Financial Capability after Family Violence:

Developing a Mentoring Response

A Literature Review

The ‘Tools for Change – Women and Financial Capability’ Project

Women’s Health Goulburn North East

Kathy Landvogt
Good Shepherd Youth & Family Service
February 2013
Acknowledgements

Women’s Health Goulburn North East (WHGNE) is a dynamic, independent, feminist organisation, committed to improving the health and wellbeing of women in the Goulburn Valley and North-East Victoria. Our work is underpinned by a social model of health which recognises that a complex array of factors influence a woman’s sense of self, security and wellbeing. We respect and affirm diversity among women.

Our vision is *Equality for women, through challenging inequity and embracing diversity.*

Funding

We thank the William Buckland Foundation for its generous funding for this project.

Copyright

© Women’s Health Goulburn North East, 2013
The information contained in this publication is the product and property of Women’s Health Goulburn North East. When copying or reproducing any part of this document, please acknowledge the source as WHGNE and include the title, year and page number.

For more information please contact: whealth@whealth.com.au
## Tools for Change Literature Review

### Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>3</td>
</tr>
<tr>
<td>Section One. Introduction</td>
<td>5</td>
</tr>
<tr>
<td>Section Two. Policy contexts</td>
<td>7</td>
</tr>
<tr>
<td>2.1 Over-arching policy frameworks</td>
<td>7</td>
</tr>
<tr>
<td>2.2 Family violence support services</td>
<td>10</td>
</tr>
<tr>
<td>2.3 Financial Capability</td>
<td>13</td>
</tr>
<tr>
<td>2.4 Women’s Health</td>
<td>15</td>
</tr>
<tr>
<td>2.5 Mentoring</td>
<td>16</td>
</tr>
<tr>
<td>2.6 Conclusion</td>
<td>17</td>
</tr>
<tr>
<td>Section Three. Understanding the financial experiences of women living in and leaving domestic violence</td>
<td>19</td>
</tr>
<tr>
<td>3.1 Domestic violence</td>
<td>19</td>
</tr>
<tr>
<td>3.2 Women’s agency: domestic violence and resistance</td>
<td>23</td>
</tr>
<tr>
<td>3.3 Financial abuse</td>
<td>24</td>
</tr>
<tr>
<td>3.4 Financial dependence and domestic violence</td>
<td>29</td>
</tr>
<tr>
<td>3.5 Household financial stress and domestic violence</td>
<td>34</td>
</tr>
<tr>
<td>3.6 Women’s low financial resources and domestic violence</td>
<td>35</td>
</tr>
<tr>
<td>3.7 The broader context: Gender-based barriers to financial security</td>
<td>39</td>
</tr>
<tr>
<td>3.8 The knowledge gaps</td>
<td>42</td>
</tr>
<tr>
<td>Section 4: Building financial capability amongst women who have experienced domestic violence</td>
<td>44</td>
</tr>
<tr>
<td>4.1 Women’s financial learning and support</td>
<td>46</td>
</tr>
<tr>
<td>4.2 A Range of financial supports</td>
<td>51</td>
</tr>
<tr>
<td>4.3 Best practice frameworks</td>
<td>60</td>
</tr>
<tr>
<td>4.4 The knowledge gaps</td>
<td>65</td>
</tr>
<tr>
<td>Section Five. Conclusion</td>
<td>66</td>
</tr>
</tbody>
</table>

References..............................................................................68

The artwork and photography for the Tools for Change products was inspired by women’s stories and their symbolic representation in the Australian bush. The images of eucalyptus trees represent the cycles, impacts and changes in a life journey, especially that of a survivor of family violence.

Australian Bush Flower Remedies list ‘Silver Princess’ as an essence and tree that is of value when feeling aimless, despondent and without direction. Subsequently, the positive expression of this essence facilitates motivation, direction and life purpose. This essence is considered most effective when people are at a crossroad. Re-establishing financial security after violence is one such crossroad...

The Tools for Change mentoring program believes in striving for positive change and the ability of all, with appropriate support, to blossom and grow through the seasons.
Executive Summary

A lack of financial resources has been established as a major reason for women staying in or returning to violent relationships. Awareness of the intersections between family violence and financial wellbeing has been steadily increasing in Australia, influenced both by the socio-economic agenda of economic equity for women and by advancements in service delivery to those who have experienced family violence. The ‘Tools for Change – Women and Financial Capability’ project trials the use of community-based mentors to support women who have left family violence to regain their financial confidence and capability.

Family violence and financial dependence are frequently in a circular relationship: each is at times both a cause and an effect of the other. Women are particularly vulnerable to both, and both arguably spring from gendered constructions of women’s roles, whether of women's place in the home, at work, or in parenting. The unequal gender relations in workplaces, homes and public policies mean that women generally have less economic security, less capacity to acquire assets, and less confidence in making long-term financial decisions. Overarching public policies impacting on these background issues of gender equity and economic security are therefore as important to the question of increasing the financial capability of women exiting violence as those that frame family violence service delivery itself.

Financial capability remains a concern of governments and manifests in diverse and at times inconsistent policies. While there has been advancement on some fronts, such as the increased recognition of family violence (including economic abuse) in Federal legal and administrative frameworks and the focus on systemic changes to increase equity in employment conditions, other income security changes relating to single parents and vulnerable women have rendered those exiting family violence more vulnerable to economic insecurity, and therefore to returning to unsafe relationships and housing.

At the state level, there is a well-developed system of integrated family violence supports in place for the crisis stage, but a holistic, across-time service continuum remains elusive. The Victorian Government’s current service system reforms of its human services sector (‘Services Connect’) are yet to impact significantly on family violence services on the ground but have the potential to provide women who are experiencing multiple difficulties with more flexible and holistic responses than the current system. On the other hand it is unsure how the need for increasingly specialist knowledge in providing support services will be met through generalist support roles. The increasing understanding of the complexity and prevalence of economic abuse, for example, makes clear the need for family violence workers to continue to develop their financial assessment, education and intervention skills.

Although continuing and increasing state government attention in the family violence area in a fiscally tight and competitive environment will be challenging, Victorian crime statistics showing the alarming incidence of family violence point very strongly to the need to do so. The policy focus on prevention and early intervention is one response to the high family violence levels that the previous government’s policing reforms have revealed. Public policy that addresses
prevention both leads and builds upon the society-wide trend towards greater intolerance of family violence that is now evident. Nonetheless the tension between providing adequate, holistic crisis services and developing ways to intervene earlier will continue to present challenges for government funding decisions. In this tight fiscal environment, integrating services is probably seen as a way to ‘do more with less’ as well as address complex and multiple problems within a family in a more effective manner.

Local and international research literature explores how domestic violence is linked with financial hardship, with financial capability, and with the economic power that comes with employment. In teasing apart the multiplicity of variables linking family violence and financial experiences, financial dependence emerges as perhaps the most useful in explaining the link between financial resources and domestic violence. No single strategy can create financial independence: while many women need support to financially disentangle themselves from a violent relationship, they may also need assistance to build economic self-sufficiency in the long term. The pervasiveness of finances in our market-based society means that the economic dimensions of the abuse can be multiple, and are highly individual. They also intersect with major social institutions such as banks, utility companies, child support payments, and the income security system.

There is ample evidence of the need to address financial capability within the context of family violence, both to undo the damage done by economic abuse and to empower women to take control of their financial futures. The challenge of designing effective programs to meet this need is assisted by those documented evaluations of other innovations that have been made publicly available. More such innovative programs, and evaluations, are needed to build up a robust ‘financial capability stream’ within the family violence sector. The work required includes establishing consistent financial assessment tools and credible outcome measures.

Peer-based adult learning methods such as mentoring have a vital part to play in the life tasks both of increasing financial capability and re-building post family violence. Women often exit domestic violence with depleted financial resources and eroded financial confidence. If not addressed along with safety, housing, health and other aspects of life, this damage can become long term, preventing financial recovery and independence. Both holistic family violence support services and comprehensive financial programs are critical to women re-building economically after exiting domestic violence.
Section One. Introduction

“Many Australian women are economically dependent on their partner. This has implications for women’s safety as economic dependence is a risk factor for domestic and family violence, limiting women’s capacity to escape violent partners. Poverty and a lack of independent income are a major cause of homelessness for victims of domestic and family violence.

Women who have been victims of violence may lack confidence, have health issues and may lack skills due to interrupted education and training. Therefore, they may need support to either enter or re-enter the workforce, and to maintain their employment. Violence can also interrupt women’s lives, leaving a legacy of ongoing examinations, court appearances and/or the dislocation experienced by leaving a dangerous household. All of these interruptions make it more difficult to hold down a stable job and maintain a career path.”


Awareness of the intersections between family violence and financial wellbeing has been steadily increasing, influenced both by the socio-economic agenda of economic equity for women and by advancements in service delivery to those who have experienced family violence.

The ‘Tools for Change – Women and Financial Capability’ project trials a new way to support women to regain their financial confidence and capability with the aim of reducing their financial dependence and the consequent risk of returning to violent situations. In 2009 Women’s Health Goulburn North East ran ‘Common Cents’, a pilot project funded by the Victorian Women’s Trust, which offered women mentoring around financial capability building. The evaluation found the project impacted positively on women’s financial confidence, understanding and day to day management, and equally importantly on their self esteem, connections to community and services, self advocacy and self awareness.

The ‘Common Cents’ experience identified the need for a similar project targeted specifically to women who have exited domestic violence. Tools for Change engages women volunteer mentors to be trained and supported to journey alongside women who are rebuilding their lives post-violence. The project also aims to identify and address the training needs of the family violence and financial counselling sectors to respond effectively to the financial situation of women post family violence. In addition, Tools for Change seeks to identify those systemic changes needed to support these women to become more financially independent and hence less at risk of returning to violence for financial reasons.

This literature review will provide an overview of the policy, research and practice literature relevant to the project. It will identify relevant arguments put forward in policy analysis and research into domestic violence and financial capability, and summarise current practice frameworks for domestic violence, financial capability, and mentoring.
The next section sets out key national and Victorian policy contexts relating to disadvantage, women, financial security and mentoring. The following section, Section Three, explores domestic violence, in particular financial abuse and the relationship between domestic violence and financial experiences. Financial dependence, financial stress, and financial resources are all considered before a number of gaps in the current knowledge base are identified. Section Four describes some of the documented practice knowledge about how various aspects of women’s financial capability can be increased. Finally some considerations for the design of a mentoring program addressing women’s financial capability post domestic violence are identified.
Section Two. Policy contexts

The policy frameworks relevant to this project, which sits at the intersection of financial capability and family violence, are diverse. Family violence and financial dependence are frequently in a circular relationship: each is at times both a cause and an effect of the other. Women are particularly vulnerable to both, and both arguably spring from gendered constructions of women’s roles, whether of women’s place in the home, at work, or in parenting. The unequal gender relations in workplaces, homes and public policies mean that women generally have less economic security, less capacity to acquire assets, and less confidence in making long-term financial decisions.

Research has shown that:

- the average retirement payouts for women in 2006 was $63,000 compared with $136,000 for men - yet a woman's average life expectancy is 83 years, compared to 77 years for men
- women are particularly vulnerable to “transmitted debt”, that is, taking on debt from a spouse or partner because they have guaranteed a loan or are encumbered in a partner’s business dealings or company

Overarching public policies impacting on these background issues of gender equity and economic security are therefore as important to the question of increasing the financial capability of women exiting violence as those that frame family violence service delivery itself.

2.1 Over-arching policy frameworks

While the Australian government has a broad social inclusion agenda to assist the more disadvantaged members of society to participate more fully in the nation's opportunities, and a progressive stance on addressing women’s economic disadvantage in society in general, its recent changes to income security policy communicate a more ambivalent message to women who are disadvantaged or vulnerable to violence.

Social Inclusion

The Australian Government's social inclusion policy agenda provides the overarching framework used to create policy direction addressing the needs of the most disadvantaged Australians. The Australian Social Inclusion Board's principles determine that to be socially included people must be given the opportunity to:

- Secure a job
- Access services
- Connect with family, friends, work, personal interests and local community
- Deal with personal crisis; and
• Have their voice heard

(Australian Social Inclusion Board, 2008)

While social inclusion has many aspects, the government’s current emphasis is largely limited to workplace and education participation. This policy’s central role has also been somewhat eclipsed by other political and economic concerns, primarily the global financial crisis and concerns to avoid debt in the federal budget.

**The National Plan of Action to Reduce Violence against Women and their Children, 2009-2021**

The Federal Government’s National Plan of Action was developed through the Council of Australian Governments (COAG) and is a significant step in a national approach to family violence.

The National plan makes specific reference to increasing women’s economic independence as one of the five key strategies of ‘Outcome One: To make communities safe and free from violence’ (2009: 17). It argues that because financial dependence is a major factor influencing a woman’s decision to remain with a violent partner, and domestic violence is also often associated with poverty and homelessness, financial independence and security are essential for leaving an abusive relationship.

The Plan also promotes preventative approaches. In relation to economic independence, financial capability is preventative. While more mainstream financial capability strategies are needed to bolster women’s economic independence as a protective factor against domestic violence occurring in the first place (primary prevention), there is also a need for targeted secondary prevention that addresses the risk of women returning to abusive relationships through lack of financial security, as well as a need for tertiary interventions which recognise that many victims need to build up their financial resources and confidence after leaving a violent relationship. The inclusion of economic participation and independence in ‘Strategy 1.3: advance gender equality’ indicates that economic abuse is rising in importance within the domestic violence discourse. This strategy also has a focus on workplace relations, rights, entitlements and their relationship with domestic violence (2010: 16-17).

