

financial  
counselling  
australia



# 2017 – 2018 ANNUAL REPORT



## About us

Financial Counselling Australia (FCA) is the national voice of the financial counselling profession in Australia. A not-for-profit organisation, FCA:

- ◆ provides resources and support for financial counsellors and financial capability workers;
- ◆ advocates to increase access to financial counselling, including through adequate funding;
- ◆ works to raise the profile of financial counselling;
- ◆ advocates for a fairer marketplace, focusing mainly on issues affecting people who are financially vulnerable.

FCA is a federated body and its members are the state and territory financial counselling associations. About 800 financial counsellors are working throughout Australia. Through their efforts, hundreds of thousands of Australians are able to overcome existing financial difficulties and minimise the chance of future problems.



## FCA Staff



**Fiona Guthrie** is the CEO (full time).



**Lauren Levin** is director of policy and campaigns (full time).



**Rita Battaglin** is manager special projects (full time).



**Domenique Meyrick** is the coordinator, workforce development (full time).



**Lynda Edwards** is coordinator financial capability community of practice (full time).



**Jill Keating** is responsible for all the accounts and payroll (full time).



**Mia Shelton** provides research and support to the sector (full time).



**Tamara How** provides administrative support, particularly for the BSWAT Payment Scheme program (part time).



**Vanessa Hood** is the strategy and evaluations advisor and works for FCA on a consultancy basis.



**Elizabeth Minter** is the communications manager (part time).



**Alex Harmer-Ross** provides administration and support (part time).

## Financial Counselling of Australia Board Members



**Carmel Franklin (Chair)**

Qualifications: B.Ed., Dip. Community Services (Financial Counselling), Certificate IV Training and Assessment.

Carmel has been involved with consumer issues for many years. She is the CEO of CARE Financial Counselling Service and the Consumer Law Centre of the ACT and has worked with the organisation since 1992. She has been the chairperson of Financial Counselling Australia (FCA) since 2009.

Carmel is also a consumer director on the board of the Australian Financial Complaints Authority (AFCA). She is a former member of the ATO Individual Tax Liaison Group, ASIC's Consumer Advisory Panel, the Financial Ombudsman Service's Consumer Liaison Group and a former director of Canberra Community Law.



**Kay Dilger**

Qualifications: Dip. Community Services (Welfare), Dip. Community Services (Financial Counselling), Certificate IV Training and Assessment, Advanced Diploma of Community Sector Management.

Kay came to financial counselling in 2003 after a career in retail banking. She is currently manager of the Financial Resilience Program at South East Community Links in Springvale, Victoria. She has been on the FCA board since 2013, and has been the secretary of Financial & Consumer Rights Council since 2012.



**John Harte**

Qualifications: B.A. (Social Sciences)

John has worked in the community sector in Western Australia for more than 25 years, including roles with services assisting migrants, people caring for dementia sufferers and in child protection. He has been a financial counsellor since 1994, including 10 years coordinating a financial counselling service. He was the chair of a community childcare centre for two years and on was the committee of the Financial Counselling Resource Project for 12 years. He is currently on the board of the Financial Counsellors Association of W.A.



**Jocelyn Furlan**

Qualifications: LL.B, B.Com,  
Dip Fin Planning

Jocelyn is a lawyer and an accountant, with more than 25 years' experience in the superannuation industry. She is a director of First State Super and Strathcona Baptist Girls Grammar School, a member of the Australian Institute of Company Directors and is the chair of Superlife, a charitable community of interest for the superannuation industry.

Special responsibilities:  
chair of the Finance, Audit  
and Risk Committee



**Rosalyn Williams**

Qualifications: B. Social  
Science (social welfare),  
Dip. Management, Dip.  
Community Services (Financial  
Counselling), Advanced  
Cert. Community Services  
(community development), Cert  
IV Training and Assessment.

Rosalyn is currently the service manager, Financial Health Services, Uniting Care Wesley Bowden. Previous roles have included policy development, community development, financial counselling and family support. She is also on the board of the South Australian Financial Counsellors Association and is a member of the Essential Services Policy Advisory Group for the South Australian Council of Social Service and is FCA's representative on ASIC's Consumer Advisory Panel.



**Greg Tanzer**

Qualifications: B.E, LL.B (Hons)

Greg was most recently a commissioner at the Australian Securities and Investments Commission. Prior to this he worked as secretary-general of the International Organisation of Securities Commissions. He has significant experience in regulation, governance and policy development.



**Tony Robinson**

Qualifications: B.A, M.A.

Tony is currently the senior manager financial inclusion for the Brotherhood of St Laurence. Before this he served as a Victorian MP for 13 years, including four years in Cabinet, as minister for Consumer Affairs. Tony is also on the board of the Migrant Information Centre.

