

Financial Hardship

This fact sheet is for information only. You

Main ideas

- If you are having trouble paying back a loan or a debt, you can ask for a 'hardship variation'.
- Keep paying whatever you can afford while you are negotiating a hardship variation. Keep paying even if the lender says it is not enough.
- Don't agree to pay anything you cannot afford.
- If the lender threatens to take you to court, don't ignore it. Get help immediately.
- Financial counsellors can help if you are in financial hardship. Their services are free.

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Your lender might say no
Your lender might not respond at all

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How people get into financial hardship

When you are in financial hardship, you may not be able to pay back your debts. This can happen if you lose your job, have a medical emergency, or if you have a family crisis. You may also have a hardship variation if you are having trouble paying back your debts.

What to ask for in a 'hardship variation'

A hardship variation is a change to the terms of your loan or debt. You can ask for a hardship variation if you are having trouble paying back your debts. The lender may agree to a hardship variation if you can show that you are having financial hardship.

How a hardship variation will affect your credit report

Getting a hardship variation will not affect your credit report. However, if you do not pay back your debts, this will affect your credit report.

How to ask for a hardship variation

Examples for making a hardship request

I'm in hardship. I'm a builder and I lost my job when the company folded.

I'm on Centrelink payments while I look for

I'm in hardship. I need surgery and will be off work for 3 months while I recover.

My partner is still working, and between us

I'm in hardship. I've had a work injury and it's permanent.

I have gotten some compensation but it's no

How your lender might respond

Your lender might say 'yes'

Your lender might ask for more information

Your lender might suggest a different variation

Your lender might say 'no'

If the lender does not agree to your request for hardship variation

2. If you have a good complaint, you can make a complaint to the

3. If you have a complaint, you can make a complaint to the

Your lender might not respond at all

If the lender is threatening to take you to court, act urgently.

Your lender may send you

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Need more help?

Don't let any of these problems stop you from getting help. Visit our website for more information.
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