The Plan of Action avoids a ‘one-size fits all’ approach and encourages tailored responses to meet varied needs in rural, urban and remote areas, for Aboriginal and Torres Strait Islanders, women with disabilities, same-sex couples, and immigrant and refugee families.

Further, ‘Strategy 4.3: support mainstream services to identify and respond to needs’ argues that holistic economic and social supports are critical if women and their children are to rebuild their lives post-violence. This strategy is about mainstream services, including financial services, identifying and supporting women living with or escaping from domestic violence.

The current Victorian Government signed up to the national plan in 2011 and its 2012 ‘Action plan to Address Violence against Women and Children’ states that it will be the implementation tool of the national plan in Victoria.
One of the National Plan’s strategies was an Inquiry into Family Violence and Commonwealth Laws by the ALRC. This included consideration of child support, income security, migration laws and superannuation laws. There have been a number of legislative and policy changes as a result, and this work is still ongoing. A consistent and comprehensive definition of family violence has been adopted, and importantly for this project, it specifically includes economic abuse for the first time.

**Income security – Place-based compulsory income management**

The income management scheme introduced by the Howard Government in 2007 has been modified by the current Labour Government to be based on geographic location and membership of specific ‘vulnerable groups’ (rather than racially based). The scheme restricts a significant proportion of the recipient’s income security spending through a ‘Basics Card’ which can only be used to purchase some items. It also includes incentive payments and matched savings scheme payments. People may be put on the scheme as part of a child protection process (in conjunction with the relevant state government department), or if they are determined to be ‘vulnerable’ to financial hardship or exploitation. Family violence is one of the triggers for this determination. Income security recipients may also choose to participate in income management voluntarily. Shepparton, Victoria, where the *Tools for Change* project is operating, is one of the five new areas where these, The Child Protection, Vulnerable Welfare Payment Recipient and Voluntary Income Management measures operate viewed Feb 3 2013 at [http://parliamentflagpost.blogspot.com.au/2012/06/new-place-based-income-management-to.html](http://parliamentflagpost.blogspot.com.au/2012/06/new-place-based-income-management-to.html).

Evaluation of the place-based schemes including that are operating in Shepparton are not yet available, but previous government evaluations of the Northern Territory income management scheme have been controversial. The Australian Government’s evaluation of the Northern Territory income management scheme finds overall positive outcomes in children’s and adults’ health and in money management, but acknowledges that deficits in its methodology, especially the non-random sampling techniques, undermine confidence in the results (AIHW 2010). It also records mixed views on the policy in local communities, with many people feeling that income management was discriminatory, unfair, and imposed on them without consultation. Community advocates maintain that the basis for the government’s evaluation is inadequate, and put forward their own surveys of community responses (Equality Rights Alliance 2012). The sense of injustice associated with the imposition of compulsory income management in the Northern Territory is well documented in quotes such as

“We are not opposed to income management. We are opposed to compulsory income management. We do not support income management in the way that it currently exists in the Northern Territory.” (Ms Robertson, CAALAS) and

“We have too much people trying to control us and say how we should live our lives. They think they know what is best for us and that they can control us.” (Mr E Rontji, Ntaria)
It is unclear how the income management policy is impacting specifically upon women leaving a situation of domestic violence, especially in its new place-based form. There is a strong public critique of the compulsory aspects of the policy although recognition that the assistance can be useful if voluntary. While the stated purpose of this policy is to reduce deprivation and provide better care of children, it can also readily be seen as blaming the victim, implying that the recipients cannot manage their finances and that this is the cause of their hardship. In situations of family violence and economic abuse this seems particularly inappropriate.

**Income security - Parenting Payment/Newstart Allowance**

In the Federal Budget 2011-2012, changes to the Parenting Payment were brought in. From January 1st 2013, recipients whose youngest child is eight years or older are transferred to the much lower payment of Newstart Allowance, losing at least $60 per week, and those who work will lose even more (e.g. someone working 15 hrs/week at the minimum wage will lose at least $80/week). As the most socioeconomically disadvantaged family type, single parent sare particularly affected by this change. There is a strong community critique both of the inadequacy of Newstart Allowance and of the implication that single parents should be in employment regardless of the difficulties of finding employment that fits the needs of parenting (see for example Council of Single Mothers and their Children 2012). Many single parents (of whom over 80 per cent are mothers) already work part-time and they are already required to seek work and register with Job Services Australia once their child turns six, so the motivational rationale for this policy change appears weak (viewed 3 Feb 2013 at http://www.csmc.org.au/files/Federal%20Budget%202012_13%20impacts%20summary.pdf).

Many have concluded that this policy is a budgeting measure, politically easier to implement than some other cuts. It will be vitally important to investigate the impacts of this policy change on women in family violence situations, given that one of the reasons women stay in or return to violence relationships is lack of adequate financial resources to care for themselves and their children independently.

**2.2 Family violence support services**

At the state level, there is a well-developed system of integrated family violence supports in place for the crisis stage, but a holistic, across-time service continuum meeting early intervention needs and post-crisis needs exists only in piecemeal efforts and pilot programs. A coalition of services led by the peak bodies of DVVic and Council of Homeless Persons, the ‘Filling the Gap’ coalition, is promoting the development of a more individually responsive model (Desmond 2011).

The Victorian Government’s current reforms of its human services sector are yet to impact directly on family violence services but have the potential to provide women who are experiencing multiple difficulties with more flexible and holistic responses than the current
system. On the other hand it is unsure how the need for increasingly specialist knowledge in providing support services will be met through generalist support roles. The increasing understanding of the complexity and prevalence of economic abuse, for example, makes clear the need for family violence workers to continue to develop their financial assessment, education and intervention skills. Although continuing and increasing state government attention in the family violence area in a fiscally tight and competitive environment will be challenging, the crime statistics that show the alarming incidence of family violence point very strongly to the need to do so.

**Victoria’s 2012 Action Plan to Address Violence against Women and Children**

The Coalition government that came into power in late 2010 introduced a new policy framework, ‘Victoria’s Action to Address Violence against Women and Children – Everyone has a responsibility to act’. The previous regime’s ‘Strong Culture, Strong Peoples, Strong Families – Towards a safer future for Indigenous families and communities 10 year plan’ and the Family Violence Risk Assessment and Risk Management Framework are explicitly continued. Extension of the risk assessment framework into the mainstream health sector is also planned.

Fresh emphasis is placed on prevention and early intervention strategies in the Victorian plan and funding programs reflect this. At the same time pressure remains on the crisis end of the service response with a blow-out in the crime figures, a result in part of the new policing regime creating higher rates of reporting. Victoria Police Crime Statistics for 2011–2012 show the incidence of family violence up by 23.4 per cent from the previous year to 50,382 family violence incidents reported.

**Services Connect – integration with other state government services**

The coalition government has had a major social policy focus on child protection since coming into power, and this has implications for the systemic responses to family violence. ‘Victoria’s Vulnerable Children’ strategy is a whole-of-government effort to tackle child abuse and neglect, and reducing family violence and its negative impacts is seen as a critically important component. The proposed solution is Services Connect, a multi-level restructure that seeks to incorporate family violence services, police and children’s services within an integrated service delivery model across government and government funded services (Viewed 5 Feb 2013 at [http://www.dhs.vic.gov.au/about-the-department/news-and-events/news/general-news/better-connected-services-for-vulnerable-victorians](http://www.dhs.vic.gov.au/about-the-department/news-and-events/news/general-news/better-connected-services-for-vulnerable-victorians)).

The strategy will also be accompanied by the establishment of a new ‘Commission for Children and Young People’ to monitor the protection and safety of vulnerable children and young people.

**Homelessness**

Family violence is closely associated with homelessness and the Victorian government has delivered many of its family violence services through homelessness programs. The ‘Victorian Homelessness Action Plan 2011–2015’ includes the *Family Violence and Homelessness Innovation Action Project* focussing specifically on early intervention and prevention for families at risk of or experiencing homelessness due to family violence.
The integrated family violence service system

The integrated family violence service system is a major legacy of the previous state government, developed through whole-of-government commitment and collaboration. It brings together previously unlinked domestic violence services to build an integrated crisis response in each region. Key associated reforms included tighter risk assessment, new legislation (including a more comprehensive definition of family violence that now includes financial abuse) and new funding arrangements (State of Victoria 2005a).

This service system was based on a woman-centred view of the experience of domestic violence, conceptualising the stages of women’s journey away from violence (State of Victoria 2004). The framework identifies the importance of economic factors in violence against women. Women’s ongoing political, social, and economic dependence on men is seen as pervasive and the origin of much of the violence. “For as long as women are viewed as the property of men and lack economic and political power, violence against women, both symbolic and actual, will continue” (2004:19) On the other hand, “women with stronger social and economic supports are more likely to be able to continue their journey away from violence” (2004: 30).

Looking at the income and economic support system in particular, the maximising elements in Stage 1 (the ‘In violence/movement’ and ‘Transition’ phases) include:

- immediate access to income support in crisis situations; availability of multiple payments if required
- access to adequate income to sustain safe and enriching living situation
- readily available information on income support options
- accessible and flexible Centrelink policies and procedures, particularly those that support women in the crisis and in maintaining employment
- immediate assessment of needs, especially in crisis, with a recognition of the extreme stress women experience and issues of safety
- Centrelink worker practices that are sensitive and informed by a comprehensive understanding of family violence
- confidential treatment of information about women’s housing situation
- ability to maintain employment while in refuge
- availability of affordable financial counselling; and
- women not having to carry burden of debt created by perpetrator

(2004: 40).

In Stage 2, the ‘Moving forward’ and ‘Continuing the journey’ phases, the maximising economic elements are listed as:

- access to adequate income to sustain safe and enriching living situation
- readily available information on income support options
- confidential treatment of information about women’s housing situation
- Accessible and flexible Centrelink policies and procedures, particularly those that support women in maintaining employment
- Centrelink worker practices that are sensitive and informed by a comprehensive understanding of family violence; and
• consistent and positive support in accessing financial support from perpetrator, as parent of children (2004: 41).

A further framework provides guiding principles and key elements of good practice for working in Indigenous communities to address family violence. It includes diversity, complexity, empowerment, local solutions, holistic healing, partnerships and prevention as principles, and emphasizes the importance of grounding programs in culture and community (State of Victoria 2008a).

Building on the 2006 service system reforms, the 2010 Victorian strategic framework emphasised improved linkages with mainstream services, more involvement of specific needs services (for example women from CALD backgrounds, Indigenous women, women with a disability) in the integrated service system, more consideration of the needs of children, holding perpetrators to greater account, and increased research and data collection (State of Victoria 2010a).

### 2.3 Financial Capability

Financial capability, or financial literacy as it is more often known in Australia, is an emerging field of policy and practice. While the risk of individuals making poor financial decisions can be mitigated by increased regulation (for example, restricting exploitative financial practices or requiring greater due diligence from mainstream lenders) and by ensuring the less well-off can access affordable financial products and services (such as free financial advice, no interest loans, and affordable insurance), governments generally avoid additional regulation of the market and instead emphasise the importance of consumer education.

The last decade has seen a marked increase in the financial education and information provided by governments and these are generally useful tools both for the general public and for support services working with disadvantaged individuals. Banks and other financial institutions have also made a contribution to increasing financial capability and inclusion as part of their corporate social responsibility.

However, there has been some critique of the current focus on ‘buyer beware’ as opposed to greater regulation, especially the lack of protection given to vulnerable Australians (for example in relation to payday lenders (Banks 2012). The focus on financial knowledge and skills can be at the expense of adequate attention to a non-exploitative market and the other necessary components of financial capability such as adequate income and assets. As the following model illustrates, adequate financial knowledge and skill is only one aspect of financial capability (Lindvogt 2008).
The OECD’s (2005) ‘recommendation for financial education’ began the international policy framing of financial capability. Its set of principles and practice guidelines encouraged national governments to provide quality lifelong financial education which is targeted to the needs of the audience, starts at school, and is focused on national priority areas. This was a response to the increasing complexity of financial products and services in a climate of deregulation and the recognition that it was effectively a ‘buyer beware’ market where consumers needed to be better informed. Nonetheless, financial education was not to be confused with financial product advice, nor to be a substitute for adequate regulation of the financial services industry and consumer protection. The OECD also encouraged national governments to undertake research and evaluation into financial education needs and programs.

The Australian Government took up this challenge and has now developed a National Financial Literacy Strategy (ASIC, 2011a) building on the work of the former Financial Literacy Foundation. The Strategy is founded on the principles of:

- **inclusiveness**—reaching all Australians, particularly those most in need and future generations of consumers and investors;
- **engagement**—helping all Australians appreciate the importance of financial literacy and that small things done regularly make a real difference;
- **diversity**—delivering learning that recognises the different ways people learn and allows all Australians to participate;
The National financial Literacy Strategy focuses on financial literacy education in schools and the website *Money Smart*. Although it says other strategies beyond education are important to ensure informed financial choices, these are limited (ASIC, 2011b: 38). The strategy states that a key focus is on reaching groups most in need of financial literacy assistance: retirees and pre-retirees, young people, Indigenous Australians, women and others (ASIC, 2011b: 6). Although women are mentioned amongst these groups the strategy itself does not elaborate on how women’s financial literacy will be improved.

### 2.4 Women’s Health

**The Victorian Women’s Health Program**

In Victoria the women’s health sector, with its focus on health education and promotion, plays an important role in both domestic violence prevention and increasing the financial capability of women, and in particular, women who are most disadvantaged or marginalised within communities [Viewed 7 Nov 2011 at http://www.health.vic.gov.au/vwhp/](http://www.health.vic.gov.au/vwhp/).

