

*Financial counsellors:
information, support and
advocacy for people in
financial difficulty.*

Financial IN A NUTSHELL Counselling

main causes of financial difficulty

- Unemployment (or under-employment)
- Illness
- Relationship breakdown
- Low income or poverty
- Exploitive or unfair financial practices
- Addiction

- More than 2.5 million Australians (13% of the population) live in households of high financial stress.
- There are 950 financial counsellors: roughly one for every 2,600 people in financial difficulty.

demand exceeds supply

options to get back on track (vary depending on the client)

- Understanding which debts are priorities
- Advocacy eg Credit Code hardship variation, reduce/defer/waive payments, grants or concessions, external dispute resolution
- Developing a money plan/workable budget
- Information eg debt collection, consumer rights
- Support (clients are often under emotional stress)

- Face to face – Between 80,000 – 100,000 clients per year
- National helpline 1800 007 007 – 120,000 calls per annum and growing

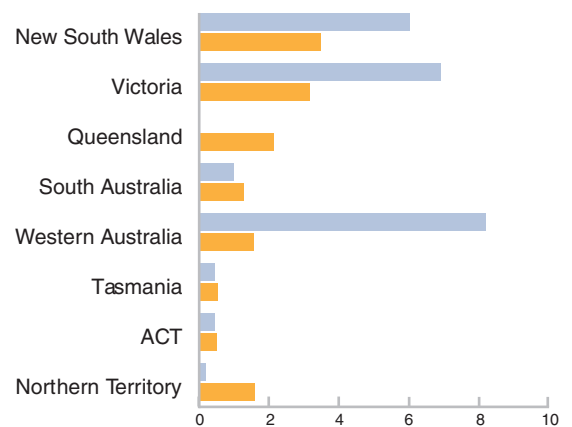
Number of people receiving assistance

Does financial counselling work?

- 66% resolve their financial difficulties;
- 74% avoid legal action
- 53% avoid bankruptcy.
- 69% are more positive about the future
- 63% improve their mental wellbeing
- 45% improve their physical health

Funding

- \$20 million from the Commonwealth Government
- \$23 million from State/Territory Governments



Funding (\$ million) per State and Territory by Funding Source

Client Income Levels

