projects and resource development for multicultural communities and the family violence sector.
- A specialised *inLanguage, inCulture* program, Motivation for Change, that works with men who use violence, focusing on trauma and the impacts of migration.
- A comprehensive suite of Learning and Development modules centred and informed by the experiences of victim-survivors and inTouch's specialist expertise working across the family violence continuum.
- NOOR Family Violence Survivor-Advocates, a group of migrant and refugee victim-survivors who influence policy, service provision and media reporting with lived experience.

For more information, visit [www.intouch.org.au](http://www.intouch.org.au) email [admin@intouch.org.au](mailto:admin@intouch.org.au) or call **03 9413 6500**

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## Executive Summary

inTouch welcomes the opportunity to provide a submission to the Parliamentary Joint Committee on Corporations and Financial Services' Inquiry into financial services regulatory frameworks in relation to financial abuse.

### ***inTouch supports vulnerable migrant and refugee women experiencing family violence***

For over 40 years inTouch has been steadfast in our mission to support migrant and refugee women who have endured family violence. We offer comprehensive case management services that acknowledge and address the unique cultural challenges our clients often encounter when seeking assistance. inTouch also plays a critical role in engaging with people who use violence through our *inLanguage*, *inCulture* programs and early intervention services.

An overwhelming majority of women from migrant and refugee communities who have experienced family violence have reported financial abuse in some form. In 2022-23, 72 percent of our new clients reported having experienced financial or economic abuse in the context of family violence. In addition to this, 68 percent of new clients were assessed as needing financial support as part of their response and recovery journey.

Providing *inLanguage* and *inCulture* support to our clients to address financial abuse and assist their financial wellbeing is a critical part of our service response, and this approach must be central to the response provided by financial institutions, government, and any agency or service working with victim survivors from migrant and refugee communities.

### ***All sectors have a responsibility to respond to family violence in our communities***

There must be an increased understanding within financial institutions on the nuanced approaches required to effectively respond to financial abuse. While we recognise there has been improvement in the response to financial abuse by financial institutions, there is a lack of culturally responsive practices and financial abuse risk management across the end-to-end customer journey, product design and operations that can enable and facilitate financial abuse to occur. Much more needs to be done.

Financial institutions play a critical role in our community; however, they cannot respond to financial abuse alone, and this requires a dedicated system wide response. It is integral that financial institutions build strong partnerships with specialist family violence services, financial counsellors and government agencies to invest in and encourage collaboration, creating a cohesive support network for victim survivors. This must also be supported by robust, trauma-informed and culturally responsive regulatory frameworks and industry guidance.

To appropriately and effectively address financial abuse, this must be achieved across the family violence continuum from prevention, early identification, response and the promotion of ongoing recovery and financial wellbeing. Importantly, responses must address the needs of all victim survivors, ensuring they are trauma-informed and culturally responsive.

Family violence is a community-wide challenge that will only be addressed by recognising how engrained forms of control, such as financial abuse, manifest across all parts of society. The recommendations in this submission are consistent with the findings of previous inquiries and Royal Commissions in the context of financial abuse.

We call on the financial sector to recognise the powerful social impact corporate Australia can have on community wellbeing and seek to collaborate on the innovative design of prevention and response initiatives that reflect a dedicated effort across the business cycle and functions to address financial abuse. It is incumbent upon the financial sector, regulators and government to respond to family violence as a core moral and social responsibility within its environmental, social and governance (ESG) standards. In the same way the community expects corporations to meet sustainability or other human rights targets, an understanding of the harm family violence causes, and the obligation financial institutions have to minimise that harm, should be a core component of all corporate social responsibility.

This submission seeks to respond to the terms of reference of the Inquiry and demonstrate the impact of financial abuse on migrant and refugee women and the need for culturally appropriate responses. This will enable all of us to ensure the ongoing safety, recovery and financial wellbeing of migrant and refugee women experiencing family violence.

## Recommendations

### Prevalence and impact of financial abuse

1. Financial institutions recognise the moral obligation to truly address financial abuse as a core component of environmental, social and governance (ESG) risk management, with standards and indicators required for investing and decision-making across the business cycle.
2. Ensure that financial institutions consider the impacts relating to culture and language in the identification, recording and reporting of financial abuse.
3. Financial institutions embed cultural awareness training into their workplace capability building programs for all employees.
4. Ensure that financial institutions provide a broad suite of *inLanguage* and *inCulture* information, services and support to clients who are experiencing financial abuse.

### Effectiveness of regulatory frameworks

5. Review and update the current Australian Banking Association Industry Guidelines on 'Preventing and Responding to Family and Domestic Violence' and 'Preventing and Responding to Financial Abuse' to ensure the guidelines address cultural diversity and require culturally responsive practices.
6. Require the Commonwealth Government to address the recommendations from previous Royal Commissions and ensure family violence is considered a legal ground for financial hardship under all relevant regulatory frameworks.
7. Information regarding the policies and processes on early access to superannuation need to be simplified and provided *inLanguage* and *inCulture*. There must be adequate safeguards in place addressing the immediate and long-term benefits, implications and risks.

### Supporting financial institutions and potential areas for reform

8. Financial institutions must deliver and promote prevention initiatives and awareness campaigns that focus on reducing the risk of financial abuse and are culturally responsive.
9. Consider requiring all financial institutions to embed a shared understanding of family violence and embed family violence risk assessment processes into practice to improve the identification of family violence and financial abuse (for example, MARAM).

10. Raise awareness and understanding of the important role of financial counsellors in responding to financial abuse, and ensure financial institutions have effective referral pathways in place.
11. Implement trauma-informed and culturally responsive design principles and family violence risk assessment processes into the design and delivery of financial products, resources and services.
12. Require financial institutions to utilise account activity monitoring processes for the improved identification of financial abuse.
13. Ensure that financial institutions deliver trauma-informed and culturally responsive training on family violence and financial abuse to its employees.
14. Ensure that all products, resources and service offerings are provided *inLanguage* and *inCulture*, including that culturally responsive information about financial abuse is provided on all banking apps.
15. Require that the provision of interpreters by financial institutions is mandatory if a language barrier is identified, and employees are trained in appropriate engagement of interpreters and the complexity of interpreting in the family violence context.
16. Require all online applications to establish accounts with financial institutions (including App set up) provide an option to translate all safeguard information.
17. Invest in partnerships between financial institutions and specialist family violence services to develop multi-lingual financial resources and culturally responsible financial wellbeing workshops.

#### **Role of Government**

18. As part of the work to develop a nationally consistent definition, ensure State and Federal governments consider the criminalisation of financial abuse.
19. Review the Social Security Act and Criminal Code around third-party responsibility for social security fraud.
20. Ensure the Department of Home Affairs works in partnership with specialist family violence and settlement engagement and transition services to provide *inLanguage* and *inCulture* information relating to financial issues to newly arrived migrant and refugees.
21. Government agencies must ensure effective safeguards are implemented to reduce the risk of misuse and financial abuse relating to social security payments.
22. Invest in specialist financial counselling services to support victim survivors experiencing financial hardship as a result of financial abuse.
23. Increase funding for specialist family violence services to enhance their service response to victim survivors experiencing financial abuse.
24. Explore the concept of system navigators to support victim survivors experiencing financial abuse when interacting with multiple service providers.

#### **Advisory and Advocacy Bodies**

25. Lived Experience must be represented on advisory and advocacy bodies considering the issues of financial and economic abuse.
26. Specialist Family Violence Services must be represented on advisory and advocacy bodies considering the issue of financial and economic abuse.
27. Ensure there is diversity of culture and language amongst representatives on any advisory and advocacy bodies considering the issue of financial and economic abuse.

### **Additional considerations**

28. Provide increased access to financial coaching and financial counselling to victim survivors of family violence and financial abuse, ensuring that services are also provided *inLanguage*, *inCulture* and where possible, embed these services within specialist family violence services
29. Influence financial institutions to provide low or no interest loans to victim survivors of financial abuse.
30. Invest in holistic programs and services that focus on a victim survivor's recovery from family violence and financial abuse.
31. Invest in a robust research program to build a strong evidence base on the prevention and response to all forms of financial abuse.



## Responding to financial abuse at inTouch

### Overview

inTouch works across the spectrum of family violence services and support, providing culturally-informed case management, perpetrator programs, legal assistance and representation and specialised migration assistance, crisis recovery and learning and development and capacity-building programs across the sector and community.

inTouch supports a client group who have highly complex and intersectional needs. On a daily basis, we have the privilege of seeing first-hand how our trauma informed, *inLanguage* and *inCulture* support enables our clients to receive services and rebuild community and connections. Our unique service delivery not only supports a more effective and efficient process, but also provides a strong foundation for our clients' healing and recovery, ensuring the best possible outcomes for our clients, their children and their communities.