The Victorian Women’s Health Program was established in 1987 to provide services ‘by women for women’. The dual strategy of delivering gender-specific services while working to improve mainstream service responses remains a key aspect of the program. Currently the nine regional women’s health services and three state-wide women’s health organisations funded under the program are subjected to significant funding cuts from the Victorian Government.

The ‘10 point plan for Victorian women’s health 2010-2014’, an advocacy tool developed by a partnership of 13 women’s health organisations and endorsed by over ninety community organisations to influence government policy in women’s health, lists four key priority areas and gives recommended actions and an evidence base for each:

1. Women in a changing society
2. Sexual and reproductive health
3. Prevention of violence against women; and
4. Mental wellbeing and social connectedness.

The financial aspects of ‘women in a changing society’ are relevant to this project as well as, more obviously, ‘preventing and addressing violence against women’. Long-term exposure to
financial hardship has a negative impact on health, and women are especially affected by this due to gender-specific inequities. Women are more impacted by poverty and many women experience anxiety about their financial future. The ‘10 point plan’ also argues for a ‘social determinants of health’ approach, which recognises that “the most disadvantaged groups have the poorest health and the highest exposure to health-damaging risk factors” (2009: 15).

Determinants of health include: gender, social and economic circumstances, indigenous status, ethnicity, disability, early life experiences, un/employment, and social connection.

**The National Women’s Health Policy**

The Australian Government has a National Women’s Health Policy which aims to “continue to improve the health and wellbeing of women in Australia, especially those at greatest risk of poor health”. It “encourages the active participation of women in their own health and aims to promote health equity through attention to social determinants of health” (2010: 7).

Of particular relevance to this project is the social determinant related to access to resources which includes income, education, employment, social connections, and safety and security including freedom from violence, although the relationship between financial security, financial violence and domestic violence is not specifically discussed.

### 2.5 Mentoring

A review of the mentoring literature reveals that it is often considered a profession in its own right, is predominantly associated with the educational and corporate sectors, and largely focuses on mentoring for the purposes of professional development, often with a focus on the female professional workforce (Success Works, 2006: 15). Within community services, mentoring has most often been used as an approach in young people’s services as well as, more recently, in post-prison services for women. There does not appear to be a public policy framework relating to mentoring women specifically, however, a 2005 - 2008 Victorian State government framework for mentoring young people, ‘Leading the Way’, may provide direction to other groups.

In this framework the former Victorian Government defined mentoring as “…the formation of a helping relationship between a younger person and an unrelated, relatively older, more experienced person who can increase the capacity of the young person to connect with positive social and economic networks to improve their life chances” (State of Victoria 2005b: 6). This is consistent with the many definitions and best practice frameworks within the mentoring literature that are discussed further in a later section.

This framework consisted of five core principles:

1. **Taking a holistic approach:** ensure young people are viewed in the context of their family, peers and community and mentoring responses are tailored to meet individual needs
2. **Knowing what works:** improve understanding of cost-effective and safe mentoring programs that provide positive outcomes for young people through quality, evidence-based programs that focus on achieving defined outcomes, take into account local community contexts and incorporate sound planning, data collection, research, monitoring and evaluation

3. **Linking up and partnering:** improve young people's access to mentoring programs through integrated and collaborative partnerships across sectors

4. **Being accountable and flexible:** provide direction to key sectors and networks so that they can develop high-quality, well-planned and sustainable mentoring activities and programs; and

5. **Providing good governance:** ensure all participants feel confident and safe by putting in place the right checks and balances to protect the safety of young people and volunteers

(2005b: 10).

While this document set out a ‘strategic framework’ for the government’s approach to the sector of young people’s services as a whole, it does not provide guiding principles for the actual implementation of mentoring programs. Further discussion of literature relating to this can be found in the section on ‘best practice frameworks’.

### 2.6 Conclusion

Financial capability remains a concern of governments and manifests in diverse and at times inconsistent policies. While there has been advancement on some fronts, such as the increased recognition of family violence (including economic abuse) in Federal legal and administrative frameworks and the focus on systemic changes to increase equity in employment conditions, other initiatives have rendered women exiting family violence more vulnerable to economic insecurity, and therefore to returning to unsafe relationships and housing. Both compulsory income management for women deemed ‘vulnerable’ and the shift from Parenting Payment to Newstart Allowance when the youngest child turns eight are recent public policies that have attracted a great deal of criticism. Their apparent assumptions about recipients’ lack of ability and/or motivation to manage their own financial business and longer-term economic futures seem to be in tension with the focus on vulnerable groups developing greater financial skills, and on women becoming more able to be economically independent.

Pilot projects such as *Tools for Change* are part of a wave of policy and practice concern about women’s financial vulnerability and its impact on their vulnerability to domestic violence. The hope is that building greater financial capability amongst women exiting domestic violence will build their resilience and protect them and their children from both further violence and ongoing disadvantage.

Key policy and practice domains that this project addresses include:

- Pathways to social inclusion for women rebuilding after violence
- Financial education practice frameworks in specialist areas such as domestic violence
- Addressing the long-term financial security of women by increasing financial independence as part of a domestic violence response
- The role of enhanced financial and legal services in untangling finances from abusive partner, removing barriers to women developing greater financial independence, and addressing systemic blind-spots to financial abuse
- Locally linking specialist domestic violence services with a range of crisis and preventative financial capability-building services and resources
- The implications of income management for vulnerable women
- Expanding mentoring frameworks to include financial mentoring for vulnerable women.
Section Three. Understanding the financial experiences of women living in and leaving domestic violence

Local and international research literature explores how domestic violence is linked with financial hardship, lowered financial capability, and lack of the economic power (such as that derived from paid employment). In teasing apart the multiplicity of variables linking family violence and financial experiences, financial dependence emerges as perhaps the most useful explanatory link between low financial resources and domestic violence.

No single strategy can create financial independence: while many women need support to disentangle themselves financially from a violent relationship, they may also need assistance to build economic self-sufficiency in the long term. The pervasiveness of finances in our market-based society means that the economic dimensions of domestic violence can be multiple, and are highly individual. They also intersect with major social institutions such as banks, utility companies, child support payments, and the income security system (Macdonald 2012).

3.1 Domestic violence

Definition of domestic violence

In this literature review the terms family violence and intimate partner violence will be synonymous with domestic violence. Victoria’s Family Violence Protection Act (2008) defines family violence as:

a. behaviour by a person towards a family member if that behaviour
   (i) is physically or sexually abusive; or
   (ii) is emotionally or psychologically abusive; or
   (iii) is economically abusive; or
   (iv) is threatening; or
   (v) is coercive; or
   (vi) in any other way controls or dominates the family member and
      causes that family member to feel fear for the safety or wellbeing of
      that family member or another person; or
b. behaviour by a person that causes a child to hear or witness, or otherwise be exposed to the effects of, behaviour referred to in paragraph (a).
(2008: 12-13)

The Commonwealth Family Law Act 1975 has recently broadened the definition of family violence in family law including the incorporation of economic abuse, namely

"unreasonably denying the family member the financial autonomy that he or she would otherwise have had; or unreasonably withholding financial support needed to meet the reasonable living expenses of the family member, or his or her child, at a time when the family member is entirely or predominantly dependent on the person for financial support" (Family Law Act 1975 s4AB).
The Code of Practice for Specialist Family Violence Services for Women and Children defines family violence as:

> the repeated use of violent, threatening, coercive or controlling behaviour by an individual against a family member(s), or someone with whom they have, or have had, an intimate relationship. Violent behaviour includes not only physical assaults but an array of power and control tactics used along a continuum in concert with one another, including direct or indirect threats, sexual assault, emotional and psychological torment, economic control, property damage, social isolation and behaviour which causes a person to live in fear. (Domestic Violence Victoria, 2006: 11)

The Victorian Indigenous Family Violence Taskforce (2003) has defined family violence as:

> An issue focused around a wide range of physical, emotional, sexual, social, spiritual, cultural, psychological and economic abuses that occur within families, intimate relationships, extended families, kinship networks and communities. It extends to one-on-one fighting, abuse of Indigenous community workers, as well as self-harm, injury and suicide ('Practice Guidelines: Women and children’s family violence counselling and support programs', DHS, 2008: 7).

**Incidence of domestic violence**

It is widely recognized that domestic violence is a chronic, under-reported and gendered problem in which women and children are significantly over-represented.

The *International Violence Against Women Survey* (Nevala, 2005) reported that 34 per cent of Australian women have experienced at least one form of violence from a current or former partner and that 25 per cent of those had never before spoken to anyone else about the incident. There is also evidence that:

> “family violence occurs at even higher rates amongst young women, Indigenous women, women with disabilities and women from culturally and linguistically diverse (CALD) backgrounds.” (Practice Guidelines: Women and children’s family violence counselling and support programs DHS 2008: 7).

In 2005 the Australian Institute of Health and Welfare reported that “Domestic violence is the leading cause of homelessness in Victoria, with women and children still being forced in the majority of cases to flee the family home” (Women’s Health Victoria, 2011).

The percentage of domestic violence victims who are women is sometimes debated in the community. However, a Commonwealth report estimated that of the 408,100 Australian victims of domestic violence in 2002-03, 87 per cent were women. It estimated that there were a similar number of perpetrators and that 98 per cent of these were men. Further, the report found that around 263,800 children were living with victims of domestic violence and 181,200 children witnessed domestic violence in that same period. This supports the overwhelming finding of international research that women and children are the main victims of domestic violence (Commonwealth of Australia, 2004).
Several studies indicate that pregnancy is a time of high vulnerability to family violence, with the first incident often occurring while women were pregnant (Carrington, 1996). Children and young people are frequent witnesses to domestic violence and suffer trauma both through this and direct abuse (Practice Guidelines: Women and children’s family violence counselling and support programs DHS 2008).

Costs and consequences of domestic violence

A landmark study by VicHealth found that intimate partner violence is the leading preventable contributor to death, disability and illness in Victorian women aged 15–44. This means that domestic violence out-ranked alcohol and illicit drug use, obesity, smoking and high blood pressure. The study also found that women who have experienced domestic violence are more likely to develop physical and mental health problems than women who have not (VicHealth, 2004).

The personal costs of domestic violence also translate into economic costs, which were estimated by Access Economics to be $8.1 billion Australia-wide in 2002-03. The total lifetime cost of domestic violence was estimated by this study to be $224,470 per victim, which was dominated by costs associated with pain and suffering. The annual cost per victim who has ever suffered domestic violence was estimated at $4,570 (Commonwealth of Australia, 2004: viii).

The all-encompassing health impacts of domestic violence are well represented by Diagram 1 below.

Needs of specific groups

Research has identified particular groups of women who experience a range of specific vulnerabilities to domestic violence. Addressing the specific needs of these women requires flexibility and sensitivity to adapt services to their particular context.

Groups with particular needs include but are not limited to:

- Women from rural areas: can face limited access to services due to geographical isolation. There may also be issues of privacy and disclosure in small communities, particularly where masculine culture is dominant.

- Women and children from culturally and linguistically diverse backgrounds: may face language barriers, lack of familiarity with the service structure in Australia, or social isolation. All of these issues reduce their access to services. Cultural background may also influence attitudes to family violence.

- Women who are Indigenous: violence within Indigenous communities, including family violence, may be strongly related to dispossession of land and culture, breakdown of traditional kinships systems, racism and vilification, entrenched poverty, drug and alcohol abuse, or the loss of traditional social roles for men. Understanding of Indigenous culture is fundamental for effective practice with Indigenous women and children.

(DHS Practice Guidelines 2008 and Code of practice for specialist family violence services for women and children)
Women with a disability and women with mental health issues are also more vulnerable to domestic violence (Healey, 2009: 30).

Diagram 1: Health outcomes of violence against women

(Source: Healey, 2009: 27, adapted from Heise cited in CHANGE)
Women from culturally and linguistically diverse backgrounds face distinct additional barriers to accessing assistance including the justice system (In Touch 2010). While refugee communities have not been found to experience higher incidences of domestic violence, they do have specific experiences with language barriers, unemployment, isolation, and pre-existing trauma which make seeking help harder and add to the risks for women. It has also been established that domestic violence is at the highest level within a community when that community is in transition, moving away from traditional roles. For instance, women moving into education or employment, or obtaining an independent income from Centrelink can be trigger points. Too often community services do not understand or take sufficiently into account these cultural factors (Rees & Pease, 2006).

Sometimes two or more specific needs overlap. A Victorian research study, that included Shepparton, for example, found that the risk of domestic violence is higher for women from CALD communities in rural areas. These women were found to have unique issues including lack of trust in the confidentiality of support services, lack of knowledge of services, higher unemployment, and poor education opportunities (Orlando, 2004).

When specific needs overlap social divisions such as class, poverty and ethnicity can have a compounding effect on domestic violence (Humphreys, 2007: 124).

### 3.2 Women’s agency: domestic violence and resistance

Research here and overseas continues to demonstrate abused women’s resilience, strength, and strategic use of resources despite the abuse they are subjected to. Overwhelmingly women do not passively accept or collude in the violence against them, but take active steps to deal with it (Braaf & Barrett-Meyering, 2010; Lyon, 2000; Laing, 2001). Descriptions of domestic violence have been criticized for omitting the agency and resistance maintained by abused women despite being unable to avoid the abuse (Renoux & Wade, 2008). Women find myriad ways to seek to protect themselves and their children despite being subjected to the power, control and violence of their partner.

The fact that they do not always succeed should not be taken as a sign that they do not actively exercise the power that is available to them. In avoiding ‘blaming the victim’, some practitioners and researchers created a picture of women without the capacity to fight back. To avoid this pitfall, it is helpful to distinguish between responsibility and agency: the responsibility lies with the abuser, while the abused woman has agency when she takes whatever action she can on her own behalf. This may include things such as maintaining self-esteem, challenging the abuser, undertaking education, complex problem-solving, or simply surviving (Laing, 2001).