Special responsibilities:  
member of the Finance,  
Audit and Risk Committee

# Joint Chair and CEO Report



Carmel Franklin



Fiona Guthrie

FCA's staff numbers have increased in the past two years. Having additional hands on deck has meant that we've been able to get more things done. It also feels as if much of the hard work from the past decade or so is starting to pay off. There is no doubt that financial counselling has a much higher profile with government, the media and the community and that finally, State and Federal Governments are starting to understand the work we do. There is greater funding stability, at least in some States.

One of the big themes this year, and one that will resonate for a long time to come, will be the impact from the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services industry. Financial counsellors provided a number of case study examples to the Commission and much of the misconduct investigated were issues that we have been raising for many years, such as irresponsible lending, conflicts of interest and the sale of junk insurance. We look forward to the Commission's final report and while it will no doubt make a number of recommendations around industry reform, we also hope it will reinforce the important role financial counsellors and consumer credit lawyers play in helping people who are harmed by industry practices get access to justice.

There were three FCA initiatives this year that are making a dramatic difference and of which we are very proud. The first was the development and delivery of two-day face-to-face workshops for financial counsellors and capability workers so that they can more effectively assist clients affected by domestic and family violence. These workshops were offered all over Australia and the feedback was overwhelmingly positive. We are very grateful to the Commonwealth Bank for the funding for these workshops (with some additional funding from the Department of Social Services). This was the first time we have ever been able to run face-to-face workshops as they are obviously costly to undertake. But there really is no other way to adequately cover a topic like this, except in face-to-face, small group training.

The second initiative is our "A Day in the Life" project that links Federal politicians and senior decision-makers



in government and industry with their local financial counselling agency or the National Debt Helpline. We've had a great response from the politicians involved so far who get a first hand understanding about what financial counsellors do and the challenges facing people experiencing financial hardship.

The third initiative is the Financial Counselling Foundation. The Foundation is still very new and FCA continues to provide it with administrative support. This means that as much money as possible goes direct to financial counselling. We are delighted that the Foundation has been able to make its first series of funding allocations. These are funds that would simply not have come to the sector without the vehicle of a charitable trust.

We also held our biggest conference on record. Each year participants tell us the conference was the best ever and we worry about meeting the increasingly high standards we set ourselves. But that's probably a good challenge for 2019.

FCA's advocacy efforts also lifted a notch or two this year, with a number of submissions and comments in the media. We continue to be disappointed that laws to rein in payday lenders and rent-to-buy companies are languishing.

Our support for financial counsellors assisting First Nations people was also a highlight and facilitated through a network of financial counsellors and financial capability workers operating in regional and remote communities. The network allows workers to share resources and learn from each other.

We also refreshed our strategic plan. The main change was to add an additional focus on improving service delivery, but our goals have remained substantially the same for many years: to increase access to financial counselling, advocate for the fair treatment of people in the financial services marketplace, build and support the profession and raise the profile of financial counselling.

Australia continues to be a lucky country and it is 27 years since the last recession. How long that can be sustained will be anybody's guess. But even with continued good economic conditions, there are far too many Australians with money and debt problems. Demand for financial counselling continues to exceed our capacity to meet it, and too many people miss out on assistance. That's why a major focus in the next year will be on making the case for industry funding of financial counselling through some form of levy.

Finally our thanks to the Board and Representative Council for their support and guidance and to the FCA staff for their ongoing commitment and dedication. Our thanks also to the wonderful financial counsellors who day in and day out give people hope for a better future. Our vision is an "Australia with fewer people in financial hardship" and that continues to motivate each and every one of us.

# Structure of this document

In writing this annual report, we wanted to move beyond just a list of things that FCA has done this year, to telling a story about why financial counselling is important. For that reason, we have structured the document like this.



# 1

## **Snapshot of the problem**

Data explaining the large numbers of Australians with money and debt problems.



# 2

## **What we are doing to increase access to financial counselling**

Projects that will help more Australians get access to financial counselling.



# 3

## **Increasing the capacity of the sector**

Various projects that will help financial counsellors do the best job possible.



# 4

## **A fairer marketplace**

The work we are doing to improve the financial marketplace to prevent problems in the first place.