During the 2022-23 financial year, inTouch demonstrated its commitment to supporting vulnerable women, providing support to 1,495 women and their 1,551 children through direct response services. A further 1,307 people were engaged through prevention and early intervention programs, and 196 women were supported through our community recovery groups. Our client group comes from 100 different countries, speaking 91 different languages, with 33 percent having resided in Australia for less than 5 years.

While the impact of inTouch on women's experiences in addressing family violence cannot be understated, the demographics of our clients underscores the unique challenges and barriers our service faces in delivering these vital supports. Among the women we assisted:

- 86 percent speak a language other than English as their first language, highlighting the importance of providing culturally sensitive and linguistically appropriate services.
- 36 percent reported living with a disability or mental illness, emphasising the need for wrap around supports that adequately take into account these circumstances.
- 44 percent were on temporary visas, demonstrating their vulnerability and lack of stability, driven by the uncertainty about their immigration status.
- 33 percent of inTouch clients overall have lived in Australia for less than 5 years, making it very difficult to navigate a financial system they have limited understanding of.
- 62 percent of our clients are either homeless or at risk of homelessness, underscoring the urgency of addressing housing and stability issues alongside and through financial literacy and empowerment.
- 88 percent of clients are grappling with severe financial disadvantage and 24.3 percent of our clients had nil income at the point of engaging our service.

These statistics serve as a critical reminder of the role the inTouch plays in addressing the intersecting challenges faced by vulnerable women experiencing family violence within migrant and refugee communities.

## Our response to financial abuse

A majority of inTouch clients have experienced financial abuse in some form. In 2022-23, 72 percent of new clients reported having experienced financial or economic abuse in the context of family violence. In addition to this, 68 percent of new clients were assessed as needing financial support as part of their response and recovery journey. Providing *inLanguage* and *inCulture* support to our clients to address financial abuse and assist their financial wellbeing is a critical part of our service response.

**72 percent** of new inTouch clients have experienced financial or economic abuse in the context of family violence.

**68 percent** of new inTouch clients require financial support to enable their recovery from family violence.

We do this through a number of our services and programs including:

### ***Direct Services and Case Management***

Our Direct Services team provide the first response to migrant and refugee women experiencing family violence and play a key role in the identification of financial abuse.

Our case management services utilise the *inLanguage*, *inCulture* model, emphasising clients' cultural needs. With over 80 percent of our staff from migrant and refugee backgrounds, they bring an understanding of intersectionality and cultural sensitivity to their work, ensuring clients are paired with case managers who either speak their language or grasp the cultural nuances of family violence and recovery.

During 2022-23, we introduced a co-case management model in collaboration with agencies like Child Protection and local family violence services for comprehensive support. This model aims to fill service gaps and establish strategic partnerships.

Brokerage plays a key role in our support, providing financial aid for both immediate and long-term needs. It ranges from Crisis Brokerage for urgent necessities like food and shelter to Flexible Support Packages covering housing, education, and activities for children. In 2022-23, we distributed around \$1.5 million in financial support to aid the safety and recovery of women and children.

inTouch does not have financial counsellors on staff due to funding constraints, however we regularly engage with and refer clients to financial counsellors, including Money Help and an agreement with Good Shepherd where a financial counsellor is co-located at inTouch one day per fortnight. This can cause delays in support for our clients and having staff within the organisation who can support clients *inLanguage* and *inCulture* would be the most efficient way to ensure wrap around supports.

## ***inSpire***

Established in 2018, inSpire supports women and their children from migrant and refugee backgrounds post-crisis through a longer-term model of ongoing, integrative supports. inSpire is the only post-recovery program in Australia embedded within a trusted specialist family violence service provider, offering a bridge between family violence and migrant and multicultural communities<sup>1</sup>.

The program is designed to boost confidence, skills and connection, supporting women to build economic independence, wellbeing and social connections. Our goal is to bridge the gap between crisis and long-term wellbeing, empowering women to live their lives, their way. The initiative was designed alongside clients and case managers, to ensure the aims and focus reflect the needs of women who are participating in the program. We regularly engage our advisory group, NOOR Survivor-Advocates, to ensure the program continues to reflect the objectives and needs of the women we work with.

inSpire supports women to seek meaningful employment, supporting them to gain the relevant skills to engage with the Australian job market through the Discover, Grow, Connect program. The program also assists women with discovering local support networks and services, including those supporting financial wellbeing, and fortifying their social ties, particularly with other culturally and linguistically diverse women who are entering the workforce. Likewise, the inSpire Mentoring Program supports women on their journey to employment, addressing barriers, providing emotional and practical support and building mentee confidence, capability and progress towards career goals.

In addition, we work with women to establish a trusted social circle where they can confidently engage with their communities and establish lasting friendships. These social connections are vital in providing a sense of belonging and support for women to speak about their experiences, which can otherwise be isolating, particularly in communities where cultural understandings stigmatise family violence. Initiatives including scholarships for extracurricular activities, school holiday excursions, employment workshops and training, referral services, mentoring and mini grants to access social events all support this healing and recovery process.

In response to increasing demand for therapeutic support and a heightened emphasis on mental and physical health, inSpire introduced a third program stream in 2023 to provide wellbeing and therapeutic programs including art, music therapy and equine therapy as well as a mental health awareness project. The inSpire Our Wellbeing Today and Tomorrow program works with participants to raise awareness of mental and emotional health issues, break down barriers to discussing mental health issues.

## ***Women's Legal Centre***

The inTouch Women's Legal Centre is a specialist Community Legal Centre (CLC) utilising an integrative practice model to provide legal advice and representation to clients who are already receiving support from inTouch case managers. Our Legal Centre was established following research funded by the Victoria Law Foundation in 2012, which identified that navigating the justice

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<sup>1</sup> inTouch, *Annual Report 2021-22 (2022)* p12.

system is a particularly challenging process for migrant and refugee women who experience family violence.

As a CLC, the inTouch Women's Legal Centre receives funding through the National Legal Assistance Partnership (NLAP) and State funding streams that support delivery of legal and non-legal services. In 2022-23, our Legal Centre supported 701 women, offering the legal resources and assistance they urgently needed. Notably, this included 132 women who successfully obtained permanent residency as a result of family violence provisions.<sup>2</sup>

inTouch extends its case management and legal services, which are tailored to address cultural and linguistic needs, to women and gender non-binary clients who consent to support from a women's service, are migrants and/or refugees, are aged 18 years and older, reside in Victoria and are currently or continually affected by family violence.<sup>3</sup>

Given the need to triage and prioritise cases, all clients referred to the inTouch Legal Centre initially receive legal advice through Advice Clinics which include Weekly Advice Clinics, Victims of Crime Clinic, Divorce Clinics and outreach through our Health Justice Partnerships.

Unlike many CLCs, we also offer ongoing legal representation and regularly appear in the Federal Circuit and Family Court of Australia (FCFCOA) in parenting and property litigation matters.

Our expert team of lawyers and migration agents provide the following services:

- protection from family violence through intervention orders
- family law dispute resolution and representation in areas such as parenting, small property settlements, and spousal maintenance
- immigration and visa assistance
- support for Victims of Crime Assistance Tribunal (VOCAT) applications
- divorce clinics
- secondary consultations, and
- support for clients in their financial recovery from family violence.

### ***Projects and Community Initiatives***

inTouch combines the unique expertise derived from our client services team with a wide scope of dynamic partnerships, transforming organisational and community responses to family violence.

Aligning with the broader principles of inTouch's work, community engagement draws insight from the lived experiences of migrant and refugee women impacted by family violence and is responsive to the specific needs of social services, the family violence sector and multicultural communities. We build the capability of organisations to engage with clients from culturally-diverse communities through our training and impact program, co-case management, sector engagement and project management.

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<sup>2</sup> Ibid.

<sup>3</sup> The inTouch Legal Centre: Referrals and General Information and Service Guidelines set out the process for client and details on our operation. These documents can be accessed here: [https://intouch.org.au/wp-content/uploads/2023/06/inTouch-Legal-centre-referral-guide\\_WEB.pdf](https://intouch.org.au/wp-content/uploads/2023/06/inTouch-Legal-centre-referral-guide_WEB.pdf) and <https://mail.google.com/mail/u/0/#label/Consulting/FMfcgzGwHlMgKkVkgIhcmmHlPdmsQtsz?projector=1&messagePartId=0.1>

In 2023, key projects included:

- Strengthening the Capacity of Settlement Engagement and Transition Support Program (SETS). Providers in Domestic and Family Violence”
- Women on Temporary Visas in Refugee Service Strengthening Project
- Supporting Migrant and Refugee Women in Rural and Regional Victoria, and
- Working Together: Strengthening Partnerships to Support Women in the West.

Expertise and capability building has included national, regional, place-based, sector-specific and multicultural-led projects & training.