Files and other documents vital to practice can unwittingly leave out the agency of the woman. Accountability protocols, funding priorities or other institutional factors can cause subtle shifts in the work of domestic violence services, or at least in the way this practice is described, which in turn affects practice. The current practice environment is one “where, as [feminist sociologist] Dorothy Smith reminds us, the ideological and bureaucratic work of modern institutions are conducted and brought about largely through use of texts, which tend to standardize how
Reflective practice, perhaps supplemented by an independent viewpoint, may be needed to reveal the ways in which services for women leaving domestic violence can come to overlook the lived reality of those women.

3.3 Financial abuse

Domestic violence usually includes multiple tactics of power and control, and there is increasing evidence that economic abuse is both common and associated with more intense abuse. The ‘Duluth model’ of domestic violence (Diagram 2) makes clear that economic abuse is as much a form of systematic control and power as are the more recognised forms of family violence.

Diagram 2.

Source: Domestic Abuse Intervention Programs, 2011
A comprehensive Australian survey of the issue of economic abuse has recently been published, and includes many of the aspects discussed in this literature review (Macdonald 2012a). It is accompanied by a series of catalyst papers highlighting particular aspects of economic abuse, namely credit and debt practices in corporations, income security, child support, financial capability/education and community services sector responses Macdonald 2012b,c,d,e,f).

**Definition of financial abuse**

Financial abuse occurs across all groups of women but is often less readily identified than other forms of abuse. This is partly because it is relatively recently that this type of abuse has been included in commonly accepted definitions of domestic violence. Financial or economic abuse includes:

- control over day-to-day household finances and material wellbeing, for example:
  - denying the woman access to any money of her own, to the family's money, or to bank accounts
  - making her ask/beg for money from him
  - unilaterally setting an inadequate figure to cover household costs
  - stealing from the woman
  - denying access to financial information and decision-making
  - making the woman financially dependent and unable to meet basic needs
  - subjecting the woman to food insecurity

- denying accumulation of personal assets or eroding those assets, for example:
  - exerting power and control over a woman's salary, savings, debt, credit, and employment through actions or threats
  - bleeding dry the woman's personal financial resources
  - keeping assets in own name while woman forced to women dissolve her assets into household
  - using joint funds to gamble
  - destroying the woman's possessions

- manipulating credit and debt to the abused partner’s disadvantage, for example:
  - making the woman financially responsible for debt
  - building up debt and affecting a woman's credit rating
  - utilities or loans being registered in only the woman's name
  - the woman being forced to survive by accumulating debt
  - the woman being made bankrupt for his debts

- blocking access to social and economic participation, for example:
  - sabotaging education or employment through diverse tactics
  - not allowing the woman to work
  - denying access to means of transport or communication

- monitoring, over-controlling and scrutinizing the woman, for example:
  - maintaining dominance without physical contact
  - exerting control after the woman has left
Tools for Change Literature Review

- refusing to contribute, for example:
  - not being accountable for his own spending
  - refusing to work or claim benefits
  - refusing to pay bills
- exploiting women sexually in exchange for money


The results of economic abuse can be extreme deprivation. A case study cited in a Canadian report describes a woman being given too little money to feed the household. This woman was then abused for not providing food her husband liked, and, to avoid further abuse, she restricted her own and to, some extent, her children's diet while he received better quality food (Power, 2006).

Economic abuse erodes financial resources and undermines employment and education, resulting in longer term financial insecurity. Such insecurity increases the risk of returning to abusive partners and to a cycle of violence.

This kind of abuse can also continue after the relationship ends and ,after separation, bureaucracies can sometimes add to rather than reduce problems .For example, Child Support is often not paid, and banks' insensitivity to women's needs and the dimensions of financial abuse can block women in their quest for independence (Branigan, 2004: 33-34).

"The attitudes, beliefs and practices that perpetuate economic violence are often deeply entrenched and closely related with cultural, social and religious norms of a society" (Fawole, 2008: 170). Economic abuse in a developing context may include any of the above, plus unequal payment for work, lack of access to education, and discriminatory laws regarding inheritance, property rights, use of communal land and child support/maintenance. While the more obvious abuses have been legislated out of Australian society, the reality of accessing child support, or the family home, after leaving an abusive relationship still reflects an undercurrent of gendered power relations.

**Incidence of financial abuse**

Internationally, less is known about the prevalence of financial abuse than other more well-known aspects of domestic violence (Fawole, 2008; Sharp, 2008). Even in the US, where most of the relevant research has been conducted and where economic abuse is now universally acknowledged as part of domestic violence, it has not been widely studied and is not addressed through programs as readily as other forms of domestic violence (Shobe & Dienemann, 2007).

One study reported that economic abuse is present in 50 per cent of domestic violence cases, compared to 66 per cent physical and 88 per cent psychological abuse (Seith, 2001). Another study shows nearly 60 per cent of domestic violence cases included economic abuse (Shobe & Dienemann, 2007). This is echoed in UK research which generally shows economic abuse occurring in between half and three quarters of all instances of domestic violence (Sharp, 2008).
Australian attitudes about financial abuse

There is little documented research specifically on economic abuse in Australia, and community attitudes about economic abuse have not caught up with knowledge of other types of domestic violence. A recent national survey of Australian attitudes to domestic violence found that there was an increased understanding of non-physical forms of abuse but that one quarter of the community still do not see financial abuse as domestic violence. Further, only one third of respondents think it is very serious, while a fifth think it is 'not serious'. Significantly, this represents virtually no change in attitudes to financial abuse since the 1996 survey (VicHealth, 2010).

Costs and consequences of financial abuse

Given the emotional, social and physical impacts of financial abuse on women, it seems likely that many of the consequences will be the same as for other forms of domestic violence. In addition, the financial dependence that is created by financial abuse can have significant consequences and costs. First and foremost are the costs of staying in a financially abusive relationship which undermines the economic resources women need in order to leave. There may also be lasting consequences even when women do manage to leave, including:

- reduced financial confidence, knowledge and skills due to limited experience
- women’s long-term financial insecurity (see section below)
- poverty resulting from erosion of financial resources and of opportunities to increase income through education and employment; and
- homelessness due to lack of financial reserves and having to leave the family home.

(Commonwealth of Australia, 2007; Saunders, et al, 2007)

A UK study looked at the financial wellbeing over time of women who had been subjected to economic abuse (Sharp, 2008a: 38). The changing percentages tell their own story and raise many questions for further research:

<table>
<thead>
<tr>
<th>Positive responses to whether they were/had:</th>
<th>Before meeting abuser</th>
<th>Whilst with abuser</th>
<th>After leaving abuser</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undertaking education</td>
<td>37%</td>
<td>18%</td>
<td>30%</td>
</tr>
<tr>
<td>In paid employment</td>
<td>47%</td>
<td>37%</td>
<td>16%</td>
</tr>
<tr>
<td>Receiving benefits</td>
<td>18%</td>
<td>51%</td>
<td>84%</td>
</tr>
<tr>
<td>Savings</td>
<td>37%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Loan/credit card/ overdraft</td>
<td>12%</td>
<td>39%</td>
<td>30%</td>
</tr>
<tr>
<td>Rent arrears</td>
<td>20%</td>
<td>33%</td>
<td>55%</td>
</tr>
<tr>
<td>Other debts</td>
<td>8%</td>
<td>41%</td>
<td>37%</td>
</tr>
</tbody>
</table>

(Sharp, 2008b)

While the focus here is on the developed world, the issues can be understood within a global context where the effects of economic abuse can go even further, reflecting the greater deprivation of women and/or their lesser human rights. Impacts in developing countries include forcing women to beg, controlling access to basic health care and restricting their access to
agricultural resources. Economic abuse also promotes sexual exploitation and trafficking of women and girls as they try to break the cycle of poverty by 'commercialising their bodies' (Fawole, 2008).

In Australia, research has found that economic consequences are one of the key areas where the long-term impacts of domestic violence are felt, along with health, justice, child support, and parenting (Evans, 2007). In fact income, home ownership, and superannuation were the areas where the long-term consequences were most evident. This is despite the fact that most of the participants in this study, after using the welfare system at the time of their greatest vulnerability, went on to seek financial independence through further education and employment. They “often use the cessation of the abusive relationship to make significant life changes... to increase their employment prospects” (Evans, 2007: 24).

**An ecological model of financial abuse**

Diagram 3. An ecological model of financial abuse

An ecological model of economic abuse (Diagram 3 above) captures some of the complexity and illustrates the multiple levels at which it must be addressed (Macdonald 2012).

Financial abuse is a major aspect of domestic violence, and is especially important when discussing the financial capability needs of women leaving violence. Even where financial abuse is not part of the abuser’s pattern of violence, there will be injurious financial consequences for the woman. These may include short-term and long-term erosion of financial capital through health costs, interrupted employment, and re-locating. The following section outlines the inter-relationships between domestic violence, the diminished financial resources it creates, and financial dependence. In this discussion and the remainder of the literature review, reference to domestic violence in general is assumed to include financial abuse.

### 3.4 Financial dependence and domestic violence

Financial dependence emerges as a significant factor in the vulnerability of women who have experienced abuse. Whether they suffer financial abuse or other forms of domestic violence, their financial resources are lowered through a combination of increased costs, decreased reserves, and lack of access to knowledge, networks and opportunities. These multiple impacts create a damaging form of financial dependence.

Financial dependence is a term that needs some examination. It is often a benign consequence of entering a life stage such as getting an education, or becoming a primary care-giver. In these situations it is part of the economic interdependence that is healthy for families and communities, and the person (usually a woman) either chooses to be financially dependent for a period or expects to be as part of a life stage.

Our society accepts a collective responsibility to support people through times of financial dependence, if necessary, through the income security system. However, there has been a more negative portrayal of financial dependence in recent times, with public policy emphasizing workforce participation as the key to social inclusion and individual wellbeing. This implies that periods of financial dependence are aberrations rather than normative. Perhaps because of this, or perhaps because they have experienced damaging forms of dependence, women who have escaped domestic violence overwhelmingly want to be financially independent, not just from the abuser but also from family, creditors, and government (Braaf & Barrett-Meyering, 2010).

‘Financial independence’ is a key concept in building the financial capability of women in abusive relationships but is not usually specifically or consistently defined in the literature. One study, for example, measures it by employment status and history, while another defines ‘personal resources’ as a combination of income, education, and occupation combined, which virtually amounts to socio-economic status (Waldrop & Resick, 2004).

While women’s financial dependence on men was identified by feminists as part of women’s lack of power under patriarchy, the need for financial support, particularly in relation to child-rearing, has also been recognized as important if women are to have true choices. Both
financial independence and financial support for caring responsibilities are therefore fought for by feminist advocates, although there are different views on how these should be delivered.

The concept of ‘financial security’ is perhaps less contested than financial dependence. Women who have experienced domestic violence have a modest but nonetheless clear picture of what it means to them: food on the table, being able to pay the utility bills, being able to afford to study, having a decent home, having something saved for an emergency, and being able to plan for the future (Braaf & Barrett-Meyering, 2010).

**A circular relationship**

The links between financial abuse, financial dependence, financial hardship and domestic violence are complex. Financial abuse is a major cause of financial dependence and, at the same time, women’s lower economic status in every society increases their vulnerability to domestic violence. The relationship is circular. In developed and developing countries alike, as the abuse continues the woman has less money and reduced access to an independent livelihood, and is therefore more financially dependent (Fawole, 2008: 169).

Some argue that domestic abuse itself often has economic origins: “Domestic violence can be related either to the woman’s economic dependence or to her endeavours to become economically independent” (Seith, 2001: 807). Greater financial dependence can lead to higher levels of abuse and an increased likelihood of staying in the relationship. Quite simply, “the amount of money a woman has available to her is relevant to the options that she has in dealing with an abusive relationship” (Waldrop & Resick, 2004: 296). The decision to leave and sometimes to return is widely reported to be affected by economic dependence (see for example, Farmer, 1997; Ham-Rowbottom et al, 2005; Kim & Gray, 2008; Kurz, 1998; Barrett-Meyering, 2010; Patton, 2009; Sharp, 2008; Waldrop & Resick, 2004). Further, protecting self and children from the abuse complicates financial decisions (Saunders et al, 2007).

In brief, the problem is that:

1. Financial insecurity and economic abuse put many women in the position of having to choose between staying in the abusive relationship or facing poverty
2. When they do leave, women face multiple economic barriers to financial independence and to meeting basic needs
3. Women can move towards greater economic security and financial independence over time, but only if and when they have the opportunity; and
4. Domestic violence services do not usually currently incorporate formalised economic interventions and development tools into their array of services

(Saunders & Schnabel, 2006).

This is acknowledged in the Australian Government’s National Plan to Reduce Violence against Women. This plan states that while domestic violence affects women across all socio-economic groups, Australian women who have lived with a violent partner are more likely than other women to experience financial difficulty. The Plan therefore argues that because:
“financial dependence is a major factor influencing a woman’s decision to remain with a violent partner… [and] domestic violence is also often associated with poverty and homelessness… financial independence and security are essential for leaving an abusive relationship” (Commonwealth of Australia, 2009: 46).

To break this nexus between financial insecurity and domestic violence, financial capital (income and assets) should be included amongst the other protective factors for domestic violence such as social capital (family, friends and community connections) and human capital (education and employability) (Shobe & Dienemann, 2007).