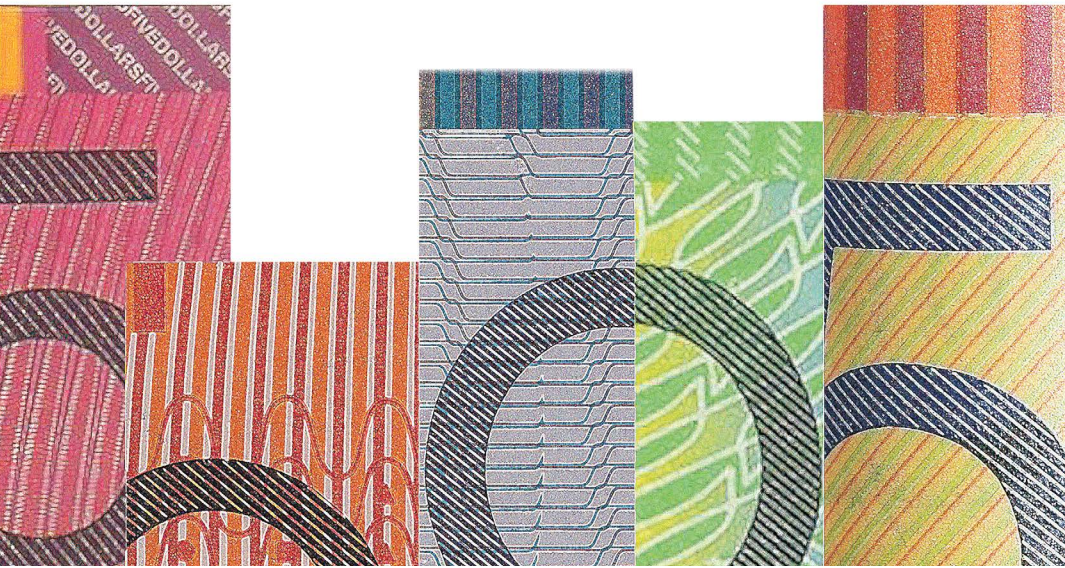
# 5

## **Jan Pentland Foundation**

The winners of the 2018 Jan Pentland Prize and the 2018 scholarship recipients.



# 1



snapshot of the problem





Australia has one of the highest levels of household debt in the world. An estimated 21% of households are in financial stress<sup>1</sup>, nearly one million households are in mortgage stress<sup>2</sup> and nearly 20 per cent of Australians with credit cards are struggling to make their repayments.<sup>3</sup> Financial difficulties also cause significant personal stress. UK researchers say the likelihood of having a mental health problem is three times higher among people who have debt,<sup>4</sup> while the Australian Psychological Society has found personal financial difficulties to be the leading cause of stress.<sup>5</sup>

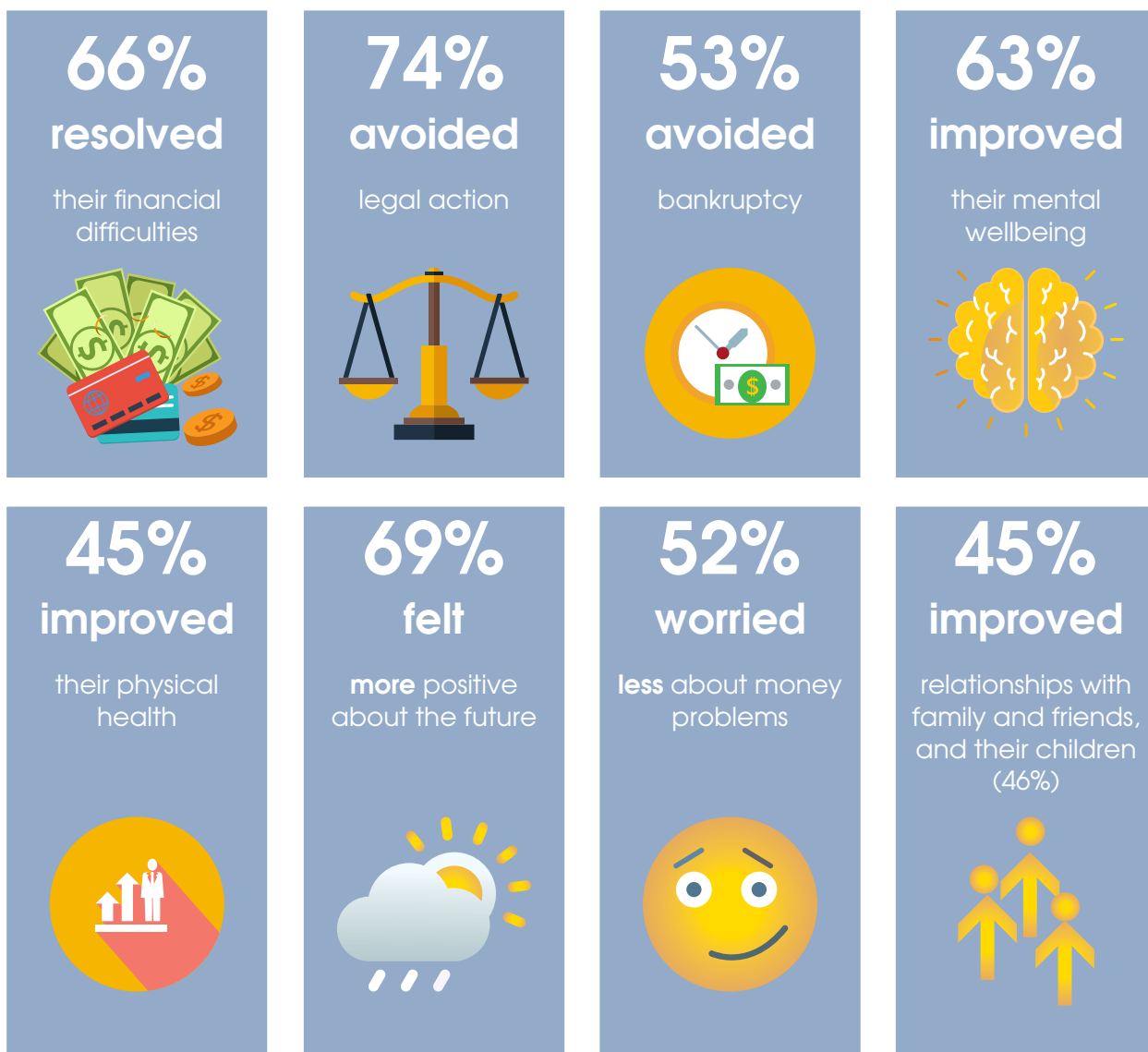
Unfortunately, people often wait too long to take action when in financial difficulty. According to one survey, about 15% of people waited about a year before seeking help from a financial counsellor, while 29% had waited longer than 12 months.<sup>6</sup>