### ***Training & Impact***

The inTouch Academy draws on the expertise of our trainers, case managers, inTouch Women’s Legal Centre, the Motivation for Change program, NOOR Family Violence Survivor Advocates and feedback from our clients and training participants to develop and tailor professional development opportunities for a range of organisations.

Culturally responsive practice is at the core of all our training content, as we seek to advance good practice in applying intersectionality, cultural humility, cultural responsiveness and anti-racism for accessible, safe and effective services to migrant and refugee communities. inTouch offers a comprehensive suite of evidence- and practice-based training that is informed by the Multi-Agency Risk Assessment and Management Framework (MARAM) and can be tailored to fit the needs of the organisations or communities we work with.

Our training focuses on subjects relevant to early career practitioners, like intersectionality and culturally responsive practice, through to more complex issues like migration and systems abuse and curated discussions informed by collaboration with our expert team as well as inTouch’s position papers and policy submissions. Service providers working on financial abuse have been among those we have trained.

As such, we focus on a variety of subjects including:

- Understanding and responding to family violence in multicultural communities
- Culturally responsive practice and intersectionality
- How culture and migration history impacts client capacity to seek and sustain support
- Service gaps and barriers to participation
- Working with women on temporary visas
- Complex family dynamics
- Cross-cultural engagement, and
- Risk assessment and safety planning for culturally diverse clients.

Our team is continuously updating existing and building new training modules and practices to build capability with diverse practitioners and multicultural communities.

## 1. The prevalence and impact of financial abuse

### Term of Reference 1

The prevalence and impact of financial abuse, including:

- a. The approaches taken by financial institutions to identify, record and report financial abuse, and any inconsistencies arising therein;
- b. The impact of the shift of financial products to online platforms; and
- c. Any other contributing factors.

Although there are varying definitions of financial abuse, it is commonly defined as ‘a form of control that affects the victim survivors’ capacity to acquire, use and maintain economic resources, thus threatening their economic security and self-sufficiency’<sup>4</sup>. In Victoria, financial or economic abuse is also clearly defined in law as a distinct form of family violence in line with the definition of family violence in the *Family Violence Protection Act 2008*.

Given the controlling nature of economic and financial abuse, it is also considered a key element of coercive control and may also be used in addition to other forms of family violence including physical and other abusive behaviours.

Recent data in the 2021-22 Personal Safety Survey (PSS) by the Australian Bureau of Statistics (ABS) indicates that of the 9.9 million women surveyed, 27 percent have experienced a form of family violence by their current or former partner. **16 percent (or 1.6 million) of these women have experienced economic abuse by their current or former partner**<sup>5</sup>. The PSS also found that there was an association between financial stress and family violence, noting that ‘Women living in households with one or more cash flow problems were more likely to have experienced partner violence or abuse in the previous two years than those households that didn’t have cash flow problems’<sup>6</sup>.

This highlights that **financial inequality is both a symptom and enabler of gender inequality**. The power imbalance resulting from gender and financial inequality is often used by men to exert control over women. It can also be used by people of all genders as a tool to exert power in other familial and societal dynamics and creates lasting psychological and economic impacts on victim survivors.

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<sup>4</sup> Gendered Violence Research Network, ‘Understanding Economic and Financial Abuse in Intimate Partner Relationships’ University of NSW, October 2020, Pg 16

<sup>5</sup> Australian Bureau of Statistics, Personal Safety Survey - <https://www.abs.gov.au/statistics/people/crime-and-justice/partner-violence/2021-22#prevalence-rates>

<sup>6</sup> Australian Bureau of Statistics - <https://www.abs.gov.au/media-centre/media-releases/1-5-australians-have-experienced-partner-violence-or-abuse>

## Women from migrant and refugee communities' experiences of financial abuse

As mentioned above, 72 percent of migrant and refugee women seeking support from our services at inTouch have reported experiencing financial abuse in the context of family violence. An overwhelming majority of our clients also require financial support as part of their recovery and healing.

The ***enablers and impacts of financial abuse in the context of family violence are amplified for women from migrant and refugee communities***. This is driven by a broad range of factors including:

- ***Language barriers*** which limit a migrant or refugees understanding of their rights, Australian laws and the financial and support systems that are in place.
- Dependence on a visa sponsor or other family members for information, links to services, support and finance. This ***social isolation*** can be used as a way to exert power and control, and a lack of adequate support structures outside of this relationship makes accessing accurate information as well as leaving the relationship, and recovery, exceptionally difficult.
- ***Financial dependence*** influenced by visa constraints on employment, language or education barriers to employment, limited social networks, short or no history of employment in Australia and the high cost of living can make it difficult for a migrant or refugee spouse to leave an abusive relationship. Financial dependence can also be deliberately constructed by abusers as a method of control.
- Cultural norms may prevent a victim survivor from ***recognising the behaviour they are experiencing as family violence***, or from reporting the abuse. Separation from the person using violence may also not be an option due to cultural norms.
- ***Cultural norms and expectations*** can also drive increased risk of financial abuse due to the pressures from family and community. This can include a victim survivor being pressured to give loans to her own or her partner's extended family. Resistance to this can be met with threats of separation, shame to the family and community and ostracism.
- Concepts such as separation and divorce can be stigmatised in many migrant and refugee communities. Women who initiate divorce may face ***cultural and social sanctions*** including shame in families and communities.
- In some cultures, dowry is a key financial aspect of a marriage, and increases pressure on a woman to stay in a marriage because of the expense that her family has contributed (usually given in the form of non-liquid assets like houses, furniture, jewellery, etc). ***Misuse of dowry*** can be compared to having a debt that requires a woman to continue working on the marriage, even if the relationship is violent.
- ***Visa abuse can be used as a way of controlling the behaviour of the victim survivor***. Visa abuse is a prevalent issue faced by women from migrant and refugee communities and may include threats to revoke a visa, refusing to process visa applications hiding passports or threatening to report the victim survivor to the police or immigration. Women on certain types of visas are not able to access Family Violence Provisions (available when escaping a violent relationship on a partner visa) and are therefore severely financially disadvantaged and vulnerable to financial abuse because they cannot access any government support that would provide financial support. This includes Centrelink and Medicare, limited rights or no rights to work.

**“He said I didn’t have rights and that I’m not entitled to anything. I would be kicked out of the country. I was terrified from getting new information, terrified to get help until I had the courage to look into it. When I saw the term financial abuse, I realized that I ticked all the boxes.” - NOOR Survivor Advocate**

The Gendered Violence Research Network produced a report on ‘Understanding Economic and Financial Abuse Across Cultural Contexts’. This report highlights the existing research and evidence on economic and financial abuse<sup>7</sup>. We encourage the Inquiry to consider this report to further understand the cultural impacts of financial abuse.

From an inTouch perspective, our clients have reported experiencing varying forms of financial and economic abuse. Some examples of these relevant to the Inquiry’s Terms of Reference are below:

- The person using violence has **control of the victim survivor’s banking**, including restricting or barring access to ATM cards, credit cards, contactless pay, online banking passwords and apps, account statements and information, even if the account is jointly owned.
- The person using violence has **obtained loans (including mortgages) and credit cards, in the victim survivor’s name**. The victim survivor does not have access to these, however is burdened with the debt in their name.
- The person using violence **uses the victim survivor’s bank account without their knowledge or awareness** and provided reasons for doing so including to save on tax, enable Centrelink payments, or to avoid higher child support payments to a previous partner.
- The person using violence **uses the victim survivor’s bank account through coercion**, including using forged documents to coerce a belief that a requirement of their visa is to operate a joint bank account and share all income with their partner.
- Use of another’s **bank account used to launder money** leading to being penalised for having undisclosed income moving through their account.
- Victim survivor being **used as loan or business guarantors without their knowledge or full understanding**, especially when there are language barriers and a lack of understanding the forms they are signing.
- **Transferring a victim survivor’s property out of their name** without their knowledge, with one example given where a victim survivor’s partner transferred property out of her name while she was in hospital giving birth.

There are many other examples of financial abuse that go beyond the scope and role of financial institutions however, it is important that the Inquiry is aware of these forms given the impacts these have on financial security and wellbeing. These include:

- A person using violence **withholds child support payments** to avoid disclosing their actual income.
- Victim Survivor **prohibited from working** by the person using violence.
- Perpetrator **obtaining Centrelink benefits on behalf of the victim survivor** or using these payments for their own benefit without allowing access.
- Financial arrangements are made by the person using violence that the **victim survivor pays for services they are not using**. For example – utilities and telephone bills are paid for by the victim survivor, but the services are in the name of and used by the person using violence.

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<sup>7</sup> Gendered Violence Research Network, ‘Understanding Economic and Financial Abuse Across Cultural Contexts’ University of NSW, June 2021, Pg 7



## Shahista's Story

Shahista met her husband Pradeep through a matchmaking service and they had an arranged marriage in her home town.