**Causes of financial dependence in domestic violence situations**

Understanding the financial dependence that is often such an intrinsic part of domestic violence requires an analysis of broader structural constraints on women’s financial independence. It has been said that women are “only a husband away from poverty” because of patriarchal assumptions embedded in patterns of childcare, employment and income security: separating from a husband turns women into welfare recipients whereas separated men remain economically independent (Seith, 2001: 802). These underlying structural factors are discussed in more detail in a later section.

The combined effects of women’s lower asset and income base in general, and the financial erosion created by the abuser’s many strategies of control and destruction, typically leave women with few assets, low income, no access to credit, low financial knowledge and confidence, and a focus on day to day survival rather than the long term. This makes financial independence unattainable for many or only possible at the cost of poverty for themselves and their children (Sharp, 2008).

An Australian study of the economic factors affecting 57 women who had experienced domestic violence was recently conducted by the Domestic Violence Clearing House for the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (Barrett-Meyering, 2010). The study provides the most substantial understandings to date of the links between financial resources and domestic violence in Australia. It identified four crucial links:

1. Economic issues are a key factor in the decision to stay or leave
2. Poverty or financial risk often results from domestic violence
3. There is a lack of perpetrator accountability for the economic impacts of abuse

Importantly, Barrett-Meyering analyses what financial security means from the woman’s point of view. It is both ‘having enough to get by’ and a means of empowerment to regain a sense of self and agency. It is also a means of being able to plan ahead, to stop worrying about the future, and to have choices and be more independent of others. Another report from the same study mentions the added financial vulnerability of migrant women due to their lack of knowledge, confidence and capacity to access entitlements and services (Braaf & Barrett-Meyering, 2010).
This supports the findings of an earlier UK project: *Addressing the financial needs of women and children experiencing domestic violence* (Refuge, 2005). This study found that economic abuse and other forms of domestic violence commonly leave women without the confidence, knowledge or even paperwork required to be financially literate and financially included in British society. Women from immigrant groups were, again, found to be especially vulnerable due to language barriers and having no experience in paying bills, getting welfare benefits, setting up a bank account, budgeting or managing the debts incurred in the relationship which they often still carry. For all women, the required papers to open a bank account may be unavailable, and encounters with banks can be insensitive to circumstances of domestic violence, lack privacy and sometimes undermine safety. In rural areas this is even more difficult. Generally women received help in these matters primarily from domestic violence services, and sometimes the Citizens Advice Bureaux.

Employment has been identified as a key pathway in the journey away from violence for the access to independent income it provides, as a daily escape from the domain of the partner’s control, and because of the sense of normality it creates. The Barrett-Meyering study (2010) looked into employment options before and after violent relationships and found significant barriers to employment including limited child care, age discrimination, disability discrimination, lack of transport, limited meaningful and well-paid work opportunities, welfare to work reforms and other concerns about Centrelink payments. Men’s abuse pre and post separation also poses a direct challenge to women’s employment through sabotage, stalking, and pressure, as well as through the impact of trauma on the capacity to work. This supports US research findings that there is a complex interrelationship between abuse, welfare dependence and employment, and that:

- partner sabotage of work is a clear phenomenon reported in multiple studies
- abused women seem *more* likely to have worked full-time and to want to work or study, and yet are also more likely to be on welfare support, using it strategically in response to the abuse; and
- while some abused women *increase* their workforce participation, overall the evidence is that women keep trying to work but violence creates problems for them keeping their jobs (Lyon, 2000).

Abusers use isolation from formal and informal social networks as a means of exercising control over their partner. This has financial consequences, reducing the opportunity to exchange goods and services or otherwise procure cheap necessities. Restricting the social capital of the woman also reduces her capacity to take up education or employment. Even when women leave abusive relationships they often have to sacrifice social networks through leaving the area, further weakening their financial resources (Shobe & Dienemann, 2007). Family Violence legislation in Victoria addresses this to some degree by enabling women to stay in their own home.

Yet in our society, and our system of support services, success for women leaving domestic violence is too often measured by their ability to live independently, including of the income
security system (Ham-Rowbottom et al, 2005). The cyclical relationship between domestic violence and socio-economic factors is in part a result of the community’s lack of financial support for women in the form of adequate, appropriate income security. A key role of government policy is to ensure that ‘circuit-breakers’ are offered through income support and subsidized housing (Sharp, 2008). Without this support women are too often trapped in the abusive relationship by their financial dependence upon the abuser.

**Effects of financial dependence: trapped in poverty and violence**

It is clear from the above discussion that "Women with economic resources are more able to end an abusive relationship and less likely to enter an abusive relationship" (Shobe & Dienemann, 2007: 189). This was summed up in a recent US review of the literature on financial independence and domestic violence, and confirmed by a survey of over 400 women (Kim & Gray, 2008):

- since the early 80’s research has shown that economically dependent women are less likely to leave
- income is the strongest predictor of leaving or staying
- economic dependency is the primary reason women do not leave and the primary reason they return: economic concerns prevailed over safety for these women
- escaping violence often leads to poverty (and this inhibits women from leaving); and
- employed women or those on welfare income are more likely to leave.

Consideration for the material needs of children is also a primary reason for staying, and for leaving. Having adequate housing and food for their children and providing for their education and recreation have to be balanced against protecting them from violence, witnessing violence and/or dealing with its aftermath (Parkinson et al, 2004; Sharp, 2008). Domestic violence has a huge effect on the economic wellbeing of women who have experienced it, including loss of employment, homelessness and severe economic strain, and lack of financial confidence (Shobe & Dienemann, 2007). A US survey of the impacts of domestic violence on women’s employment, for example, found that:

- 40% of battered women reported domestic violence had made them late for work more than 3 times in previous month
- 34% reported missing whole days of work
- 23% reported difficulties advancing their careers
- 20% reported difficulties keeping their jobs.
  (Chronister et al, 2004)

Further, the same report found that:

"Neglecting their economic and career potential often results in their struggling to financially support themselves and their families in the long term, thereby increasing the risk for returning to their abusive partners and a cycle of violence."(Chronister et al, 2004: 904)
In another US study (Ham-Rowbottom et al, 2005) of 81 women who had been in a domestic violence refuge, 56% were employed when they entered the refuge but half of these had to leave their jobs in order to move into the refuge, over one third lived at or below poverty line, and less than a quarter were receiving the child support they were entitled to. In addition, it was found that "After leaving the shelter, many encountered serious financial difficulties, such as having their utilities turned off or running out of food." (Ham-Rowbottom et al, 2005: 116.) Even when living violence-free after refuge, the ongoing financial difficulties caused physical privations as well as psychological problems such as depression.

The ramifications of financial dependence go beyond the material. Women with more financial resources are more likely to have social contacts and support (Waldrop & Resick, 2004), which in turn affects their ability to leave and re-build.

3.5 Household financial stress and domestic violence

Poverty, stress and masculinity

"Poverty is both a cause and a consequence of economic violence" (Fawole, 2008: 169). This is a typical claim made in the literature, but the association between poverty and domestic violence is a contested area. The World Health Organization lists poverty as a risk factor for domestic violence (Sharp, 2008) and there is considerable evidence in the US that domestic violence is more prevalent in poor households (McClosky, 1996; Chronister & Wettersten, 2004; Weaver et al, 2009; Kurz, 1998). There is, however, an understandable reluctance to feed prejudices against this particular socio-economic group when domestic violence cuts across all classes and when advocates have worked hard to have domestic abuse understood as a reflection of the patriarchy that underpins the whole of society. The relationships between household financial resources, class, and domestic violence are complex and are mediated by variables such as social attitudes, neighbourhood disadvantage and individual financial hardship (Weaver et al, 2009).

Abusive men exert power and control over their partners for a range of reasons. One research study found that where the woman is in paid employment and not the man, her greater financial autonomy can be met with increased domestic violence (Seith, 2001). Another study of 365 battered and non-battered women found that both income disparity between partners and lower socio-economic status are risk factors for domestic violence. One possible explanation given was that the men "experience frustration within the broader economic sphere but release it against those most conveniently accessible and less powerful" (McClosky, 1996: 450). It was found that this frustration and the undermining of masculine roles that can lead to domestic violence can be triggered by either male unemployment or when their wife starts to earn more.

An alternative explanation is that poorer men have fewer ways to control their partners than men who can exert control by using their greater economic resources (Kurz, 1998).

Economic strain has been shown to increase the rate of domestic violence: one study found that abuse occurred at a rate three times as high in households under severe financial stress (Shobe
A comparison of women on very low income and those on a low to moderate income also demonstrated this relationship. It was found that women in the former group were more likely to stay in the abusive relationship and that this was linked to financial stress (Weaver et al., 2009). This added dimension makes it difficult to know if abusive men are reacting to the erosion of masculine power, for example, in losing a job or lacking enough money to compete effectively in our market-dominated society, or to the actual economic strain they experience (McClosky, 1996).

These explanations are useful to understand risk factors for women, especially as the very factors that empower women – education, employment, and increased financial resources – may also endanger them. However, feminist analysis understands domestic abuse as a consequence of patriarchy and the unequal power relationships between men and women that are inherent within it (Lambert & Firestone, 2000). It has been maintained elsewhere, for instance, that “All forms of abuse also appear to be higher in families that are more patriarchal in organization and where families are isolated” (Lambert & Firestone, 2000: 52), demonstrating the complex relationship between patriarchy, poverty, and domestic violence.

Women’s financial power - increasing or decreasing their vulnerability?

While access to economic resources is central to women’s decision making and safety planning (Lyon, 2000), attempts to increase their financial independence and empowerment – for example, through education and employment – can sometimes cause the opposite outcome to that intended. Often increasing independence threatens the abuser’s control, who then increases the abuse and adds to her level of personal danger (Shobe & Dienemann, 2007). This has also been noted in research with refugee communities both here and internationally (Rees & Pease, 2006).

On the macro level, the rise in women’s power in society has been accompanied by a rise in violence against them:

"When men lose power over women in relationships, when as a class they have economic and political supremacy, they feel entitled to revert to physical threats to augment their control" (McClosky, 1996: 460.)

According to this analysis the negative effect of a rise in women’s rights does not usually last but fades over time. The violence eventually diminishes when a threshold of rights is reached.

3.6 Women’s low financial resources and domestic violence

Structurally women have lower financial resources than men due to assumptions regarding gender roles and the ways in which employment, income security, child support and other systems are set up. Just one example is the “profoundly under-recognized phenomenon” of financial abuse and how it is “deeply hidden within societal expectations that a couple will equitably share their financial resources for the good of the whole family”. This results in the feminization of poverty regardless of household wealth (Branigan, 2004: 11). Often household surveys of financial resources assume those resources are shared more or less equitably within
the household. The level of domestic violence in the community would indicate that this assumption is not warranted in a significant proportion of households, and the intra-household distribution of food and economic resources needs further study (Power, 2006). In the meantime any analysis needs to separate household income/assets from individual financial positions due to the clear evidence that household resources are often not equally distributed (Westaway & McKay, 2007).

The prospect of a financially secure long-term future is eroded directly by financial abuse, and indirectly by all the actions necessitated by domestic violence. Furthermore, if "Financial security is one of the most significant factors in long term healing and moving on for victims of domestic violence" (Braaf & Barrett-Meyering, 2010), then the relatively lower financial resources of women within our society need to be taken into account. There are many ways in which domestic violence leaves a woman worse off financially. These compound the structural barriers that lower women’s access to financial resources in general. Struggling with domestic violence takes away the time, capacity to plan, and confidence needed to build economic security. Women exiting violence often lack immediate financial resources such as access to cash, cheque books and credit (Saunders & Schnabel, 2006). They often leave with no financial assets having been isolated from financial resources by their partner (Kurz, 1998), and protecting self and children adds complications to financial decisions (Saunders et al, 2007). Chronic financial deprivation also creates a high level of personal stress which impacts on physical and psychological health (Sharp, 2008).

Post separation, violence and the threat of further violence also prevent women from seeking and obtaining their rightful child support payments (Kurz, 1998; Sharp, 2008). A US study has found that when mothers who had left abusive relationships cannot access income security (due to the welfare regime which removes payments after a certain period to force women to find employment) they are sometimes forced to return to abusive men for assistance. These men provide such assistance as a roof over their heads, child care, or help with bills. The assumption that women can be financially independent if they choose, however, is erroneous: there are times when carer responsibilities impose dependency and, if women cannot rely on the state for support at these times, they must rely on others, even at the expense of the safety of themselves and their children (Scott et al, 2002). While in Australia the child support system is designed to ensure economic justice for separated parents, there are a number of shortcomings that mean women exiting a violent relationship often do not get their entitlements (Macdonald 2012e).

Women are also at a disadvantage when it comes to building up a financial buffer due to structural factors like lower wages, which effectively reinforce women’s economic dependence on men. Having financial assets or an income of her own provides an abused woman with more options, whereas "Low income women who are dealing with intimate partner violence may be especially economically vulnerable" (Saunders et al, 2007). Financial capital provides economic protection, future investment opportunities and even access to a safer neighbourhood. Women who cannot acquire assets are left without this 'economic safety net' and are vulnerable to even minor financial crises (Shobe & Dienemann, 2007).
Lower financial literacy has similar causes and therefore tends to overlap with lower economic security. These include: carer responsibilities, poor asset-building opportunities, employment discrimination, and financial exclusion from products and services (Commonwealth of Australia, 2007).

Some areas are particularly problematic for women in terms of building their financial resources, and are exacerbated by domestic violence. These are outlined below.