- 1 Digital Finance Analytics and the Monash University Centre for Commercial Law and Regulatory Studies, The stressed household finance landscape report 2015, p7 <http://digitalfinanceanalytics.com/reports.html>
- 2 <http://www.news.com.au/finance/money/investing/close-to-1-million-households-under-mortgage-stress-report/news-story/69f792f62ff14363696adc816c5d787b>
- 3 <https://asic.gov.au/about-asic/media-centre/find-a-media-release/2018-releases/18-201mr-asic-s-review-of-credit-cards-reveals-more-than-one-in-six-consumers-struggling-with-credit-card-debt/>
- 4 <https://www.southampton.ac.uk/news/2013/09/26-debt-linked-to-mental-health-problems.page>
- 5 <https://www.healthdirect.gov.au/causes-of-stress>
- 6 <https://www.salvationarmy.org.au/Global/News%20and%20Media/Reports/2012/00099-I-wish-I-had-known-sooner-Oct-2012.pdf>

# Fixing the problem

## Financial counselling works.

A survey conducted by Swinburne University of past clients of a large financial counselling agency found that:<sup>7</sup>



<sup>7</sup> Nicola Brackertz, "I Wish I'd Known Sooner" The Impact of Financial Counselling on Debt Resolution and Personal Wellbeing", Swinburne University, 2012. The survey was of clients of the Salvation Army's MoneyCare service.



# 2



What we are doing to  
expand access to financial  
counselling



Demand for financial counselling exceeds supply. According to a recent survey of unmet demand conducted by FCA, for every five people who seek help, three are assisted and two are turned away. Data from the WA government, which set up a measurement system for the financial counselling services it funds in Perth, shows that about half of people seeking assistance are turned away.<sup>1</sup>



## National Debt Helpline

### Telephone line and website

Calls to the National Debt Helpline, the national phone financial counselling service (1800 007 007), have increased every year since the service was set up in 2011. In the year 2017 – 18, there were 173,264 calls to the helpline, a 7% increase on the previous year. The highest number of calls are consistently received in NSW, followed by Victoria and Queensland. Though the total number of calls are lower, South Australia and Western Australia receive a higher proportion of calls than would be expected based on their percentage of the population. In the final quarter of the 2017 – 18 year, calls to the helpline in WA increased sharply in comparison to other states. Western Australia now accounts for 22% of the calls made. If this trend continues, it will put Western Australia in third place in terms of number of calls received.

Work continues to promote the National Debt Helpline website to ease the pressure on the telephone lines and ensure that those people who are able to self-advocate have the appropriate resources. The website is continually updated with resources and to account for changes in legislation.

<sup>1</sup> Personal communication – for July – December 2016, there were 6,244 requests for assistance. Of these, 3,094 were “unmet demand”, defined as a financial counsellor was not available to help the person requesting support.

The number of visitors to the website has continued to increase, rising from 35,637 in the previous financial year to 123,040 in this financial year (an increase of 245%). The number of external links to the website rose from 80 to 222 over the same period.

There has also been significant media coverage of the National Debt Helpline website and the work of financial counsellors generally, including in The Age and the Sydney Morning Herald and on the ABC.

## The Financial Counselling Foundation

The launch of the Financial Counselling Foundation in December 2017 was a highlight and will provide a much-needed additional source of funding for the sector. The foundation is a charitable trust set up to accept donations from industry. This structure is important because it heads off any potential issues around conflicts of interest that may arise if creditors directly funded financial counselling jobs or agencies. FCA provides administrative support to the foundation. There is more information about how it operates at [www.financialcounsellingfoundation.org](http://www.financialcounsellingfoundation.org)

Funds for the foundation have come from community benefit payments as part of ASIC enforceable undertakings as well as donations, including from well-known finance author Scott Pape, who has donated a portion of the royalties from his book The Barefoot Investor and from ANZ.

The foundation will be making its first grants in the 2018 – 19 financial year.

