

Financial Abuse and Family Violence

Description

This fact sheet is for information only. You should get professional advice about your personal situation from a financial counsellor or a lawyer.

Main ideas

- Financial abuse is a form of family violence.
- It can happen to anyone.
- There are support services to help you work through your finances.
- Financial counsellors can help if you are having problems with debts or dealing with lenders. Their services are free.
- Get free legal advice if you are being chased for a debt you don't recognise or you signed up to under pressure from someone else.

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Get help if you feel unsafe

If you are in an unsafe situation, domestic violence support services can help you with safety plans. These services are confidential and private. They understand the dangers involved

with leaving an abusive relationship and can help you prepare.

If you suspect your phone is being monitored, tracked or has spyware, consider getting a prepaid mobile as a safe phone. [Read Mobile Spyware: Identification, Removal, and Prevention – TechSafety website](#). Ring 1800 RESPECT to find safe phone providers.

Support services you can contact:

- **Call 000 if you are in immediate danger**
- **1800 RESPECT (1800 737 732)** is a 24/7 hotline providing counselling and support to anyone experiencing or at risk of family violence or sexual assault. They also have a services listing on their website: <https://www.1800respect.org.au/services/search>. [Search by location | 1800RESPECT](#) or on their free app 'Daisy' which also contains safety features to protect your privacy
- **1800 353 374 Elder Abuse Help Line** (<https://eapu.com.au/elder-abuse-helpline/>)
- **Women's Legal Services** exist in different states :
 - **NSW Women's Legal Service:** <http://www.wlsnsw.org.au/contact-us/>
 - **VIC Women's Legal Service:** <https://www.womenslegal.org.au/>
 - **QLD Women's Legal Service:** <https://wlsq.org.au/>
 - **SA Women's Legal Service:** <https://www.wlssa.org.au/>
 - **WA Women's Legal Service:** <https://www.wlswa.org.au/contact/>
 - **TAS Women's Legal Service:** <https://womenslegaltas.org.au/>
 - **NT Women's Legal Service:** <https://nt.gov.au/law/processes/get-legal-advice/womens-legal-services>

Family violence and economic abuse can have long-term impacts on your health and well-being. You can talk to your GP about referrals to professional counselling services for ongoing support.

If you are in crisis and having trouble coping, you can also contact:

- **13 11 14 – Lifeline** runs a 24/7 phone crisis support helpline and SMS support service for anyone in distress or thinking about suicide. [Lifeline also have online chat available on their website https://www.lifeline.org.au/](https://www.lifeline.org.au/)
- **13 YARN (13 92 76)** – this is a 24/7 crisis support service for First Nations people to talk to an Aboriginal or Torres Strait Islander crisis supporter.

Financial abuse is when someone else controls your money

Financial abuse occurs when someone takes control of your finances. It may occur at the same time as other forms of family violence – such as physical or verbal abuse, but may also exist on its own.

Sometimes you don't realise it's happening, or it slowly gets worse over time.

It can occur between you and your partner or spouse, child, parent, carer or anyone else you have any kind of ongoing relationship with.

Financial abuse can take different shapes or forms. It can involve criminal conduct (such as fraud, or coercive control in some states), but not always.

Signs of financial abuse are:

- You have limited access to your money or finances.
- You don't know what's happening to your money as someone else has taken control and won't let you see account statements.
- You feel scared or uncomfortable raising your concerns with the person doing this to you.
- You feel coerced (forced) into agreeing to signing up to loans that you don't want.
- Debts and bills are put under your name, but the money or service is used by someone else
- Your name is taken off accounts without you knowing or agreeing.
- Your signature is forged, or your phone or internet log-ins are used to apply for loans or services in your name, without you knowing or agreeing.
- You worry about who will take care of you, if you say anything about how the person is managing your finances.
- You felt pressured to sign a Power of Attorney over to someone.
- You willingly signed a Power of Attorney to someone, but that person has taken control and you don't know what is happening.
- Your ability to work and earn income, or get support, is being controlled or limited.

Financial counselling can help you get back in control

Financial counsellors can give you free, independent and confidential advice about how to take back control of your financial situation. They can help sort out old debts from previous relationships or financial abuse so you can deal with your finances in the future.

