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The Hon Kevin Andrews
Minister for Social Services
Parliament House
Canberra 2600

Dear Minister

The members of the Australian and New Zealand Ombudsman Association (ANZOA) listed below wish to place on record our strong support for financial counselling services and the important role they play in assisting consumers who are experiencing financial difficulties.

Many people who contact our offices are in financial difficulty, and we often refer them to financial counsellors for assistance, or help them in resolving their dispute if it is a matter that comes to our office.

The financial difficulty might be a short term crisis and the financial counsellor can help the person through this as well as plan to prevent a future problem. However, many people currently attending financial counsellors have complex situations that might involve relationship breakdown, unemployment, illness, business debts, loss of home, eviction, gambling issues. A sudden change in financial circumstances can result in over-commitment and a variety of negative consequences including debt collection or legal action, or disconnection of essential services.

The key values of financial counselling services are embedded in empowerment and education of the clients and resolution of the financial problems that can impact on personal health, relationships and the ability to cope with day to day activities.

We are aware that financial counsellors can assist in various ways where they:

- help organise financial information
- design a personal budget and suggest changes for improved management
- explain a client's rights and responsibilities when using credit and related services
- assess eligibility for government and other assistance

- negotiate payment plans and time to pay with creditors
- explain the debt recovery process, bankruptcy and other options
- provide referral to other services, eg emergency financial relief, family support, gambling or personal counselling, legal aid.

There is clearly an issue with the availability of financial counsellors, as people approaching our offices regularly advise of long delays in obtaining an appointment with a counsellor. The delay can run to a number of weeks, and this can exacerbate the personal and financial pressures on the consumer and their family.

Funding for financial counselling has enabled very positive assistance to consumers and small businesses as well as preventative work to avoid future difficulties. ANZOA strongly supports this vital and valuable program. We would be pleased to provide further information about our experience with financial counselling services if necessary.

Yours sincerely



Clare Petre Energy and Water Ombudsman NSW and Chair of ANZOA on behalf of:
Simon Cohen, Telecommunications Industry Ombudsman
Janine Young, Public Transport Ombudsman Victoria
Sandy Canale, Energy and Water Ombudsman SA
Shane Tregillis, Chief Ombudsman Financial Ombudsman Service
Philip Field, Ombudsman Banking & Finance, Financial Ombudsman Service
Cynthia Gebert, Energy & Water Ombudsman (Victoria)