

## STATEMENT

### Inquiry into Financial Abuse by the Parliamentary Joint Committee on Corporations and Financial Services

**4 April, 2024:** The Centre for Women's Economic Safety (CWES) welcomes the establishment of a Parliamentary Inquiry into the effectiveness of financial services regulation in addressing financial abuse.

The move follows calls by CWES for regulatory change so the financial sector can better respond to financial abuse and design safer financial products.

More than 85% of women experiencing domestic and family violence experience financial and economic abuse as part of a broader pattern of coercive control.

Last month, CWES published [Designed to Disrupt: Reimagining general insurance products to improve financial safety](#) which recommends changes to the *Insurance Contract Act* so that general insurance products can be redesigned to protect against financial abuse.

The Designed to Disrupt series of papers by author, UNSW School of Social Sciences Adjunct Associate Professor, [Catherine Fitzpatrick](#), proposes a Financial Safety by Design framework for financial services to make it harder for perpetrators to misuse products and services as a tactic of coercive control.

The [first paper](#) in the series called for banks to reimagine their products and name financial abuse as unacceptable customer conduct in their Terms and Conditions (T&Cs). Now, more than 14 Australian banks, including the big four, have introduced such T&Cs.

CWES is also calling for [mortgage and lending reforms](#) so that victim-survivors of domestic and financial abuse can stay in their own homes.

"This inquiry is a chance to review systems and laws that were designed and written before there was much awareness and understanding of financial abuse," said Rebecca Glenn, CEO of CWES.

"Too many women we support are being propelled into poverty because of unhelpful systems and poor product design which enable abusers to deliberately misuse products to the detriment of an intimate partner or family member."

"The inquiry gives us a real opportunity to identify the roadblocks to reform and set about removing them."

We commend Zaneta Mascarenhas MP for her leadership on this issue and thank the Corporations and Financial Services Committee for undertaking this important inquiry.