The directors of the foundation are:



**George Brouwer (Chair)**

A former Victorian state ombudsman



**Carolyn Bond AO**

Consumer advocate, former co-CEO of the Consumer Action Law Centre.



**Greg Tanzer**

Most recently a commissioner at the Australian Securities and Investments Commission. Greg is also a board member of Financial Counselling Australia.



**Dr Betty Weule AM**

Well known financial counsellor and founder of the first financial counselling service in NSW.



## An Industry levy to fund financial counselling

Rather than relying on limited, unpredictable and piecemeal government funding, a better mechanism for financial counselling would be an industry levy that sourced financial counselling funding from those businesses generating much of the demand. The financial counselling sector has been advocating for an industry levy for a very long time.

This approach would replicate that in the United Kingdom, where an industry levy funds both the corporate regulator and community based financial counselling (called debt advice). We have part of this model in Australia, with our corporate regulator ASIC now funded through an industry levy. It would be relatively straightforward to adapt this model to source funding for financial counselling services.

An industry levy would include all of the financial services entities regulated by ASIC such as payday lenders, debt collectors and insurers, as well as the major banks. All of these businesses interact with financial counsellors. FCA has continued to advocate for this funding mechanism in meetings with politicians and in submissions to Government.

## Behavioural economics project

### Normalising seeking help

A question that has long worried financial counsellors is what stops people in financial difficulty from seeking help early on?

FCA consulted BehaviourWorks at Monash University's Monash Sustainable Development Institute to come up with strategies the sector could use to encourage people to access financial counsellors early. Increasing awareness of financial counselling is an important part of the process. However, ideas from behavioural economics can also help and the researchers came up with six tips:

1. Make financial problems and seeking help from financial counselling normal;
2. Use strategic and personalised reminders and prompts to help people keep appointments and follow-up on agreed actions;
3. Get people to write down if-then plans;
4. Remove the need for constant vigilance by encouraging clients to sign up to automated alerts and reminders around bank balances and spending levels;
5. Use smaller and more frequent goals instead of one big goal; and
6. Look for moments when stress levels of clients have been alleviated because that's the time their decision-making capacity will be improved.

The research tips are available on the FCA website.

# 3



Building the capacity of  
the financial counselling  
and capability sectors



# Overview

FCA performs a range of training and professional development functions to support the sector. Our national conference provides an opportunity for financial counsellors from across Australia to meet and network and includes a number of professional development opportunities. This year FCA delivered face to face family violence training around Australia. We have also redeveloped and updated the Toolkit, a password-protected website for financial counsellors and coordinated various workforce development projects and training webinars.

## Family violence training

### Playing our part in addressing the scourge of DFV

One in six Australian women and one in sixteen men is expected to experience family violence.<sup>1</sup> Family violence is behaviour involving control or domination of a family member or partner in ways that make them fear for their own safety or wellbeing or that of others. Most family violence is perpetrated by men against women.<sup>2</sup> It can happen in all socioeconomic groups, ethnicities, cultural backgrounds and in all types of relationships.

Financial counsellors work regularly with clients affected by family violence, with a 2016 research project conducted by FCA finding that financial counsellors see clients affected by family violence at least once a month. A significant number saw clients weekly.<sup>3</sup>

Economic abuse, a common though less known form of family violence, is where one person in a relationship controls another's access to economic resources to limit that person's independence and capacity to support themselves. Research conducted by RMIT University's Jozica Kutin found that nearly 16 per cent of women and nearly 7 per cent of men have experienced economic abuse.<sup>4</sup>

Financial counsellors are uniquely placed to help people affected by family violence to get their lives back on track but specialised training is vital to equip them with the skills to respond in an effective and sensitive way.

Thanks to a \$400,000 grant from the Commonwealth Bank, and some funding from the Department of Social Services, the financial counselling sector received for the first time intensive, tailored training on family violence. The training focused on understanding family violence and economic abuse, delivering financial counselling in a trauma informed way and covered topics such as the relevant law and industry responses.

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1 Social Policy Research Centre 2016. Responding to economic abuse 2016. University of New South Wales, Sydney.

2 <https://www.wire.org.au/assets/Uploads/Family-Violence-16pp-final-2016-UPDATE.pdf>

3 Report on FCA Family Violence Training – Financial Counselling Australia

4 <http://www.abc.net.au/news/2017-03-02/finances-being-used-in-domestic-abuse-cases,-research-shows/8316566>



Between November 2017 and August 2018, FCA ran 23 two-day family violence workshops around Australia. Nearly 600 financial counsellors and capability workers and some Commonwealth Bank staff attended the training.<sup>5</sup>

Feedback from participants was overwhelmingly positive with a large majority saying the training had made a genuine difference in their capacity to identify and respond to clients affected by family violence, and 79% rating the training as “great”.