Prior to the wedding, the matchmaker came to Shahista's family home to demand a large dowry from her family. Dowry payments are illegal in their home country, so the matchmaker pretended that this was to cover Shahista's visa and flight expenses, as well as contributing towards Pradeep's studies.

Shahista's family did not have this money to spare but did not want to cancel the wedding so close to the date, so they refinanced their land and took out a loan from family members to pay Pradeep's family the money they had requested. Shahista later discovered that Pradeep had kept the money for himself, attempting to cover up his actions by transferring it in smaller portions across several different bank accounts.

When Shahista moved to Australia, she quickly obtained casual employment, working in shops, factories and offices. Pradeep and Shahista opened a joint bank account, which all of her wages went into. Pradeep had full access to the account and would transfer money into his own account to spend as he wished. His own wages went directly into his personal accounts, which Shahista had no access to.

Pradeep monitored Shahista's spending carefully. When she spent money, even small amounts for basic items, Pradeep would verbally abuse her. As a result, she became too scared to spend money, often choosing to go hungry rather than spending her income from their joint account. She was working long days and was also forced to do all of the housework, cooking and cleaning for their household.

When Shahista fell pregnant, Pradeep refused to allow any expenditure for the pregnancy or baby. She was not allowed to buy a cot or baby clothes and had to turn to her family for help purchasing these items instead. When she gave birth to their baby, he transferred all of the maternity leave and other Centrelink payments (made for the benefit of the child) into his own account. Eventually, Shahista left the relationship because of Pradeep's behaviour, which included financial, physical, sexual, verbal, dowry and visa abuse. Two days before they separated, Pradeep secretly took out a second mortgage of over \$100,000 against their home. Shahista was disadvantaged because she did not speak English well and was not financially literate.

Shahista went through a long and difficult legal process to separate from Pradeep. During the time that they were together, he took over \$100,000 from Shahista and her family. Shahista had very little financial support from Pradeep including minimum child support.

## Impacts of financial abuse

The Royal Commission into Family Violence found that ‘a victim survivor’s financial security can be affected both directly through economic abuse and indirectly by other forms of family violence’<sup>8</sup>. It is important to recognise that the impacts of financial abuse and other forms of family violence can lead to **long-term economic instability** for victim survivors and their dependents. This makes recovery from family violence extremely difficult, and it can be challenging to secure basic needs like housing, healthcare and education.

Our clients at inTouch have reported experiencing a range of impacts as a result of financial abuse. These impacts are often experienced at the same time as escaping violence and ensuring the safety of themselves and their children. These include:

- Stress and anxiety from financial insecurity and manipulation which can have severe **health and wellbeing impacts** on victim survivors.
- Lack of access to income results in **homelessness and living in poverty** for both victim survivors and their children, without means or access to find suitable housing.
- Financial control often results in a victim survivor’s **social isolation** from support networks, exacerbating feelings of helplessness and dependency.
- In some instances, there have been significant impacts on a victim survivor’s **long-term financial security and credit ratings** due to the abuse. This can have lasting impacts on a victim survivor’s capacity to recover, access to rental properties, credit cards, and home purchases. As a result, they are either refused or burdened with a higher interest rate from smaller financial providers.

## Challenges when seeking support and interacting with financial institutions

With the introduction of the Australian Banking Association’s Industry Guidelines on ‘Preventing and responding to family violence’ in April 2021 and ‘Preventing and responding to financial abuse’ in May 2021, there has been a shift in the way many financial institutions operate. This will be further explored in Sections 2 and 3 of this submission.

Despite this shift, there remains a number of challenges that people experiencing financial abuse face when interacting with financial institutions. These challenges arise from the way in which services are delivered, accessibility and the nature of online banking platforms and processes. These challenges are exacerbated for women from migrant and refugee communities.

There can often be a **power imbalance between the victim survivor and the staff of financial institutions**, where the victim survivor may not have a lot of knowledge or understanding of financial systems and services. English language proficiency may also be a contributing factor to the power imbalance. These **language barriers** can make it difficult for victim survivors to communicate their needs and understand available financial services.

There is a significant **lack of culturally sensitive responses** which can deter victims from seeking help or reporting abuse, especially where cultural norms discourage people from requesting help or even accepting help to address problems inside the family. Current approaches by financial institutions do not sufficiently address this.

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<sup>8</sup> Royal Commission into Family Violence, Volume IV, Pg 95

There is **low awareness about the role of financial counsellors** and services that provide assistance to those experiencing financial hardship as a result of family violence. These services play a vital role in assisting victim survivors with reducing or waiving the financial burden that is a result of financial abuse, which can be critical in the recovery from family violence.

**“If you tell the bank you are experiencing financial abuse, they don’t really offer any support. Their response is passive - they refer you to 1800 RESPECT and/or put your repayments on a temporary hold.” – NOOR Survivor Advocate**

The shift of financial products to online platforms has brought about a number of advantages and positive impacts which are further described below. Depending on the platform or process, who is accessing it and how it is being used, can determine whether there is a positive outcome. There are instances where the shift in technology has enabled people who use violence to have greater access to a victim survivor’s bank account and **can use these platforms to monitor their movements and spending**. For example, through the app and transaction notifications.

While some financial institutions make these functions optional, these safeguards do not consider that the person using violence may be enacting these functions without the victim survivor’s knowledge. Importantly, these safeguards and technological solutions are not set up for culturally and linguistically diverse people, and further work is required to ensure these functions are adequate and safe for all members of the community.

With some processes being made more accessible through online platforms, **the use of call centres and online application forms and process has also increased the risk of financial abuse** particularly where there are language barriers and forms can be signed offsite, with misinformation and then brought into the bank or submitted online. The inability to attend a bank in person and receive direct face-to-face support can have severe impacts on the most vulnerable clients.

## **Positive impacts of recent changes by financial institutions**

As mentioned above, the shift to online platforms has brought about a number of opportunities and positive outcomes. In particular, the ability for some financial institutions to use these platforms to provide information about financial abuse and **enable the victim survivor to be informed and in control of their accounts**.

**“When the banking app came, it was easier to deal with the bank. I changed my pin and changed the settings in the bank so he didn’t have access to it any more. Whenever he returned from overseas, he would sit with me and find out the pin number.”**

**– NOOR survivor advocate**

**“I didn’t know about financial abuse until I got divorced. I saw a link in the banking app on financial abuse and it clicked with me. I was already out of the situation.”**

**- NOOR survivor advocate**

The increased awareness of financial abuse amongst financial institutions has also improved the practice and processes at some banks. Ensuring a victim survivor is heard and supported through their journey is integral to their recovery and financial institutions have a pivotal role in this.

*“I have a personal loan from the bank; I’ve had it for years. I recently received a call from one of their bank staff to check in on how I was going and give me an opportunity to ask any questions. It was the most empathetic interaction I have had with a bank. I think this is a good practice that can be used to identify financial violence by having an open and sensitive conversation with the account holder and provide information about financial abuse.” – Victim Survivor*

## Recommendations:

1. Financial institutions recognise the moral obligation to truly address financial abuse as a core component of environmental, social and governance (ESG) risk management, with standards and indicators required for investing and decision-making across the business cycle.
2. Ensure that financial institutions consider the impacts relating to culture and language in the identification, recording and reporting of financial abuse.
3. Financial institutions embed cultural awareness training into their workplace capability building programs for all employees.
4. Ensure that financial institutions provide a broad suite of *inLanguage* and *inCulture* information, services and support to clients who are experiencing financial abuse.

## 2. The effectiveness of existing legislation, common law and regulatory arrangements

### Term of Reference 2

The effectiveness of existing legislation, common law and regulatory arrangements that govern the ability of financial institutions to prevent and respond to financial abuse, including the operation of:

- a. The *National Consumer Credit Protection Act 2009*;
- b. The *Privacy Act 1988* (Cth);
- c. The *Australian Securities and Investments Commission Act 2001*;
- d. The *Insurance Contracts Act 1984*;
- e. legislation and statutory instruments for superannuation; and
- f. State and territory laws and regulations.

Ensuring the safety and financial well-being of victim-survivors of financial abuse and other forms of family violence must be at the centre of financial institutions' responses. Financial institutions have a social and ethical obligation to ensure they are preventing and responding to financial abuse and identifying and limiting opportunities for their services and products to be facilitate financial abuse. There are many positive incentives for financial institutions to act, including the many benefits from promoting financial wellbeing for all in the community. It is essential that the regulatory frameworks that govern financial institutions are strengthened to ensure that robust measures are in place to detect and prevent financial abuse.