**Mothering and caring**

It is reported that women tend to have a relationship with money that is mediated by feelings and family responsibilities (WIRE, 2007). While their day to day financial skills are on average equal to or better than men’s, they are less focused or knowledgeable about long term financial planning and ensuring their own financial futures. Instead, they typically concentrate on meeting the immediate needs of children and other family members. At the same time they often feel embarrassed and fearful of their lack of sophisticated financial knowledge.

In domestic violence situations, looking after children’s physical and emotional needs also comes before accumulating assets for a rainy day. In situations of economic abuse, for example, women reportedly go without food or basics for themselves in order that children have a decent meal. When domestic violence infects a family the ‘rainy day’ has arrived, and if there is no financial buffer in place there is usually no way of acquiring it during the crisis. Financial problems play a sizeable part in the woman’s decision to leave or stay, but even more so for women with children because of concerns about child care needs and financial problems (Hendy et al, 2003).

**Social support**

Social and emotional supports are clearly pivotal for women struggling to leave an abusive situation. According to one study, the most common support reported by women in domestic violence situations was emotional support from close friends who were also abuse victims. Satisfaction with support networks was a predictor of self-esteem, emotional health, and loneliness. When asked, however, the most satisfying type of support most nominated was financial and practical help from family (Fry & Barker, 2002).

The woman’s social support is a means of coping that is often undermined not only by domestic violence but also by lack of financial resources. In abusive situations social support also provides substantial access to important social capital such as emotional support, information and new ways of thinking, allowing them to reevaluate their situation and develop more personal agency (Waldrop & Resick, 2004).

The other side of social support which is complicated by domestic violence is supporting extended family and friends, including maintaining off-shore remittances in the case of migrants and community obligations in the case of Indigenous women. Refugee women have a different set of vulnerabilities created by arriving with no financial resources, sometimes with debts to community members who have paid for airfares, and often with limited opportunity to build up
financial reserves here. These types of obligations can keep women in abusive relationships for financial reasons (Rees & Pease, 2006).

Credit and debt

The woman may carry debts acquired through the abusive relationship (sometimes quipped ‘sexually transmitted’ debt), either willingly or through coercion or deception, including loans taken out to run or invest in businesses or property (Parkinson et al, 2004, Macdonald 2012b). In rural areas there are often huge debts associated with farms and the situation of women farmers needs particular attention. Debt incurred during or as a result of a violent relationship increases financial vulnerability and socio-economic problems (Braaf & Barrett-Meyering, 2010).

Where financial abuse is involved, there may be the compounding problem of the woman having no credit rating if she has been excluded from using financial services. Worse, she may have a poor credit rating as a result of being co-signatory or indeed the only signatory on debts which the abusive partner actually incurred (Commonwealth of Australia, 2007).

Home ownership and asset accumulation

Women typically have fewer assets and accumulated wealth than men, and this makes them more vulnerable to staying in domestic violence. When they do leave, women will often have to leave behind significant assets which they have great difficulty recovering later because fear of and actual abuse continue after separation. Too often women and their children end up living in poor quality rental housing while the perpetrator continues to reside in the comfortable family home. In the worst case but not uncommon scenario, this can lead to homelessness. This connection has been very thoroughly documented although new impacts are continually unfolding, such as the increasing number of older women who are now homeless (McFerran 2010). Yet significant financial assets such as are invested in a home or a car are what women need to get back on their feet after years of domestic violence: “Financial assets, such as home ownership and savings, provide economic stability, a means to buffer financial crises and appreciated wealth over time” (Shobe & Dienemann, 2007: 188)

Education and employment

As has been discussed above, domestic violence is a barrier to employment including through sabotage by the abusive partner (Kurz, 1998; Shobe & Dienemann, 2007). This is especially damaging amongst women with low education levels. "One of the most serious disadvantages that poor, abused women face is that they frequently have little job experience and thus have difficulty gaining access to secure employment - the most important means for securing economic well-being" (Kurz, 1998: 108). Some research also suggests that women may be unprepared psychologically to become the breadwinner (Sharp, 2008).

Time for Action: The National Council’s Plan for Australia to Reduce Violence against Women and their Children, 2009-2021 has chosen to address this inequity. It states that “Australian research shows a correlation between domestic violence and poorer economic outcomes after the event. For example, domestic violence victims tend to have a history of unemployment and
have higher levels of job turnover. They also report less job stability, more interrupted work patterns, and tend to be employed in lower skilled and lower paid jobs with little opportunity for promotion” (Commonwealth of Australia, 2009: 46). This situation often continues for many years after the violence ends, showing violence can impact long-term on women’s capacity to be economically independent and secure.

3.7 The broader context: Gender-based barriers to financial security

"Women and girls are deprived of equal access to economic resources, opportunities, and power in every region of the world” (Fawole, 2008: 170). Gender-based inequities are fertile ground for domestic violence making it easier for men to use their power over women, harder for women to leave abusive relationships, and more likely that broader systems such as the market, business and government will unwittingly perpetuate the abuse.

Throughout the world gender-based barriers to financial security are plainly evident: of the world’s poor, 70% are women. Poverty denies people their human rights such as education, food, health, housing and freedom from violence (Fawole, 2008). On average women work longer hours (both paid and unpaid household work) but earn less and have fewer assets in both developed and developing countries alike.

Poverty is generally accepted to be a relative concept that exists even in advanced economies like Australia, and: “Women generally are more at risk of poverty than men in Australia due to their concentration in lower wage earning occupations and in casual and part-time employment, and to their time out of the workforce when caring for family members. For those in paid employment, Australian women earn 84 cents for every dollar that men earn” (Commonwealth of Australia, 2009b: 44). They experience significantly less financial security (Quinn, 2008; Security 4 Women, 2004).

Gender differences relating to assets and debt in both the UK and Australia appear to be similar. A large-scale UK study of finances through life stages and crises found that women’s savings and debt are more affected than men’s by life events and transitions. This is in large part due to structural reasons such as lower pay and interrupted work patterns that occur as a result of caring responsibilities. It may also be attributed to some enduring traditional attitudes that assume women look after day-to-day finances and men the long-term financial security. A picture emerges of “women apparently making financial arrangements that are as or more prudent than men’s... but ending up worse financially” (Westaway & McKay, 2007: 11):

- women are more likely to have a savings account but have less saved
- women owe less money but debt is more likely to be a problem for them
- women start out saving as much superannuation as men but end up with lesser amounts saved.

As the study concludes, the image is of "women trying to manage their money well, but finding that their different life experiences - of lower incomes, breaks for caring and relationship breakdowns - got in the way” (Westaway & McKay, 2007: 11).
An Australia-wide survey of financial literacy, while providing a snapshot rather than a study of financial decisions and circumstances over the life course, echoes this characterization (Financial Literacy Foundation, 2008). Women in Australia:

- worry more than men about money
- are more focused on managing a budget
- are more likely to save
- are much less confident about investments
- are less likely to have a credit card and are more debt averse but more likely to have debts
- have less significant superannuation savings but are concerned about long-term financial security.

The evidence shows that women are more risk-averse and careful but end up more anxious and less financially secure.

A study by WIRE Women’s Information, surveying the financial literacy of women, provides a gender analysis which can explain these findings. It finds that women face financial vulnerability through structural discrimination in the economy and the labour market and bear the brunt of financial pressure in families (WIRE, 2007).

The 10 Point Plan for Victorian Women’s Health (2009) lists the following gender-based inequalities in Australia:

- 57 percent of women participate in the paid workforce (compared to 72 percent of men)
- across Australia, women’s average full-time weekly earnings are 17.4 percent less than men’s. When part-time and casual work are taken into consideration, the total earnings gap between men and women is 35 percent
- women have significantly lower superannuation savings than men
- 71 percent of primary carers in Australia are women- with over one in four (26 percent) women carers reporting fair to poor health compared to 12 percent of women generally; and
- in 2006, 87 percent of one-parent families with children under 15 years were headed by women.

There are, in addition, some less quantifiable inequities restricting women’s long term financial security:

- women can have trouble balancing paid and unpaid work commitments
- having flexible work options for family reasons sometimes results in women having lower levels of responsibility and pay
- taxation and social security arrangements on women’s superannuation do not redress the inequities caused by the structural differential capacities to earn and save
- availability and cost of child care affects employment options; and
• lack of skills, recent work experience and economic networks hinder employment opportunities (State Government of Victoria, Office of Women's Policy, 2008)

These structural barriers to financial independence are similar to those reported in the US, as are the findings about women’s lower levels of financial confidence in general (Saunders et al, 2007).

The WIRE survey of women’s financial literacy needs found deep underlying relationships between money, family, and emotion. Women across all socio-economic groups felt overwhelmed, fearful and ashamed about their perceived incompetence with money and inability to secure their futures financially. This research also identified significant life changes – new employment, divorce or separation, death – as stimulating financial learning and control for women. However women’s experiences vary, especially amongst CALD women and Indigenous women (WIRE, 2007).

In rural areas of Australia there have been significant changes in gender roles as a result of drought. This includes women seeking more off-farm employment and increasing their contribution to farm work, as well as other gendered impacts including increased isolation and lack of supports. Long-term financial hardship and insecurity negatively affects women’s health. Poverty and financial uncertainty are greater for marginalized and minority women as they are coupled with gender specific inequities (Victorian Women’s Health Services, 2009).

There are also structural barriers in the way that financial services operate, especially in rural areas where women have less choice. Rural women find banks often discriminate against them as women, unwittingly making economic abuse easier (for example, giving the man access to a bank account) (Commonwealth of Australia, Australian Government Office for Women, 2007). Women who have been kept out of financial decisions experience further financial exclusion if banks are insensitive to financial abuse, for example they may have difficulty opening a bank account if no previous accounts are in their name. Women from Indigenous and CALD backgrounds often have additional barriers to financial inclusion as they may lack paperwork for the ‘100 points’ proof of identity.

Both the Australian income security system and the child support system are in place to ensure the right to an adequate income, yet both can present major impediments to women’s economic independence moving away from domestic violence. There is research evidence here and in the UK that some women do not pursue child support because of the danger it may pose to them and their children (Patton, 2009; Sharp, 2008). Our immigration system also creates opportunities for women to be exploited through their limited access to health and income entitlements.

If a gender-lens specifically sensitive to domestic violence was applied routinely to these major institutional systems the problems they present to women in leaving domestic violence would be detected and could be addressed.
3.8 The knowledge gaps

What is the full extent and nature of financial abuse in Australia?

There is strong evidence in the overview provided above that there is a need for research that thoroughly describes and quantifies financial abuse in Australia. Meanwhile, services and programs for women who have experienced domestic violence present valuable opportunities to systematically gather qualitative data about the extent and nature of financial abuse and its effects. The opportunity is also present to use this research for policy advocacy.

How could our financial services and institutions prevent domestic violence?

Community organizations can inform and advocate for structural changes using evidence gathered through service-provision. The research highlights several structural financial ‘hotspots’ for women attempting to leave domestic violence and re-build their lives such as the tendency of many women to stay in abusive relationships to avoid poverty and deprivation for themselves and their children. Making the child support and income security systems more responsive to the needs of women experiencing domestic violence would significantly bolster their financial resilience and security. Financial institutions also need to be sensitized to the signs of financial abuse and to the financial needs of women fleeing domestic violence.

How does domestic violence erode financial resources and capability?

Even in the US where there has been a great deal more research than in Australia there is still a need for research to investigate:

- the role of financial issues in experiences of domestic violence and in the ability of women to obtain safety,
- the effectiveness of economic education in reducing domestic violence and/or increasing financial independence, and
- the impacts of asset accumulation for women who have experienced domestic violence (Saunders & Schnabel, 2006)

This need for an evidence base about the links between domestic violence and financial dependence, abuse and hardship is even more pronounced in Australia where very little research has been done.

What builds financial capability?

Money and financial goals are essential parts of a woman’s safety plan and strategies are needed to address short and long-term financial well-being. Yet there are still few policy tools or program components available to improve economic options. This is the case even in the US where a large number of studies have raised awareness of the roles of unequal economic power and of poverty in increasing risk of domestic violence (Saunders & Schnabel, 2006).

Again the US literature is the most comprehensive, but includes few studies of financial education programs for women who have experienced domestic violence (Saunders at al 2007), largely because few such programs exist:
“Although domestic violence experts have known that poverty, financial concerns, and intimate partner violence are often interrelated, few communities have designed targeted strategies to deal with this reality” (Saunders & Schnabel, 2006: 63).

Implementing such a financial education program as *Tools for Change* brings with it the opportunity to gather important data about women's financial needs and how to meet them.
Section 4: Building financial capability amongst women who have experienced domestic violence

Across the globe women need governments to not only challenge domestic violence and financial abuse directly, but to also implement comprehensive strategies to challenge the prevailing structures which limit women’s financial independence: "Only when equity is promoted between men and women will economic violence no longer be the norm" (Fawole, 2008: 175). Economic empowerment is required to increase the economic options of women leaving domestic violence, to educate them about financial choices, and to support them to become financially independent (Saunders & Schnabel, 2006).

Attention is finally being focused locally on the issue of financial dependence as a factor exacerbating the damage done by domestic violence (for example Branigan, 2007; Barrett-Meyerering, 2010). A recent current study states: “Financial security is one of the most significant factors in long term healing and moving on for victims of domestic violence” (Braaf & Barrett-Meyerering, 2010). Some of the reported findings from this research are that debt incurred during or as a result of a violent relationship increases financial vulnerability and socio-economic problems, and that migrant women are especially vulnerable due to lack knowledge, confidence and capacity to access entitlements and services in this situation. It was found that the key areas of concern for women are: safety, housing, social security, child support, health care, legal battles, employment and education, bill payments and debts, and financial literacy (Braaf & Barrett-Meyerering, 2010).