They give you advice and support, and you choose the action you want to take. Call the National Debt Helpline 1800 007 007, this is a national service answered by financial counsellors in your state or territory. [Visit the National Debt Helpline website for information about debts and financial counsellors or to find a financial counsellor near you.](#)

A financial counsellor can:

- Help with financial safety planning and advice
- Help you prepare a money plan to see what income/expenses/assets and debts you have.
- Advise you on how to negotiate with creditors, ask for hardship, or complain that you do not owe some or all of the debt.
- In some cases, negotiate payment plans or waivers with creditors on your behalf. A financial counsellor may help you ask to have your debt reduced or removed if it is the result of financial abuse. Some lenders and debt collectors have policies that help in situations of family violence.
- Help you access your credit report to find out what debts you owe.
- Plan a way to deal with your finances so you are in control and build long-term financial resilience.
- Discuss whether you may be eligible for financial or community supports such as Centrelink income or special payments, housing support, food or energy vouchers, Victims Support Claims or early access of superannuation.
- Link you with other community support or legal services for other advice.

Case study

Jay experienced domestic violence and financial abuse in her relationship with her former partner. He ended up in jail. She was left with debts in her name from the financial abuse. These debts would take her years to repay, adding to her trauma. She went to a community legal centre and had some debts waived but one lender was being difficult and demanded most of the debt be paid.

Our financial counsellor reviewed the loan documents. It looked like Jay was on Centrelink at the time, the lender didn't check her income and may have breached their responsible lending obligations. The lender agreed to waive the debt and remove default listings from Jay's credit report.

Get legal advice to check you are responsible for the debt

Sometimes you can challenge whether you are responsible for debts or loans taken out in your name, or other poor conduct by your lender, debt collector or insurer.

Some of the arguments you can make include:

- The lender acted 'unfairly or unconscionably' in giving out the loan. For example, if they knew or should have known you didn't apply for it, or the money wasn't going to you. This includes if you were at the branch, but it was the other person doing all the talking and the bank didn't take any steps to talk to you alone to check what you

wanted.

- The lender didn't check that you could afford the loan, or that it was suitable for you. For example, the lender didn't look at payslips or bank account statements to check what you could afford.
- The lender put your name as a borrower even though none of the money was going to you.
- You were under duress or unfairly pressured into a loan, or tricked into signing documents you didn't understand or didn't get a chance to read.
- An insurer refuses to let you claim emergency accommodation when you are the one living in the home, but the abuser is the one on the insurance documents.

Each person's situation is different. You can call our **Credit & Debt Legal Advice line on 1800 844 949 (available for NSW consumers)** or **Insurance Law Service on 1300 663 464 (available nationally)** for free legal advice. **If you are First Nations and live anywhere in Australia, please call our Mob Strong Debt Help service on 1800 808 488.** We will help you understand your options, so you can decide what you want to do next. We are a free, independent and confidential service.

The outcomes you may get if you successfully argue you are not responsible for all the debt can include:

- Being released from having to pay part or all of the debt.
- Refund of interest and fees.
- Refund of payments towards debts that you should not be responsible for.
- Your insurance claim paid or reinstated.
- If there are property or assets, they may be released (for example, if a guarantee was invalid). Or the assets may be sold and your part of the debt adjusted.

Even if you don't have a legal argument:

- Lenders may have generous policies where they will consider releasing or reducing your debt if you have experienced domestic violence.
- Insurers may make offers to pay or settle a claim or other dispute.

If you want to learn more about what you can expect from lenders [if you have a joint account and are experiencing family violence, read the Australian Financial Complaints Authority approach document.](#)

If you want to learn more about how lenders should be on the lookout for and address elder abuse, read the AFCA approach document about financial elder abuse.

Case study

Mary was an elderly client who needed a translator. She had also suffered a stroke that made it difficult for her to talk. Her son lived with her, he did not pay any rent, or help with housework or take care of her. He made Mary feel guilty

and threatened to kill himself if she didn't give him money. He took her to a bank branch to get a reverse mortgage over her home. This branch was Mary's usual bank branch, staff recognised her and refused to give out the loan because of concerns over her son's behaviour. The son then took Mary to a different branch of the same bank. That branch granted the loan without any explanation. Her son did all the talking and he later took the loan money.

Our solicitor complained to the bank. The bank did not agree they had done anything wrong, but agreed to release Mary from the outstanding debt, remove the mortgage off her title and refund the payments she had made towards the loan.