### Industry Guidelines

The Royal Commission into Family Violence made a suite of recommendations seeking actions to improve protections for victim survivors and create more consistent approaches to hardship policies and procedures and providing certainty for financial institutions<sup>9</sup>. This included a recommendation (Recommendation 111) for the Australian Banking Association to develop a family violence specific industry guideline, supported by training and education for staff in the identification and response to family violence related financial abuse.

The Australian Banking Association released a set of industry guidelines in 2021, '*Preventing and responding to family and domestic violence*'<sup>10</sup> and '*Preventing and responding to financial abuse*'<sup>11</sup>.

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<sup>9</sup> Royal Commission into Family Violence, Volume IV, Pg 119

<sup>10</sup> Australian Banking Association, Industry Guideline – Preventing and responding to family and domestic violence, <https://www.ausbanking.org.au/resource/family-domestic-violence-guidelines/>

<sup>11</sup> Australian Banking Association, Industry Guideline – Preventing and responding to financial abuse, <https://www.ausbanking.org.au/financial-abuse-industry-guideline/>

These guidelines provide guidance to financial institutions on what family violence and financial abuse can look like and outlines a framework on raising awareness and promoting consistent responses to affected customers.

While these guidelines provide a detailed approach for financial institutions in the identification, response and reporting of financial abuse and family violence, they are not mandatory requirements. The guidelines also do not provide an effective approach to responding to financial abuse and family violence in a culturally sensitive and trauma-informed way.

These guidelines outline a number of key strategies for financial institutions to implement and embed into policy and practice. However, it is unclear how effectively they have been implemented and what are the new challenges and opportunities that have arisen since they were published. inTouch would strongly encourage **a review of the industry guidelines** to understand the outcomes and currency of the approaches detailed within. Any review of these guidelines should be completed with lived experience at the centre, and with consideration of cultural diversity and culturally responsive practice.

A review should also identify the key elements of these guidelines which should be incorporated into law to **ensure that the essential requirements are mandated** and there is alignment across financial institutions.

## National Credit Code

The Royal Commission into Family Violence also made a recommendation (Recommendation 108) that the National Credit Code be amended to include family violence as a ground for financial hardship<sup>12</sup>. It is unclear whether this has been considered by the Commonwealth Government and whether action is underway to implement this change. We strongly encourage further action is taken to ensure that **family violence is a legal ground for financial hardship** under the relevant regulatory frameworks and that an awareness campaign is developed to ensure consumers and financial institutions are aware of their rights and responsibilities.

## Strengthening the regulatory frameworks relating to superannuation

Access to and control of superannuation is another critical component that can enable the recovery and financial wellbeing of a victim survivor. If someone has experienced financial hardship because of family violence or financial abuse, they should be provided with information on the processes that enable them to have **early access to their superannuation**. These processes are currently unclear and guarded by policy and procedure. It is important that there is sufficient information and adequate safeguards (provided *inLanguage* and *inCulture*) in place to ensure that the victim survivor completely understands the risks and benefits and can make informed decisions to support their immediate and long-term recovery.

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<sup>12</sup> Royal Commission into Family Violence, Volume IV, Pg 119

While having access to superannuation funds may be an option for some victim survivors, this can however place significant long-term financial burden on others and should not be seen as an appropriate government response to address financial abuse. Victim survivors have also reported being coerced to access their superannuation through schemes that allow early access, and therefore appropriate safeguards that tightly control how and when superannuation can be withdrawn are essential.

### **Recommendations:**

5. Review and update the current Australian Banking Association Industry Guidelines on 'Preventing and Responding to Family and Domestic Violence' and 'Preventing and Responding to Financial Abuse' to ensure the guidelines address cultural diversity and require culturally responsive practices.
6. Require the Commonwealth Government to address the recommendations from previous Royal Commissions and ensure family violence is considered a legal ground for financial hardship under all relevant regulatory frameworks.
7. Information regarding the policies and processes on early access to superannuation need to be simplified and provided inLanguage and inCulture. There must be adequate safeguards in place addressing the immediate and long-term benefits, implications and risks.

### 3. Supporting Financial Institutions to respond to financial abuse and potential areas for reform

#### Term of Reference 3

Other potential areas for reform, such as prevention, protection and proactive systems, including:

- a. Existing financial product design;
- b. Emerging financial products;
- c. Employee training;
- d. Culturally appropriate responses; and
- e. Any other appropriate response, for example, mandatory report.

#### Term of Reference 4

Steps that might be taken to support financial institutions to better detect and respond to financial abuse.

**inTouch's analysis is that there is a lack of financial violence risk prevention and management across all aspects of financial services' business cycle and functions.** As this submission details, standards and indicators must be introduced, monitored and incentivised across the end-to-end customer journey, product design and in operations. This includes frontline customer service interactions (e.g. Branches, call centres, online chats), customer experience design, customer advocacy, customer review, financial and digital product design, operations, policy, risk, and customer data and insights. Eliminating financial abuse and supporting financial wellbeing is not just an ethical responsibility but will also bring valuable business opportunities to the financial services sector.

However, financial institutions cannot respond to financial and economic abuse alone, this requires a dedicated system wide response. Financial institutions are a key part of this system, and we need to work together to address the critical gaps in detecting and responding to financial abuse and ensuring the ongoing recovery and financial wellbeing of victim survivors.

### Embedding family violence responses in financial institutions

#### Prevention

It is integral that financial institutions work closely with government and social service providers to invest in and encourage collaboration, creating a cohesive support network for victim survivors. Financial institutions play a critical role in our community and responding to community issues



including family violence. The first step in financial institutions' approach should be preventative. There are a range of ***awareness raising and prevention activities*** that financial institutions could undertake to address family violence and financial abuse. We strongly encourage the Inquiry to consider the following:

- ***Improving financial literacy*** provided through primary and secondary schools – both as a prevention measure for children as they grow up, but also in recognition that children of newly arrived migrant and refugee families interpret for parents with banks and other services. Attitudes towards money and financial management are largely familial and cultural. Many children are brought up without hearing about money or how to manage it.
- Strengthened education at all levels of schooling and in the broader community on ***financial abuse as a form of coercive control*** and family violence. This must also be available *inLanguage* and *inCulture*.
- ***Improve establishment processes and the provision of information*** to minimise risk of financial abuse, by ensuring:
  - All financial institutions are required to include financial abuse terms and conditions on all financial products, where accounts will be suspended or terminated in the event of financial abuse detection. This should be provided to all new individual and joint financial product holders. This is currently only in place at a few banks.
  - Where an account is established online, verification should be required by speaking to the account holder to confirm they understand the conditions and scope of the financial product, to address risks of another person setting up the account in their name without their knowledge.
  - All financial institutions are required to have an option to translate safeguard information (including at the time of setting up the online banking App).
  - When joint loans and accounts are opened, financial institutions should speak with both account holders to verify that they understand the conditions and financial institutions should ensure that both account holders are provided access to cards. This process varies between financial institutions.
  - All financial institutions should require witnessing of loan guarantors' signatures and explanation of their responsibilities and risk.
- If a language barrier is identified, the financial institution must ***appropriately engage an interpreter*** before proceeding.

### **Improved identification of family violence**

In Victoria, all agencies and services that work with people experiencing family violence are required to align to the Multi-Agency Risk Assessment and Risk Management Framework (MARAM). The MARAM ensures that services are effectively identifying, assessing and managing family violence risk<sup>13</sup>. At a minimum, the MARAM requires all agencies to have a shared understanding of family violence and the ability to identify family violence through the use of evidence-based risk factors. The ***MARAM provides a consistent approach to the identification of family violence*** and can be embedded into an organisation's processes and practices.

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<sup>13</sup> Multi-Agency Risk Assessment and Risk Management Framework - <https://www.vic.gov.au/maram-practice-guides-and-resources>

We encourage the Inquiry to consider the need for financial institutions to have a consistent and shared understanding of family violence and where appropriate, have staff undertake the relevant identification assessments.

Improving financial institutions' understanding of family violence can assist in strengthening existing practices when it comes to supporting clients who are experiencing financial abuse. With the support of the MARAM Framework, financial institutions could confidently and appropriately provide:

- **Regular check-ins on the wellbeing of individual and joint loan account holders** and providing information on financial abuse to promote discussion. Where a loan has joint account holders, it is important to ensure that both loan-holders are spoken to about their understanding of the loan and its repayments. In instances where financial abuse may have been identified, these conversations must occur separately.
- If there are defaults on loan or credit card repayments, **the bank could prompt a discussion about financial abuse**. The current process requires the financial institution to focus on when the next repayment can be made without much probing about the reason, or providing information that could promote a conversation about any potential concerns.