There is widespread recognition internationally of the need for services to develop greater understanding of and more comprehensive responses to economic abuse and to the financial dimensions of domestic violence (see for example Fawole, 2008; Westaway & McKay, 2008; Waldrop & Dienemann, 2004; Saunders & Schnabel, 2006; Postmus et al, 2009). The US again has the most comprehensive body of literature. One very relevant study investigated the views of both domestic violence service workers (‘advocates’) and the women they work with about providing assistance with financial security issues. Women reported that financial advocacy was very helpful when they got it, but that it was only inconsistently offered. Domestic violence advocates also "readily acknowledge economic needs of battered women yet seem uncertain about how and when to help women with economic issues" (Von De Linde, 2002: 6). The reasons for their doubts were found to be:

- the domestic violence service offers short term support and the workers believe economic advocacy may need a longer-term response,
- some domestic violence workers believe self-empowerment would be undermined by providing financial advocacy because there is no clear framework to deliver economic advocacy in an empowering way,
- there is no clear role in delivering financial advocacy,
- there is inconsistent knowledge and no systematic training of domestic violence workers; they know how to determine if a woman is poor but not how to respond,
there are powerful system barriers to financial security like welfare benefit eligibility; and requirements, welfare system insensitivity, and lack of resources in domestic violence services to meet this need.

This study concludes with a challenge:

“The difference between advocate-defined empowerment and what women say they need to become economically secure are important. Perhaps some battered women need help maneuvering around systems that domestic violence advocates in this study themselves said were ‘confusing, constantly changing, and unclear in their eligibility requirements’” (Von De Linde, 2002: 9).

Another US study found that the support services most commonly provided (professional counselling, emotional support and legal services) were not those rated by women leaving domestic violence as the most helpful:

“The services and supports perceived as most helpful were those that were material, such as food banks, income security, child care, housing, education, and job training.” (Postmus et al, 2009: 862).

This research indicates that emotional needs may be better addressed after practical needs.

Existing services to women, including domestic violence services, need to develop a greater focus on financial capability. Historically, the Victorian service response to domestic violence has rightly concentrated on providing safety in the crisis stage. Part of ensuring safety is assisting a woman to leave and then if necessary supporting her to stay out of the abusive relationship. The literature strongly supports the view that financial considerations are crucial in this process, and that women need services to overcome both psychological and material barriers to leaving. The current integrated service system lends itself to the possibility of adding collaboration with services able to provide financial support to the suite of responses available to women. Partnerships and collaborative arrangements with this specific purpose have been pioneered and documented in the US (Bonica, 2000). In Victoria the Spotlight on Economic Abuse project, an initiative of Good Shepherd Youth & Family Service and Kildonan UnitingCare, has addressed the need and opportunities for collaboration between service sectors on the issue of economic abuse (Viewed 5 Feb 2013 at https://www.goodshepvic.org.au/Assets/Files/Economic%20Abuse%20Literature%20and%20Policy%20Review%20Final.pdf ).

Given the relationship between financial capacity and domestic abuse that has been explicated earlier in this review, it is not surprising that numerous studies conclude that contextual factors such as financial resources, job skills, access to services, and social supports are critical. Women with financial problems and/or economic barriers, including difficulties with housing, transport or employment, need practical support. Some studies find that financial assistance and employment help are deemed by women to be more helpful forms of support than any other. This may even be true for women from higher income brackets who have not been
managing the household finances, and do not know about available services such as low cost health and legal support, and education and employment programs (Hendy et al, 2003).

There is evidence that financial support services will only be effective and empowering if they are underpinned by an understanding of how unequal gender-based power relationships affect their situation (Lambert & Firestone, 2000; Saunders et al, 2007). We need to know more about which services women find most helpful. There is still a widely recognized lack of program tools and policy supports to enable service providers to understand and address this gap (Postmus et al, 2009).

4.1 Women’s financial learning and support

Adult learning

Research conducted into the financial information needs of women living on low income found that financial education should be sensitive to the context in which people are living, acknowledging their capabilities and strengths as well as their difficulties. It should also be adapted to the various life transitions when new information is needed. Financial information and education needs to be provided within accessible community services where people already seek support in a crisis event or a normative life transition, and those services need to be adequately resourced to provide this assistance. Consistent with the principles of adult learning, financial education should value participants’ time and expertise, give practical real-life applications of knowledge, and offer self-directed learning opportunities (Landvogt, 2008).

One conceptual and practice framework for financial education is consumer education, including both the ‘informed choice’ approach which aims to provide information, knowledge and skills to enable people to make better choices, and the ‘critical’ approach which helps people become aware of and challenge the political and social context which limits their choices (Flowers et al, 2001). While consumer education can be formal or informal, community-wide or individualized, one well-established approach places participatory learning at the core of any effective education process. This is consistent with adult learning principles, as is recognizing that lay knowledge, as well as expert knowledge, has a key role to play. Strategies might include, for example, activities where people can learn from each other in groups, or participation in action research to define their own needs and help implement solutions (Flowers, 2001).

Critical literacy

Paulo Freire’s ‘critical literacy’ approach has been applied in the area of financial capability to create a community development model for financial education (Landvogt, 2008). In Freire’s approach the starting point is always the lived experience and knowledge of the learner, and the learning process involves a dialogue between teachers and learners, rather than delivering a curriculum that embodies the agenda of the dominant social discourse and actors (Freire, 1970).
Freire’s ideas regarding ‘conscientization’ and ‘critical consciousness’ also continue to have importance to the delivery of services to women and other groups who are oppressed. In this approach, to overcome oppression, people must first, through dialogue, critically recognize its causes and then begin to take action to change themselves and therefore their situation. Through this process of ‘conscientization’ eventually the person redefines herself and her reality (Chronister et al, 2004).

The approaches developed by Freire continue to be used in community development practice to empower disadvantaged populations, making it relevant to addressing women’s financial knowledge and empowerment after domestic violence.

A strengths-based approach

One Victorian organisation is well known for their strengths-based approach to community services, which they combine with a solution-focused approach (St Luke’s Anglicare, 2010). This approach aims to empower people by listening, identifying and supporting the person’s strengths and resources to address any barriers or blockages that prevent them from reaching their goals. It is viewed as an approach that gives better outcomes than those that emphasize the identification of problems and deficits (McCashen, 2005).

Coupled with a feminist perspective this approach has been shown to be an empowering way of working with women in preparing them for mentoring relationships. It is about sharing power and is a move away from a deficits based focus on oppression and powerlessness (Boddy et al, 2008: 206).

Further, strengths based approaches and a focus on resistance and resilience can be extremely valuable for women recovering from and rebuilding their lives after (and during) domestic violence. One survivor is quoted as saying:

“By knowing that I actually resisted, it helped me feel like it wasn’t my fault. But if I never resisted, then it means I went along with it, which means I wanted it, which means it was my fault. How could I live with myself, be that kind of person. To think that I actually fought back, I could get through from that, that feeling. Then I can have a bit of pride, have more self-worth. Then I started to get back some of the things I didn’t have before, like feeling some dignity or having some value as a person” (Wade, 1997: 38)

Women’s learning

Research conducted by WIRE showed that Australian women need financial information presented in a way that is sensitive to their life circumstances. Women are usually wary of consulting financial advisors, accountants and bankers and feel alienated by the financial services industry (WIRE, 2007). Research conducted by Good Shepherd Youth & Family Service found that family well-being and relationships was a higher priority for the women participants than financial security, that women typically prefer to learn in groups of other women, and that they can be motivated by their desire to support each other as much as or more than by their own need to learn (Landvogt, 2008).
In another Good Shepherd research project (Healey, 2009) into the long term needs of women leaving domestic violence, group work was found to support women by:

- promoting safety,
- empowering participants by speaking out about family violence, including expressing views on public policies relating to it,
- educating and raising understanding about family violence, grief, anger, shame and guilt, boundaries in relationships, parenting, wellbeing, self-esteem, safety, and healthy relationships,
- sharing and validating their own knowledge as experts in their own lives,
- enabling emotional consequences to be processed in a safe environment; and
- encouraging ‘normal’ relationships, the re-establishment of social relationships (often destroyed by the violence) and thus ameliorating the effects of social isolation owing to family violence.

The women’s refuge movement can be credited with pioneering the use of shared experiences within safe group settings to overcome the impacts of abuse. Group work counteracts secrecy, overcomes isolation, facilitates empowerment and links the private and public worlds (Laing, 2001). Women’s learning and support groups, of which many groups for abused women are one type, provide a site for women to regain confidence, to gain increased personal agency and to express their social citizenship through caring for self and others. For women whose experience has been demeaned and ignored, the particular contribution offered by groups and peer support is that when someone else who you think is sane says they have experienced the same thing as you, you realize that your experience is valid (Landvogt, 2004).

Educational groups can be effective for women from diverse backgrounds, providing there is sensitivity to their needs and context. Effective groups also need to prioritize women’s safety, validate women’s experiences, and facilitate critical reflection of abuse behaviour and the ways personal experiences are formed within larger power relations (Laing, 2001).

**Mentoring**

There is evidence that mentoring can provide similar benefits as group work for women who have experienced domestic violence. One Melbourne-based mentoring program for women who have left domestic violence found that women valued the care and understanding, the information, the alternative perspectives, and the flexibility of their mentor (Doncare, 2009).

There seems to be an assumption that mentoring programs are more suited to the learning and professional/personal development needs of women than for those of men (Szirom & Stephens, 2006), and that such programs can help address specific gendered gaps in service provision such as post-prison support (VACRO, 2010) or inequality in the workplace (Villella, 2004). For example, mentoring programs in the corporate sector are often targeted to the female workforce to assist career progression and support. While one of the few studies of these claims found that outcomes of mentoring programs were influenced by gender, it was inconclusive regarding the causes and processes that lead to this result (Szirom & Stephens, 2006:27-30; Tharenou, 2005).
There are many definitions of mentoring but fundamentally it is: an intentional, developmental relationship that is mutual and reciprocal between a more experienced and more knowledgeable person and a less experienced, less knowledgeable person that can benefit both the mentor and mentee (Hart, 2009: 7; Szirom & Stephens, 2006: 13; Newburn & Shiner, 2005; Bond, 2010: 5). It also often takes place during a time of transition, in either the professional or personal life, of the less experienced person or mentee.

Broadly, two types of mentoring have been identified: instrumental and psychosocial, although both may be present in the one relationship or program. The instrumental function focuses on a specific goal (e.g. career progression, accessing services, improving financial capability), while the psychosocial aspect focuses on social and emotional support and friendship (Hughes, 2000: 190). Evaluation of mentoring programs has been sporadic, however, the focus that a relationship has on the instrumental or psychosocial function has been found to affect the outcomes of programs. For instance, Tharenou (2005 in Szirom & Stephens, 2006: 28) found that professional mentoring relationships that have an instrumental focus improved women’s career advancement while those that focused on psychosocial support reduced it. In another example, review of the Whitelion mentoring program that matches ‘at risk’ young people with a mentor found that mentoring was most successful at improving social connection rather than changing specific problem behaviours (Lemmon, 2005: 44).

**Mentoring survivors of domestic violence**

This literature review found one mentoring program for women who are victims/survivors of domestic violence: the Doncare Angels for Women Network (DAWN) program (2009). This program provided flexible holistic social, emotional and material support to women through the development of a mentoring relationship. The aim of this program was to:

> “improve the safety, confidence, and community connectedness of abused women (and their children), thus improving their mental health and their ability to manage their lives, their children and their capacity to contribute to the community” (2009: 6).

The mentees or ‘clients’ of this program had all, except for one, left an abusive relationship in the last three years. They were referred from other Doncare programs, a women’s refuge, and other services and private counsellors. Women were assessed as to their suitability for the program and had to be deemed physically safe to be accepted.

Four out of five mentors or ‘angels’ had themselves experienced an abusive relationship in the past. Their role was promoted as ‘skilled companionship’ and was to provide in-home social support, assistance with practical issues (which in some cases included linking to financial counselling) and companionship. The kinds of support were tailored to the needs and situation of the particular client they were matched with. Boundaries around what the role was and what it was not were clearly defined from the outset. Mentees and mentors usually met on a weekly basis.

The evaluation of this program was designed to measure the impacts it had on the women’s mental health and wellbeing. Survey results showed that after the program women experienced
significantly lower levels of depression, anxiety and stress. Reduction in post trauma stress for most women was also found and they reported feeling calmer, happier and safer, with a greater sense of connection, of being understood and nurtured, and confidence. However, some mentees made suggestions about how to improve the program:

- it was thought to be important that the mentors had an experience of domestic violence themselves so that they had a deeper understanding
- more mentors were needed given the importance of finding the right match; and
- mentors needed to be more aware of how difficult it can be to ask for help and to take the initiative to make contact more often.

Mentors reflected that they personally got a lot out of the process and relationship too. Recommendations they made were mostly around the importance of training and support, including:

- the need for a full time coordinator,
- case management help for specific client needs that fall outside the mentee or ‘angel’ role,
- the importance of regular meetings for mentors,
- a focus on mentor self-care; and
- a social event for mentors to come together.

It was felt that the most difficult issue was maintaining the boundaries of the relationship, and it was suggested that this should be a strong focus of training (2009: 30).

In the evaluation report, the DAWN project manager and coordinator provide the feedback that recruiting volunteers and referral of clients took longer and was more difficult than anticipated, and that linking clients to services was important throughout the program. About the mentors they said:

“The experience for them, while enjoyable, was demanding, challenging, and at times, they were genuinely worried about their clients. The feedback confirms how important the training is, and how well supported they need to be. Otherwise, the volunteers could feel over-responsible or become distressed by the mentoring experience. This program can only be effective if it is well resourced by experienced, professional staff.” (2009: 31)

While they are not available in this report, details about processes such as assessment, training and monitoring are available on request (2009: 6).