We can leave the last word to this participant: “I just want to let you know how wonderful and fantastic the family violence training was, Sis, it was one of the best trainings I have been to. The presentation was awesome. It allowed for all forms of delivery—yarnin’, discussin’ and workin’ together in groups. The information was so up to date it was fantastic

“Now, Sis, for the best part. As one of two Aboriginal people in the room it was one of those training workshops that made me feel so included as a black woman and there was not awful feelings such as racism or being different or discrimination in any form. Sometimes we let training make us feel that way but I am sure it was the facilitators who set the scene and pace of the training as well as the participants.”

## **BSWAT** (Business Services Wage Assessment Tool)

### **Pay day, finally, for vulnerable workers**

More than 8,000 participants from around the country; almost 500 financial counsellors nationwide trained via webinars; and millions of dollars repaid to vulnerable workers with a disability. Supporting the BSWAT Payment Scheme over the three-year period was a huge undertaking for FCA staff but a rewarding one.

The BSWAT payment scheme was established by the federal government following a 2012 court case which found that two employees of Australian Disability Enterprises were underpaid because their wages were worked out using the Business Services Wage Assessment Tool, which is owned by the government. Part of the settlement included setting up the BSWAT Payment Scheme which entitled people affected to one-off lump sum payments.

Participants were required to receive financial counselling before they could accept their offer if it was more than \$1,000. Financial counsellors helped participants understand how the lump sum payment could affect their financial situation.

FCA provided training for financial counsellors who supported the participants, fielded technical questions regarding how the scheme worked, financial questions as to how payments would affect tax and pension payments and

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<sup>5</sup> These figures are according to best estimates. Figures cannot be confirmed with absolutely certainty for the reasons outlined in detail on pages 11-12.

questions about working effectively with the target group.

Most of the people receiving payments had an intellectual disability, an acquired brain injury or autism. They ranged in age from their late teens to their late 50s. Some had been working just a short time, while others had worked for decades. Payouts ranged from \$100 to just over \$100,000 with the average amount about \$30,000.

While the scheme was a complicated process, it was also necessary because of the vulnerability of the people involved. As a worker noted, 'While those who already had significant support from family or guardians had to jump through extra hoops, it meant there was a mechanism to protect those people without support.'

Being involved in the scheme was great exposure for financial counsellors because so many more people in the community sector now know about our valuable work. And as the National Disability Insurance Scheme ramps up over the next few years, more people with disabilities may need help from financial counsellors.

## Updating the FCA Toolkit

The Toolkit website contains resources for financial counsellors including contact details for industry hardship departments and resources to assist with casework. This past year we have redeveloped and upgraded the Toolkit to make it more user friendly and include a number of new features. The new and improved Toolkit has been expanded for new user groups, is easier to navigate, allows financial counsellors to track their professional development and supervision hours, and incorporates a learning management system with various online modules and webinar recordings. FCA administers the website and work continues to ensure that the contacts and resources are kept up to date.

## Workforce development

A number of initiatives continue to improve the professionalisation and knowledge base of financial counsellors. We are facilitating the review of the national standards for membership and accreditation through a working group involving representatives of state associations and coordinate a national training managers group and a Registered Training Organisation group. FCA is also represented on the industry reference committee responsible for the Diploma of Financial Counselling. FCA also launched its Reconciliation Action Plan.

As the workforce is spread out nationwide, much of the professional development training is delivered through webinars. Topics covered in webinars included the National Hardship Register and helping clients to reduce energy costs for financial capability workers.

## FCA conference creates a stir

The conference is always a highlight of the year. With 614 people attending this year, three hotels were required to accommodate them all. The attendees converged on Hobart for a week of networking, problem solving and learning about new initiatives. Forty exhibitors brought some of their most experienced representatives to talk to financial counsellors, while signs in local cafes welcomed the financial counsellors from all over Australia.

The conference theme - 'the Big Yarn: stories that stir' - was very apt. Over six days 23 events ran in addition to the two-day conference, plus there were 16 concurrent workshops. These included regular forums, such as the Aboriginal and Torres Strait Islander Forum, the Aboriginal and Torres Strait Islander Yarning Circle, External Dispute Resolution Forum, FCA Representative Council, and a special training day for financial capability workers.