The Royal Commission into Family Violence noted the **importance of financial counsellors** in supporting victim survivors of family violence<sup>14</sup>. We encourage the Inquiry to consider the role that financial counsellors have with financial institutions and the gap they could bridge between financial institutions and those experiencing financial hardship as a result of family violence and financial abuse. Ensuring that financial institutions have effective referral pathways with financial counsellors and specialist family violence services will ensure a victim survivor receives the support they need when they need it. There are also opportunities to improve the services provided by financial counsellors ensuring that these services are also provided *inLanguage* and *inCulture* to address the additional complexity faced by migrant and refugee women experiencing family violence. Embedding these services in specialist family violence services would ensure that women receive efficient wrap around supports, and do not have to tell their story multiple times.

## **Informing Financial Product and Service Design and Delivery**

There is a lack of broad understanding about how bank products and their features may be misused to cause harm in the context of domestic and family violence<sup>15</sup>. The Centre for Women's Economic Safety's discussion paper '*Designed to Disrupt – Reimagining banking products to improve financial safety*' details an in depth look at current banking approaches and suggests **adopting the Safety by Design principles developed by the eSafety Commission in the design of financial products and services**. We strongly encourage the Inquiry to consider this discussion paper.

In addition to this, inTouch also recommend that financial institutions be required to **conduct a family violence risk assessment in the development or adaptation of all financial products** as well as any associated marketing. Financial institutions must engage lived experience and specialist family violence services in the assessment and design process. The outcomes and identified risk mitigation measures must be implemented, monitored and reported on.

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<sup>14</sup> Royal Commission into Family Violence, Volume IV, Pg 108

<sup>15</sup> Centre for Women's Economic Safety, '*Designed to Disrupt – Reimagining banking products to improve financial safety*', Discussion Paper, Pg 10

The current Australian Banking Association industry guidelines on ‘*Preventing and responding to financial abuse*’ suggest that banks should ‘investigate the feasibility of using existing **activity monitoring technology to detect uncharacteristic behaviour that could be indicative of financial abuse**’<sup>16</sup>. From our experience working with clients experiencing financial abuse, it would take a significant burden away from victim survivors if financial institutions could identify patterns of behaviour that indicate financial abuse. Initiatives such as this, particularly utilising innovative technology solutions, could prevent misuse of bank accounts as described in the below case study.

### Lucia’s story

Lucia first met her partner David online in 2020 and they married in 2022. She moved to Melbourne to be with him a few months after their wedding.

It became clear from relatively early on in their relationship that David had anger management problems. He would become very aggressive during their arguments, punching walls and breaking furniture. Lucia was afraid but loved David and tried to make it work.

David was very close to his mother and the two of them were very controlling about how Lucia should behave, where she should go and how she should spend money. David and Lucia had a shared account, but only she contributed to it. Her wages went straight into this joint account, and she used this money to pay for food, furniture and rent. However, she was not allowed to buy anything else that she needed or wanted, or to send money home to support her parents. David and his mother checked the statements carefully, and he would become very angry if he did not approve of things that she had bought. Lucia recalls one such example, when David was furious with her for sending \$100 to her cousin as a wedding gift.

David’s mother tried to stop Lucia from working, in order to limit her financial independence. They lived with David’s parents and Lucia felt increasingly isolated and frightened in her own home. David was regularly violent and verbally abusive towards her, but she didn’t know how to leave or where to go for help.

One day, after a particularly serious incident of physical violence, Lucia fled to her cousin’s house and never went back. Later that same day, David withdrew \$10,000 from their joint account, leaving her with just \$1,500 to her name.

Lucia is now free from David’s abuse but is suffering from serious depression. She frequently breaks down in tears during the day, even at work. She feels that she has lost all hope for her future and does not think that she could be in a relationship again in future.

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<sup>16</sup> Australian Banking Association, Industry Guideline – Preventing and responding to financial abuse, <https://www.ausbanking.org.au/financial-abuse-industry-guideline/>, Section 4.3

## Ensuring employee awareness and training

Integral to financial institutions' response to financial abuse is building awareness and employee capability. It is important that training and awareness campaigns are current and provided regularly, especially to frontline customer service staff. Financial institutions also have corporate responsibility in ensuring that their employees are supported if they are experiencing family violence.

The Australian Banking Association industry guidelines provide a high-level approach for financial institutions to consider when providing appropriate training to employees, and the development of awareness raising campaigns<sup>17</sup>. In addition to these, we strongly advocate that any **employee training on family violence and financial abuse must be trauma-informed and culturally responsive**. There must also be an element that supports the ongoing recovery of victim survivors including referrals to financial counselling and legal assistance.

With a deeper understanding of family violence and financial abuse, employees should improve financial product development that addresses family and financial violence risks and provide a more tailored and comprehensive response to victim survivors. This includes an understanding of the **complexity and nuance needed to obtain evidence** in support of the financial abuse and navigating this information across multiple bank accounts. Simplifying processes to support evidence gathering should also be considered.

## Delivering culturally appropriate responses

Financial institutions must endeavour to **promote diversity and equity in its workplace** to enable people from diverse cultural and linguistic backgrounds to thrive and progress in the company and be involved in the development of financial products and services. Financial institutions should also have dedicated, culturally diverse teams to support customers in responding to financial abuse.

To provide the most effective response to women from migrant and refugee communities experiencing financial abuse, financial institutions must **ensure that products, resources and service offerings are provided inLanguage and inCulture**.

Financial institutions could also expand their offerings to provide information and coaching *inLanguage* and *inCulture* to newly arrived migrants and refugees such as navigating banking, finance, superannuation, taxation systems, an understanding of financial abuse and where to report if they experience it.

Ensuring that there is always an offer to **access and use interpreters** in all phone and in-person contact with financial institutions is a critical component to prevent and respond to financial abuse. This must be supported by cultural awareness training and an understanding of the complexity with using interpreters in a family violence context. It is important that interpreters are appropriately engaged, using female interpreters where possible and allowing sufficient time for bookings.

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<sup>17</sup> Australian Banking Association, Industry Guideline – Preventing and responding to family and domestic violence, <https://www.ausbanking.org.au/resource/family-domestic-violence-guidelines/>, page 12 -13

It is also essential that financial institutions continuously **provide culturally responsive information about financial abuse** on banking apps, in language.

There is significant opportunity for partnerships between financial institutions and specialist family violence services like inTouch to address the gaps in accessing financial wellbeing and literacy resources, and education for migrant and refugee women experiencing family violence. In addition to our suite of training, a further example is our **inSpire Financial Literacy Project** which works with financial institutions to develop multi-lingual financial resources and culturally responsive financial wellbeing workshops to support women to recover and heal from family violence, supporting their long-term empowerment through financial literacy.

While this project is currently targeted to participants in our inSpire program, this initiative has major opportunity for expansion with investment to a wider audience and provides an opportunity for financial services to lead across the sector through partnerships to expand and grow delivery of this type of program.

Partnerships like this can also support the development and dissemination of *inLanguage*, *inCulture* information and resources across a range of forums including on social media, in workplaces and in public places, supermarkets, cultural and religious centres, sporting organisations, maternal and child health centres, health clinics, schools, public toilets, public transport stations/stops/vehicles, Neighbourhood Houses, etc. Services involved in such initiatives would also need to be trained to speak about financial abuse and provide referrals.

## Recommendations:

8. Financial institutions must deliver and promote prevention initiatives and awareness campaigns that focus on reducing the risk of financial abuse and are culturally responsive.
9. Consider requiring all financial institutions to embed a shared understanding of family violence and embed family violence risk assessment processes into practice to improve the identification of family violence and financial abuse (for example, MARAM).
10. Raise awareness and understanding of the important role of financial counsellors in responding to financial abuse, and ensure financial institutions have effective referral pathways in place.
11. Implement trauma-informed and culturally responsive design principles and family violence risk assessment processes into the design and delivery of financial products, resources and services.
12. Require financial institutions to utilise account activity monitoring processes for the improved identification of financial abuse.
13. Ensure that financial institutions deliver trauma-informed and culturally responsive training on family violence and financial abuse to its employees.
14. Ensure that all products, resources and service offerings are provided and *inLanguage* *inCulture*, including that culturally responsive information about financial abuse is provided on all banking apps.

## Recommendations cont...

15. Require that the provision of interpreters by financial institutions is mandatory if a language barrier is identified, and employees are trained in appropriate engagement of interpreters and the complexity of interpreting in the family violence context.
16. Require all online applications to establish accounts with financial institutions (including App set up) provide an option to translate all safeguard information.
17. Invest in partnerships between financial institutions and specialist family violence services to develop multi-lingual financial resources and culturally responsible financial wellbeing workshops.

## 4. The role of Government in financial abuse

### Term of Reference 5

The role of government agencies in preventing and responding to financial abuse.