Lenders and debt collectors have special procedures when dealing with financial abuse

Lenders, debt collectors and insurers should respond compassionately and sensitively to you.

They should take additional precautions to protect sensitive information, such as your new address or other contact details. Make sure you tell them how important it is to safeguard this information. Also consider whether they need a physical address, or whether they can use your secure email address instead.

They may have dedicated workers trained in family violence support that you can ask to speak to.

Lenders and debt collectors should, for example:

- Avoid making you repeat your story multiple times.
- Provide you with information for domestic violence support services.
- Change any compromised passwords, if required.
- Remove any authorities you have given for the abuser to access your accounts.
- Talk to you about opening a new account just in your name.
- Allow you to change access rights to joint accounts – so both people need to sign to withdraw money or make new transactions.
- Recognise there may be documents you cannot get access to.
- Not require you to contact your abuser or require your abuser's consent to give you a hardship arrangement.
- Follow the procedures and offer the remedies outlined in their own internal family violence policies.

They should investigate any complaints you raise about any loans or debts given to you, or any other disputes about any accounts or policies you have with them. Get advice if you are not happy with their conduct.

To read more about their obligations, see:

- [Australian Banking Association Industry Guideline to Preventing and Responding to family and domestic violence:](https://www.ausbanking.org.au/wp-content/uploads/2021/05/ABA-Family-Domestic-Violence-Industry-Guideline.pdf)
 - <https://www.ausbanking.org.au/wp-content/uploads/2021/05/ABA-Family-Domestic-Violence-Industry-Guideline.pdf>
- [General Insurance Code of Practice Guide to helping people affected by family violence:](https://insurancecouncil.com.au/wp-content/uploads/2020/01/2021_07_REPORT_Family_Violence.pdf)
 - https://insurancecouncil.com.au/wp-content/uploads/2020/01/2021_07_REPORT_Family_Violence.pdf
- [Life Insurance Family and Domestic Violence Policy:](https://fsc.org.au/resources/2541-family-and-domestic-violence-guidelines/file)
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Case study

Rob met Peter when he was 18 years old. Over many years, Rob experienced constant put downs and emotional abuse, financial control and threats to expose Rob's sexual history. Peter pressured Rob into applying for a charge card. Peter used the card for his own purchases, and spent almost all of Rob's total earnings each month. After Rob separated from Peter, Rob reported the financial abuse, but the lender only told him to change his contact details and demanded payment from him.

Our service asked the lender to investigate. The lender did not agree to any wrongdoing, but made an offer to significantly reduce the debt (as Rob would also be getting compensation through a larger share of a family law property settlement).

Other steps you can take

- In family separations, consider getting family law advice about property settlements, maintenance and child support. See the Women's Legal Services contacts at the top of this fact sheet. In some cases, a family law settlement can address financial abuse (for example, by giving you a larger share of the settlement as compensation).
- Apply for a free copy of your credit report, if you're not sure what debts may have been taken out in your name. Some lenders may not use the credit reporting system, but many do. [Read our Credit Reports fact sheet.](#)
- Talk to your local tenants union about your rights if you need to leave rental property

because of domestic violence, or if you feel unsafe:

- **Tenants Union NSW:** <https://www.tenants.org.au/>
- **Legal Aid ACT:** <https://www.legalaidact.org.au/> or **Canberra Community Law:** <https://canberracommunitylaw.org.au/>
- **NT: Darwin Community Legal Centre:** <https://www.dcls.org.au/tenants-advice/>
- **Tenants Queensland:** <https://tenantsqld.org.au/>
- **SA: RentRight:** <https://www.syc.net.au/rentrightsa>
- **Tenants Union TAS:** <https://tutas.org.au/>
- **Tenants Victoria:** <https://tenantsvic.org.au/>
- **WA: Circle Green Community Legal Centre:** <https://circlegreen.org.au/>
- Transfer or disconnect services you are not using – utilities if you are moving out, or phone or tablet plans.
- Search for the insurer, creditor, lender or debt collector online and read any publicly available policies it has on family violence and abuse.

Need more help?

[See Separating with debt: a guide to your legal options](#)

[For a list of other resources including links to community legal centres and Legal Aid service nationally, visit our Useful Links page.](#)

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