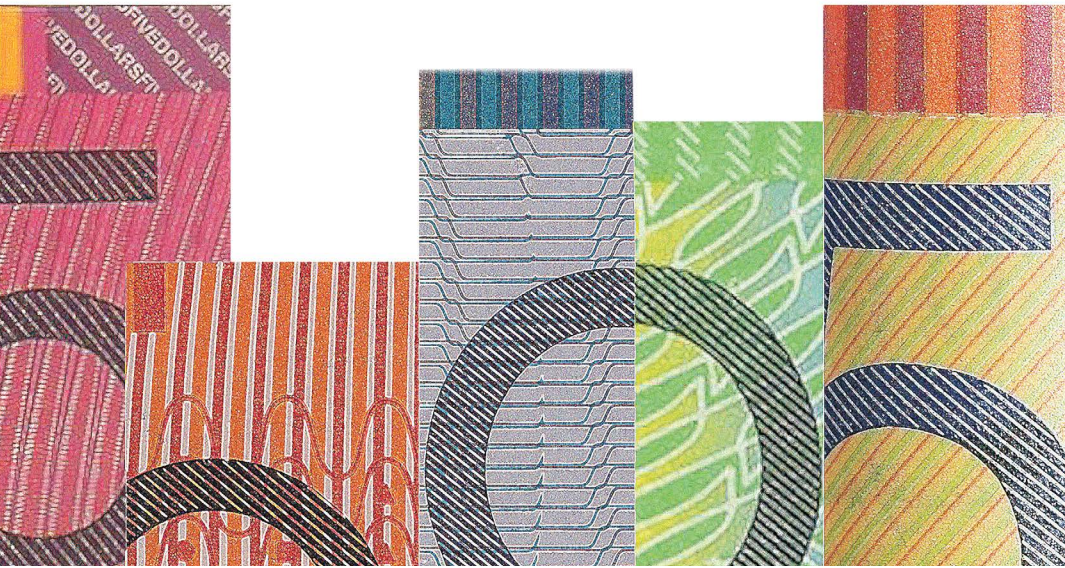
The Jan Pentland Dinner, which was sold out, was a night of celebration. The dinner is held to honour Jan Pentland, who contributed so much to financial counselling—the great passion of her life—before she died in tragic circumstances in 2009. While the music of the Mission Songs Project Quartet was mesmerising, there was ample time for dancing and the opportunity to renew friendships. The winners of the Jan Pentland Prize and the Jan Pentland scholarships were announced on the evening (see later in this report for a spotlight on both).

New events this year included a full-day workshop on gambling consumer law and a two-day training workshop on family violence. Thriving Communities Partnership and FCA held a successful workshop on prison financial counselling issues.

When FCA staff finally apologetically checked in their oh so heavy bags for the flights home, the woman at the check-in desk said 'you must be the financial counsellors. Everyone said it was a fantastic conference'. Exhilarated and exhausted, staff no sooner had arrived home than they were asked "so where is the conference next year?" It's in Melbourne. See you on 22 – 24 May 2019.



# 4



A fairer marketplace



## Gambling update

FCA was delighted that legislation in 2018 stopped gambling companies being able to give people credit to gamble. We have been advocating for this change for a few years now. We are continuing discussions with each of the major banks, as many of them still allow credit cards to be used for gambling.

One of the case studies aired in the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services this year involved a Commonwealth Bank customer given credit by the bank after it knew he had a problem with gambling. We wrote a specific submission to the commission focusing solely on the changes needed by banks to reduce gambling-related harm.

FCA also developed a new training program for financial counsellors to learn about “gambling law” and regulation, particularly the intersection of gambling with the criminal law, bankruptcy, property law, the Australian Consumer Law and the new gambling consumer protections. Some 75 people attended the all-day workshop in May which was held the day after the FCA conference.

## Prisoner advocacy

The Thriving Communities Partnership and FCA held a successful workshop on prison financial counselling issues, coinciding with the launch of FCA’s report [Double Punishment](#), which documents how people in prison pay twice. The report, written by Elizabeth Minter, received significant media coverage, with Fiona Guthrie and Ross McKenzie, a financial counsellor with Anglicare Tasmania, doing a lengthy ABC Radio Hobart interview on [“Mornings with Leon Compton”](#). The Age also published a feature [article based on the report](#).

## Ruby Hutchison Memorial Lecture

Fiona Guthrie was asked to present the annual Ruby Hutchison Memorial Lecture coinciding with World Consumer Rights Day. Ruby Hutchison was the founder of the Australian Consumers’ Association now known as CHOICE. A short version of the lecture is available [here](#). An [audio link](#) of the speech is available.

## A Day in the Life project

*"Before you judge a man, walk a mile in his shoes." Circa 1895*

More than 120 years on, this sentiment is as relevant as ever and lies at the heart of much of FCA's advocacy work. The sentiment was also the seed for our 'A Day in the Life' project. The project coordinates visits from members of parliament and decision-makers in government and industry to their local financial counselling agency or the local National Debt Helpline. The project enables politicians to witness financial counselling first-hand and to increase their knowledge of the challenges facing people in debt.

A common thread in feedback from participants is that the Day in the Life visit is a "powerful" experience. Another outcome is that politicians have said they are more likely to refer constituents experiencing financial hardship to financial counselling services.

One of the first Labor politicians to participate said financial counsellors "should all be proud" of the work they do and considered it such a valuable service that he is considering hiring a financial counsellor to work in his electoral office.

A Liberal politician said the visit was helpful "because it is always useful for us to learn more about what is going on in our community and the services available. We come across a wide range of people and a wide range of circumstances so we never know what services might be helpful. Financial hardship can strike anybody at any time, so the counselling is helpful to get their mind clear and focus on what is important."



## Submissions to government and regulators

FCA made numerous submissions, both in its own name and in conjunction with Financial Rights Legal Centre and Consumer Action Law Centre and other consumer organisations. A complete list can be found [here](#).