State and Federal Governments have a significant role in recognising, preventing and responding to financial abuse. The ***National Plan to End Violence Against Women and Children*** details some actions for governments and their agencies to consider in their response to financial abuse. These include a nationally consistent definition of financial abuse, addressing financial stress, training more financial specialists on financial abuse and adopting holistic approaches to addressing financial abuse<sup>18</sup>. The National Plan also encourages building the evidence base around financial abuse, which is discussed further in Section 6 of this submission. We strongly encourage the Inquiry to consider these actions outlined in the National Plan.

### Financial abuse in law

While in Victoria economic and financial abuse is considered within the definition of family violence under the *Family Violence Protection Act 2008*, it is not currently ***defined as a financial crime***. There should be strong consideration by governments to specifically defining and criminalising financial abuse. It was noted recently in an article in the Sydney Morning Herald that we need to hold perpetrators of financial abuse accountable, “We still think of domestic violence as a crime of passion, but actually, when you’ve got someone deliberately withholding money or deliberately, fraudulently obtaining credit in your name, that is absolutely a financial crime.”<sup>19</sup>

As part of the action under the National Plan to have a nationally consistent definition of financial abuse, consideration should be given by State and Federal Governments on what criminalisation could look like. This is similar to the approach undertaken in relation to national consistency for Coercive Control.

In addition to this, the Commonwealth Government should also consider a ***review of the Social Security Act and Criminal Code around third-party responsibility for social security fraud***. Currently victim survivors experiencing coercive control are being criminalised for fraud related to social security payments. There is no accountability from the person using violence who has

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<sup>18</sup> Commonwealth of Australia, ‘National Plan to End Violence against Women and Children 2022-2032’, Department of Social Services, 2022, Pg 53

<sup>19</sup> ‘Fatal consequences’: Social entrepreneur brings financial abuse battle to Perth’, <https://amp-smh-com-au.cdn.ampproject.org/c/s/amp.smh.com.au/national/western-australia/fatal-consequences-social-entrepreneur-brings-financial-abuse-battle-to-perth-20240523-p5jg6x.html>

coerced the victim survivor into making fraudulent actions (in most cases unknowingly doing so due to misinformation and language and cultural barriers).

## Intersection with Commonwealth Government Services

***Migrant and refugee women arriving on spousal visas*** can be at significant risk of exploitation and abuse. This is an extremely under-supported cohort, and urgent attention is required to ensure that they are provided *inLanguage* and *inCulture* information and support on financial issues.

If provided on or soon after arrival into Australia, this could reduce the risk of financial abuse. This must be done in partnership between the Department of Home Affairs and specialist multicultural, ethno-specific and faith-based organisations. These partnerships and programs would enable individuals to establish the social, cultural and support networks required to ***identify and respond to any ongoing risk of financial abuse and minimise the risk of misinformation*** and tactics used by people who use violence, as detailed Avani's story on the following page.

Services Australia and other organisation administering social security payments play a vital role in identifying and responding to financial abuse. This is particularly important given that ***Centrelink and NDIS payments are used by people using violence to control and coerce a victim survivor***. Agencies administering these payments do not have sufficient safeguards and monitoring in place to prevent this misuse and resulting financial abuse.

Our clients have identified and reported experiencing a broad range of financial abuse related to social security. Some examples include:

- A person using violence ***stealing social security benefits*** (For example - guardians of disabled children/people stealing their NDIS self-managed fund payments and using them for unrelated purposes, collecting parent/s pension money, potential issues too with agency-managed funds not being used correctly or in the client's best interests).
- ***Restricting a victim survivor's access to social security benefits*** (For example - payments go into an account where the victim survivor doesn't have access or control).
- A person using violence ***preventing a victim survivor from having access to identity documents***, only having their name on the same card as the children and ***restricting how a victim survivor can use Centrelink and Medicare for the children***. This leads to the victim survivor having to contact the person using violence any time they need to prove they are the mother.
- ***Coercing a victim survivor into fraudulent activity*** (For example - claiming single parent payment when in a couple).
- Victim survivor ***unknowingly committing social security fraud*** due to the person using violence withholding critical information, For example - payslips, separate bank accounts.



## Avani's story

Avani was living and working in her home country of India when she met her husband Ajay online. She quickly fell in love with him and they became engaged a few months later. They married the following year and Avani later left her family, friends and career behind to move to Melbourne and be with him.

However, not long after Avani arrived in Melbourne, Ajay began subjecting her to physical, verbal and financial abuse. He did not allow her to have a key to their house in Melbourne and began to control her every movement. When he was angry, he would lock her in the house alone all day, even switching off the Wi-Fi to further isolate her. He hid food so that she had nothing to eat and forced her to cook and clean for Ajay and his family - a slave in her own home.

Ajay works in computing and was able to regularly access, control and block Avani's devices, effectively cutting her off from her support networks. He falsified letters from the Department of Home Affairs and sent them to Avani, laying out false visa conditions to further control her. According to these letters, Avani had to pay a majority of her salary to Ajay, was not allowed her own bank account or SIM card, and more. Avani is an educated woman who speaks fluent English, but without any prior experience of the Australian immigration system, she believed the letters were real and was frightened into submission. According to these falsified instructions, she pooled all of her finances with Ajay and paid all of her salary into their joint account.

Avani left a good job behind to come to Australia, but had to work to start her career again in a new country. She lived in poverty for months until Ajay finally agreed to give her \$500 a month to live off. However, he interrogated and criticised every dollar Avani spent, verbally abusing her for minor expenditures such as basic toiletries and food. Avani felt suffocated and trapped. She decided to set up her own business to gain some financial independence. However, Ajay insisted that all client payments were made to him before he would transfer her a portion back for herself. This put Avani in a very difficult position, particularly when clients began questioning making payments to her husband instead of her. The fraudulent letters had stated that Avani would have to pay a \$30 000 fine if she did not give most of her salary to Ajay, so she was too scared to question the arrangement.

When their relationship finally ended, Ajay went to the police and told them a false version of events, in which Avani had abused him. He obtained an IVO against her, and she was forced to leave their home suddenly with only \$14 in her bank account and nowhere to go. She stood on the road with her belongings until 3am, when a colleague came and picked her up.

Avani is now working again and is regaining her financial independence. However, she is still profoundly affected by what she has been through, and disclosed to her inTouch lawyer that she has even felt suicidal at times.

Avani is an intelligent woman who speaks perfect English and was capable enough to set up her own business in a foreign country. Her story shows that family violence – including financial abuse - can happen to anyone.

Government agency processes can also be used to facilitate systems abuse. Processes that allow a person using violence to nominate themselves as the person receiving correspondence on behalf of the victim survivor enable them to receive information, make changes (mostly false information) to a victim survivor's profile without their knowledge and fail to disclose information coming directly from agencies. This is a considerable risk for women from migrant and refugee communities experiencing family violence, who do not speak English and are financially and emotionally dependent on the person using violence. **Control of online administration by the person using violence** may result in the victim survivor committing fraud or being placed in further debt that leads to extended financial hardship.

To avoid further systems abuse, agencies must be more **proactive in providing inLanguage information on social security payments and processes**. This should be done through verbal and printed information provided in person, digital information via emails and on agency Apps and where possible providing access to an anonymous hotline to safely ask questions.

Misuse of government services such as **Centrepay** have also led to overpayments and creating unnecessary debt for those already in financial hardship, further creating an avenue for financial abuse<sup>20</sup>. Lack of information, awareness of overpayments and challenging complaints processes can create additional stress for non-English language speakers. Action is required to address the risks associated with Centrepay and there is a need to **ensure that sufficient safeguards are in place and information is provided inLanguage and inCulture**.

Greater monitoring across government agencies is also required to **improve the identification of financial abuse**. Improving education and information to government agency employees on financial abuse and the risk factors would also enable agencies to prevent financial abuse occurring. Such actions could address the misuse of Centrelink and NDIS payments to facilitate financial abuse.

The Royal Commission into Family Violence noted 'that refusal to pay and avoiding payment through hiding earnings is a 'common way economic abuse occurs' and that child support payments are used by perpetrators to continue to exercise control post separation'<sup>21</sup>. Full disclosure of income as it relates to child support payments is a tool used by people using violence to facilitate financial abuse. There are currently insufficient checks on the income capacity of a person using violence both prior to and post separation. Further work is required to **strengthen assessment and monitoring of a parents' capacity to pay child support** and increased penalties and prosecution if someone is found to be hiding income. This puts greater protections in place for the victim survivor experiencing financial abuse and minimises the risk of further financial hardship.

## **Governments must adequately fund specialist services**

Victim survivors need access to a broad range of support services when experiencing financial abuse and this includes specialist family violence services, legal services and financial counselling. These services are critical to a victim survivor's safety and their ongoing recovery.

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<sup>20</sup> 'Financial abuse': how a debit scheme to help vulnerable Australians led to exploitation instead', <https://amp.theguardian.com/australia-news/2024/apr/06/centrepay-debit-scheme-centrelink-system-exploitation-worker-salary>

<sup>21</sup> Royal Commission into Family Violence, Volume IV, Pg 96

It is imperative that governments adequately fund these specialist services to appropriately respond to financial abuse. There is currently a severe lack of funding of services that respond to financial abuse and for specialist family violence services to provide wraparound supports, including financial counselling. This leads to services having very strict criteria about who is eligible to access support. In some instances, this may exclude victim survivors who have employment and/or assets, even though they have experienced significant trauma, psychological distress and financial hardship as a result of the family violence and financial abuse.

Further to this, ***system navigators for victim survivors of financial abuse*** could also assist with interactions with the various service providers required to support safety and recovery. The interconnectedness and integration between all services and financial institutions takes time, is complex and challenging, and even more so for a victim survivor who does not speak English as their primary language

*“After deciding to leave, with the privileges that I have, I was still facing challenges. It was very frustrating. I was concerned for those less privileged. How do they navigate these systems? At the same time, because I have those privileges, services would just say no and I had to represent myself in a lot of spaces (e.g. at court and police). Not many organisations could assist me as I wasn’t a “model escapee of violence”. If you’re saying you’re a migrant, people want you to behave a certain way. If you don’t sound like that, people assume you’ll be fine.” – Victim Survivor*

*“One time I asked for spousal support in the family court. The judge said that I was fine because I worked for Ernst & Young and had degrees...How do I represent myself as I am and continue fighting?” – Victim Survivor*

## Recommendations:

18. As part of the work to develop a nationally consistent definition, ensure State and Federal governments consider the criminalisation of financial abuse.
19. Review the Social Security Act and Criminal Code around third-party responsibility for social security fraud.
20. Ensure the Department of Home Affairs works in partnership with specialist family violence and settlement engagement and transition services to provide inLanguage and inCulture information relating to financial issues to newly arrived migrant and refugees.
21. Government agencies must ensure effective safeguards are implemented to reduce the risk of misuse and financial abuse relating to social security payments.
22. Invest in specialist financial counselling services to support victim survivors experiencing financial hardship as a result of financial abuse.
23. Increase funding for specialist family violence services to enhance their service response to victim survivors experiencing financial abuse.
24. Explore the concept of system navigators to support victim survivors. experiencing financial abuse when interacting with multiple service providers.

## 5. Advisory and Advocacy Bodies

### Term of Reference 6

The funding and operation of relevant advisory and advocacy bodies.

It is integral to any reform that addresses violence against women and children, that lived experience is at the centre. The starting point to ensure this, is to have lived experience represented on advisory and advocacy bodies. We strongly encourage and urge that the inquiry when making recommendations relating to advisory and advocacy bodies to lead reform relating to financial abuse that it ***must have lived experience representatives***.

It is also integral to note that experience of family violence and financial abuse is diverse and therefore so should the representation on any of these groups. We encourage that ***advisory and advocacy bodies have a diversity of culture and language represented***.

To ensure the level of expertise required to inform and shape reform, the ***specialist family violence sector must also be represented on these bodies***.

In addition to this, inTouch notes that the current National Plan to End Violence against Women and Children Advisory Group has representation from the business and banking sector and we think this is critically important to ensure an integrated and systems response to family violence including financial and economic abuse.

### Recommendations:

25. Lived Experience must be represented on advisory and advocacy bodies considering the issues of financial and economic abuse.
26. Specialist Family Violence Services must be represented on advisory and advocacy bodies considering the issue of financial and economic abuse.
27. Ensure there is diversity of culture and language amongst representatives on any advisory and advocacy bodies considering the issue of financial and economic abuse.

## 6. Additional considerations

### Term of Reference 7

Any other related matters, including comparative information about arrangements in relevant overseas jurisdictions.

### Recovery

Promoting economic recovery and financial literacy amongst those who have experienced financial abuse is integral. This component of the submission focuses on what needs to be achieved to ensure a holistic and wrap around response to victim survivors.

The Royal Commission into Family Violence found that ‘Financial security for victims of family violence is not just about meeting the daily cost of living and resolving the financial implications of debt, personal property and tenancy issues but also about women re-gaining control over their lives and counteracting the disempowerment they experienced as a result of relationship abuse’<sup>22</sup>. Access to employment, microfinance initiatives and financial literacy are key elements to economic recovery.

We strongly encourage the Inquiry to consider the investment in initiatives supporting holistic approaches to economic recovery of victim survivors of financial abuse. Programs such as inTouch’s inSpire program provide support to ensure economic independence, social connection and emotional wellbeing as well as pathways to employment.

### Holistic Approaches to Economic Recovery

Building on the insights from the Family Violence Recovery Forum, it is evident that economic recovery must be integrated with broader therapeutic support systems. This means addressing not only the immediate financial needs of survivors but also their long-term emotional, social, and psychological well-being. By fostering financial independence, we can help survivors rebuild their lives holistically.

### Key Elements for Economic Empowerment

1. **Employment Opportunities:** Creating pathways to secure employment is essential. Employment not only provides financial stability but also enhances self-esteem and social connectedness, which are critical components of overall recovery.
2. **Microfinance Initiatives:** Offering microfinance options can empower survivors to start their own businesses, fostering economic independence and resilience. These initiatives should be accessible and tailored to the unique needs of those recovering from financial abuse. Financial institutions could provide **low or no interest loans to victim survivors of financial abuse** to meet recovery needs and also to assist them build a credit rating. As an example, the service currently offered by Good Shepherd provides no interest loans of up to \$5,000 to victim survivors.

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<sup>22</sup> Royal Commission into Family Violence, Volume IV, Pg 114

3. **Financial Literacy Programs:** Comprehensive financial literacy education can equip survivors with the knowledge and skills to manage their finances effectively. These programs should include personalized coaching to address specific financial challenges and build confidence in financial decision-making. Services such as those provided by Good Shepherd provide a good example of financial counselling focusing on wellbeing and recovery<sup>23</sup>
4. **Supportive Services:** Integrating financial recovery services with other support mechanisms such as counselling, legal assistance, and housing support ensures a cohesive recovery journey. This wraparound approach is vital in addressing the multifaceted impacts of financial abuse.

### **The Importance of Social Connectedness**

Economic empowerment initiatives should also facilitate social connectedness. Peer support groups and mentorship programs can provide valuable networks for survivors, helping them to share experiences, gain advice, and foster a sense of community. Social connectedness is a critical factor in enhancing resilience and sustaining long-term recovery.

### **Advocacy and Systemic Change**

To truly support economic recovery, systemic barriers must be addressed. This includes advocating for policy changes that protect survivors from financial exploitation and ensure ongoing support. Collaboration between financial institutions, government bodies, and community organizations is essential to create an environment where survivors can thrive economically and personally. By embedding these elements into our response, we can promote not only financial recovery but also holistic, sustainable empowerment for those who have experienced financial abuse.

### **Recommendations:**

28. Provide increased access to financial coaching and financial counselling to victim survivors of family violence and financial abuse, ensuring that services are also provided inLanguage, inCulture and where possible, embed these services within specialist family violence services.
29. Influence financial institutions to provide low or no interest loans to victim survivors of financial abuse.
30. Invest in holistic programs and services that focus on a victim survivor's recovery from family violence and financial abuse.
31. Invest in a robust research program to build a strong evidence base on the prevention and response to all forms of financial abuse.

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<sup>23</sup> Financial Counselling, Good Shepherd - <https://goodshep.org.au/services/financial-counselling-financial-counsellingvic/>

## **Build the evidence base on financial abuse**

Critical to an effective response to financial abuse is extensive research and an evidence base that guides governments and service providers on the most appropriate ways to prevent and respond to financial abuse.

The National Plan to End Violence against Women and Children noted that '**more evidence and holistic solutions are needed** to understand and address this pervasive form of domestic and family violence'. Greater attention is also required for groups at a higher risk. The National Plan notes action is needed to 'build evidence on the types of financial abuse experienced by different women and children, including the intersections with forms of technology-facilitated abuse'<sup>24</sup>. We strongly encourage the Inquiry to consider this and recommend a robust research program is required relating to all forms of financial abuse.

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<sup>24</sup> Commonwealth of Australia, 'National Plan to End Violence against Women and Children 2022-2032', Department of Social Services, 2022, Pg 53

## Contact

Felicity Fast  
Executive Manager, Government, Corporate Relations and Growth  
inTouch Multicultural Centre Against Family Violence  
[felicityf@intouch.org.au](mailto:felicityf@intouch.org.au)

GPO Box 2905  
Melbourne Victoria 3001  
03 9413 6500  
[admin@intouch.org.au](mailto:admin@intouch.org.au)  
[www.intouch.org.au](http://www.intouch.org.au)

**If you are experiencing family violence and need immediate support,  
please call 1800 RESPECT on 1800 737 328**



Multicultural Centre  
Against Family Violence