Some of the highlights include submissions on the early release of superannuation, the use of hardship flags in credit reporting, amendments to insolvency laws, the review of gambling advertising provisions in media codes, strengthening penalties for corporate and financial sector misconduct, ATM fees in Indigenous communities, small amount credit and consumer lease reforms, open banking and ASIC's review of mortgage broker remuneration.

## Rank the Banks 2017

FCA conducted its third national Rank the Banks survey, following on from similar reports done in 2015 and 2013. The survey collates the views of financial counsellors about how the banking industry is responding to customers in financial hardship. Financial counsellors ranked the financial hardship policies of the big four banks and the smaller banks. Some big improvements were noted, which is pleasing. However, there is still much more work ahead for the smaller banks to lift their ratings to the same levels as the big four. FCA made similar comments in the 2013 and 2015 surveys so it is worrying that there has not been any movement. The survey also showed that most financial counsellors believe that customers who self-advocate do "not often" get the outcomes they would if they'd seen a financial counsellor.



# 5



Jan Pentland Foundation



# Jan Pentland Prize winner

## Susan Cook

### Hard act to follow

The first Indigenous financial counsellor, Susan Cook, was awarded the 2018 Jan Pentland prize. Susan has made an extraordinary contribution in her 22 years of working as a financial counsellor, including mentoring other Aboriginal and Torres Strait Islander financial counsellors. She was also a driving force behind the establishment of the Aboriginal and Torres Strait Islander Forum in 2006 and was on its steering committee for many years. She is also an elder in her community and in ours. While she has decided it's time to hang up her boots and retire, she will continue to put her skills to good use — after a much-needed rest, Susan plans to continue to work in the welfare and community sector.

Susan says the most important part of the job has been sharing information and educating people who are in hardship to know that they have options and that they have rights to complain when they haven't been treated appropriately. She says she will really miss helping people and it won't be easy leaving the job. "I am constantly listening to the news and whenever I hear about the latest financial issues I immediately think about how it is going to affect all the people in the community."





Jan Pentland was an inspiration to Susan when she was starting out. “Jan encouraged us all to keep at it. We started small—with things like making sure our people weren’t getting ripped off with phone plans. But Jan kept encouraging us and we started tackling harder and harder problems that were affecting really vulnerable people and she kept us in the loop with our professional development.”

Susan said she found it a hard slog doing the financial counselling course in 1996 because she had left school years before. And the workload remained challenging because of the need to reach remote Indigenous areas in Queensland such as Aurukun and Lockhart, which had to be done by phone. “It wasn’t easy explaining complex bankruptcy issues over the phone.”

Susan says she has seen a lot of improvement in the sector, with financial counsellors working more in partnership with bank hardship staff. “Back then it really was them versus us. But now we are getting better outcomes.” However, she finds it frustrating that companies still find loopholes and new ways to take advantage of vulnerable people.

She finds it particularly heartbreaking with people who have a number of payday loans. “They have always got them because they have experienced a crisis—their car has broken down, or the electricity has been cut off. The only way they can get access to money is by paying really high interest rates on short-term loans.”

## Jan Pentland Scholarship winners in 2018

Sarah Cooke, Banafsheh Abedali, Venetia Aprile, Karen Bird, Diane (Tang) Choo, Alan Gray, Sue Gunning, Andrea Jones, Jaimee Marshall, Louise Murphy, Robert Rooth, Katie Sedunary and Troy West.

## Powerful legacy will live on

While Susan Cook’s shoes will be hard to fill, there are always new people re-training to offer their skills and valuable life experience to the sector. One such newcomer is Sarah Cooke, who was one of 13 winners of a Jan Pentland scholarship this year. Sarah was previously a paramedic, who spent three years working in Alice Springs. Following a back injury two years ago, she was unable to continue in that job. Dealing with the loss of her first career was a challenging time. “However, the first thing that came to mind as being a rewarding career was to do financial counselling,” she said.

This was because about 20 years ago, Sarah was a financial counselling client and she still remembers how compassionate, respectful and non-judgmental the counsellor was. “In my early 20s I started a business and got into a bit of financial difficulty. I had a large credit card debt and really needed help to get back on track.”

There is also quite a crossover in the skills required of a paramedic and those of a financial counsellor. "It was lovely talking to people from all walks of life when I was a paramedic and I found it a real privilege to be a part of people's lives, building rapport with my patients and being entrusted with their medical information."

Sarah has been studying the Diploma of Financial Counselling online and this year finished the financial and legal units. Next year she will complete the counselling units.

Sarah shadowed a financial counsellor while living in Toowoomba and loved the work from the start. She is keen to do outreach work in the Aboriginal and Torres Strait Islander community, with her dream job would be to get work on APY (Anangu Pitjantjatara Yankunytjatjara) lands, she is also keen to work in the Top End or central Australia.

[Jan Pentland Foundation website](#)