The Doncare DAWN project demonstrates the value that the relationships, advice, and social, emotional and material support that mentoring can have for women and their recovery from domestic violence.

**Other women’s mentoring community programs**

Other programs that work with marginalized women who are at a time of transition were also found. The Victorian Association for the Care and Resettlement of Offenders (VACRO) Women’s Mentoring Program was introduced to address the need for specialized post-prison
support for women. It aims to address the absence of social connections after offending, build social capital and increase the confidence and self-esteem of mentees (Brown & Stuart, 2010: 31-32; VACRO, 2010). Another Victorian program targeting women who are refugees, *Women on the Move*, was piloted by the Brotherhood of St Laurence in 2008 and 2009 (it has since been renamed *Stepping Stones*). “The pilot’s primary aim was… to increase the social connectedness of refugee women in Hume, using mentoring relationships to provide information, increase access to services, self-confidence, independence and community belonging” (Bond, 2010: v). The newly developed program, *Stepping Stones*, also has an additional focus on business and financial literacy and skills.

Evaluation of mentoring programs and their effectiveness can be difficult because of the ‘soft’ relational processes involved and outcomes they aim to achieve, such as increased social connectedness. The *Women on the Move* pilot, however, did undertake an in-depth evaluation of the processes and outcomes involved, including a discussion of the central challenges that arose throughout the project. The key challenges identified were recruitment of mentors and mentees, matching mentors and mentees, managing the expectations of participants, limited time and resources, and providing support for mentors, for example when they become aware of domestic violence as an issue for their mentee (Bond, 2010). The lessons learnt from this project could be easily applied to *Tools for Change*.

The evaluation report (Bond, 2010) also explores best practice frameworks for mentoring. This is discussed in a later section.

### 4.2A Range of financial supports

Despite the gaps in research, policy, and practice, the literature does provide some useful starting points for a range of financial support services for women in their journey away from domestic violence. The complex mix and circular nature of factors causing financial dependence in domestic violence situations cannot be addressed with a single service response. Add to this the specific needs of vulnerable groups and it is clear that a multi-faceted approach is required to comprehensively address the issue. The most comprehensive Australian research in the area has affirmed the high value of financial advocacy for women experiencing domestic violence, but warned against assuming that women will follow a set path away from violence (Braaf & Barrett-Meyering, 2010).

Changes are required in existing institutions (such as making abusive men accountable for what they have taken through financial abuse), and in community services (such as domestic violence services paying more attention to women’s financial independence). New services are also required, for example financial counsellors trained in domestic violence, asset-building matched savings schemes and financial education opportunities for women at different stages in their journey way from domestic violence. These services need to be linked into effective referral networks that mean there is ‘no wrong door’ into the service system. More training is needed in financial, domestic violence, income security, health and generic service sectors to understand how the issues of financial security and domestic violence intersect. In addition
Tools for Change Literature Review

more training is needed in all community service sectors to understand the issues of financial security and domestic violence.

In order to increase women’s financial security in relation to domestic violence situations in Australia, it is suggested that community services adopt the following strategies:

1. Appreciate the financial impact of domestic violence on women’s lives,
2. Provide targeted short and longer term financial and material support,
3. Build women’s capacity to be economically independent,
4. Create economic opportunities for women,
5. Inform women’s financial decisions and choices; and
6. Make abusive men accountable for women’s economic outcomes (Barrett-Meyering, 2010).

A range of service components are outlined below, starting with augmenting the existing domestic violence support services to include greater emphasis on financial issues faced by the women, and then outlining the short-term responses of income support and financial counselling, the medium to longer-term responses of asset-building, financial education and employment, and finally proposing that structural advocacy be included in any suite of responses. This model of a continuum or suite of financial support services is predicated on good relationships between domestic violence services and other community services, which have been identified as vital to developing an effective response (Braaf & Barrett-Meyering, 2010).

Outreach and refuge services often assist women with practical financial problems as well as other problems. While safety is always the highest priority, the woman’s safety plan also needs to take account of financial abuse issues and financial dependence on the abuser (Australian Domestic & Family Violence Clearinghouse, 2010). The capacity of domestic violence services to provide this type of support is currently limited by lack of a specific policy framework and targeted program resources. A thorough understanding of financial abuse is also still developing in the community service sector as it has only recently been spelled out in law. Specific training programs and secondary consultations are needed to support domestic violence workers to meet the financial needs of the women they work with. Australian women themselves still do not always recognize financial abuse for what it is and community service and financial services workers too often reinforce this through ignorance (Green & Pearce, 2002). This is perpetuated in the institutionalized gendered power imbalances of Centrelink and Child Support when they fail to support women in their efforts to disentangle themselves from the abuser, sometimes even leaving women open to criminal proceedings (Green & Pearce, 2002; Branigan, 2004; Evans, 2007; Patton, 2009).

It is not only financial abuse that needs to be better understood: financial literacy in the general population struggles to keep pace with an ever-changing financial industry, rampant marketing of financial products, and increased emphasis on individual consumers’ responsibility to understand financial transactions. Financial literacy surveys of the Australian population show
that many women, while generally excelling in day-to-day household finances, lack confidence and a long-term view when it comes to their own financial security (Financial Literacy Foundation, 2008). An appreciation of the gendered nature of personal financial security and capability in our society should be the starting point for designing better financial support (WIRE, 2007).

As part of the general community, and particularly as women, we might expect women workers in the domestic violence sector to lack some financial confidence and knowledge, and to need some ‘consciousness-raising’ and professional development in order to impart this to those they work with. Anecdotal evidence of this barrier is emerging as more community organizations turn their attention to addressing the financial aspects of abuse. A US study reports that domestic violence service workers, or advocates, “who may be struggling with their own economic security concerns, struggle with balancing financial services with safety and emotional support services” (Postmus et al, 2009: 863).

Raising ‘critical consciousness’ of the financial dimensions of family violence has been argued to be particularly important for all service sectors who might have contact with women in domestic violence situations, given the finding that “women who have advocates, people who helped them access community resources and negotiate social service and legal systems, experienced less violence over time” (Chronister et al, 2004: 904). This means, for example, that educational and career counselling services need to address women’s immediate financial and employment needs as well as their long-term economic needs. Women’s services need to be more conscious of both the financial abuse itself, and the consequences of financial dependence and the importance of financial independence to escaping and recovering from domestic violence.

**Income security and emergency assistance**

Having enough money to meet immediate needs is a human right which domestic violence often removes from women. The first financial priority is for safe housing, food and clothing, money for bills and to meet the needs of children. Domestic violence services access emergency relief funds to assist with the most immediate needs, but it is usually beyond their capacity to provide the women with any level of financial security beyond meeting immediate needs.

Centrelink has the role of providing a financial safety net for crisis situations yet women are only eligible for a one-off payment (which may be claimed up to four times in a year), equivalent to one week of the woman’s existing payment rate, and they reportedly often have to wait to access it, while the assessment is completed. Women also report that it is extremely difficult to obtain adequate or consistent information about entitlements or get personalized support from Centrelink: "the system is punitive, not supportive.." according to one woman (Commonwealth of Australia, Australian Government Office for Women, 2007). The recent work of the *Spotlight on Economic Abuse* project explores this issue in some depth in the Catalyst Paper ‘Income security and economic abuse (Macdonald 2012c). The research supports what practitioners already know, that income security is of pivotal importance to women leaving an abusive relationship. Centrelink policies and processes need to keep up with the growing
understandings of financial abuse and financial dependence in DV situations (Australian Domestic & Family Violence Clearinghouse, 2010).

Income security policies in Australia have been moving towards the US approach which assumes that virtually everyone is capable of being financially independent through paid work, but this policy seriously underestimates the effect of personal and family barriers on employment. "Welfare recipients are often treated as if their employment and welfare trajectories were solely the result of personal characteristics. Clearly, family variables affect individual choices and constraints" (Taylor & Barusch, 2004: 179). Women parenting alone may have very limited opportunities for suitable paid work that can fit in with caring responsibilities. For women whose health, social capital, and finances are compromised by suffering DV, employment may well be even less obtainable. Domestic violence and its health after-effects are identified as an obstacle to employment in numerous studies, along with physical disabilities and health limitations, mental health problems, substance abuse, children’s health or behavioural problems, housing instability, involvement with child protection, low education/skill level, etc., which often occur in association with domestic violence.

In the US, where income security policy takes a tougher ‘welfare to work’ approach, women who are not in a position to be financially independent are forced back into dependency on abusive men. Advocates need to ensure that policy-makers are aware of this danger here, and of the ongoing needs of some women to rely on income security as a result of domestic violence.

Financial counselling

The paralegal advice offered by financial counsellors has been found to be very useful to women in disentangling their financial affairs from an abusive partner’s, dealing with the fallout from financial abuse, and re-establishing themselves financially. Examples of assistance needed are: establishing liability for debts incurred by abusive partners, splitting assets, changing beneficiaries of superannuation, insurance, and wills, accessing hardship provisions in creditors such as utility companies, relationship debt, benefit entitlements, building up a positive credit rating and adjustments needed to live on one income.

Financial counselling needs to be routinely available in DV and housing services and offered after crisis counselling. This requires further training of financial counsellors in DV including relevant holistic approaches and advocacy skills (Australian Domestic & Family Violence Clearinghouse, 2010). There are some limitations to what financial counsellors can provide, mainly due to their long waiting lists, but also to some variability in approach and lack of training in domestic violence sensitivity. Furthermore, more isolated women such as those from CALD groups are often not very aware of financial counsellors (Commonwealth of Australia, Australian Government Office for Women, 2007).

Asset-building through microfinance programs

The most developed and holistic financial responses to domestic violence include strategies that build a woman’s financial assets with a goal of increasing her ability to maintain economic independence and self-sufficiency (Correia, 2000). Asset-building for people with low incomes is
most commonly achieved through microfinance. Microfinance has been instrumental world-wide in empowering women to become financially independent. The largest of these schemes in Australia, Good Shepherd’s No Interest Loan Scheme (NILS®), has been adapted so that small low cost loans can be used by women leaving domestic violence to re-build household assets. Australia wide there are at least 16 specialist domestic violence NILS programs, and this sector is expanding as community groups and organizations recognize and respond to the need. Additionally, Good Shepherd with National Australia Bank and the Federal Government are working to make micro-credit meet more diverse needs (Good Shepherd Youth & Family Service, 2011a).

Women often remain vulnerable and financially insecure, however, unless they can build up a financial buffer through savings (Macdonald 2012a and 2012d). In parts of the US women re-establishing themselves and their families after domestic violence have benefitted greatly from matched savings programs known as IDA’s (Individual Development Accounts), which are offered in conjunction with financial education and other supports. Based on the success of microenterprise to empower women in developing countries, IDA’s have been developed in North America, and other matched savings accounts have commenced in Australia and in the UK. In Victoria, for example, the Brotherhood of St Laurence and ANZ bank developed the Saverplus program has been used to support parents to cover the costs of their children’s education (Russell et al, undated: 53; Russell et al, 2008: 99-100). Addsup is a program delivered by Good Shepherd. Although it can be used for a wider variety of purposes, including rebuilding after domestic violence, currently it is limited in the number of years and locations (Good Shepherd Youth & Family Service, 2011b).

These programs build financial capital through asset-building. Where they are offered in conjunction with peer and/or group support they may also build social capital, and when they include financial education they have the capacity to increase human capital (Shobe & Dienemann, 2007). Research conducted into the impact that the Interest Free Loans, Domestic Violence Scheme offered by Kildonan Child and Family Services (Russell & Brooks, 2006) found that, for each participant, the loan met critical needs allowing them to re-establish homes for themselves and their children and, in some cases, purchase second-hand cars that enabled them to undertake employment with greater ease. This research also found that there is a need for a comprehensive financial information resource and holistic follow-up program that addresses topics such as: information about different bank accounts, fees and charges, debt recovery, rights and responsibilities, goals and longer-term planning, and saving (2006: 3).

These programs have great potential to specifically target women experiencing domestic violence and provide excellent models and learning that could be expanded once a commitment to assisting women leaving domestic violence is attained from government and the community.

**Financial education**

There are many reasons why a woman leaving domestic violence might need additional financial education (Macdonald 2012d). The strategies used by abusive partners to exercise power and control through finances undermine the experience, confidence and knowledge of financial matters that lead to financial capability. The residual impacts of domestic violence such
as social isolation and depression also negatively impact on the woman’s capacity to pursue financial education. Even the apparently simple business of keeping a roof over one’s head and food on the table can be so pre-occupying that, as one woman said, "there is no time to sit down and do something about it". Another pointed out that "A woman's mental health is precarious after separation. Money and emotional health are linked and you forget to see what you do well (when you are not doing well financially)" (Commonwealth of Australia, Australian Government Office for Women, 2007). For these reasons, economic or financial education to educate women about economics and finances and increase their knowledge about economic systems, financial planning, and budgeting, is often regarded as a first step in working towards individual economic security (Correia, 2000).

Times of transition when women enter a new life stage bring financial literacy needs to the fore and the reality is that people do not usually seek financial information before there is a more urgent need. "Women have very different financial information needs from men and are more likely to require financial intervention or targeted life-stage financial advice when facing relationship transitions" (Commonwealth of Australia, Australian Government Office for Women, 2007: 2). Negative changes in financial circumstances, whether they are occur through crises or through planned changes, require an adjustment in personal and household financial arrangements. It is then that peoples may become aware of gaps in their financial knowledge or of their need for more help (Landvogt, 2008; Commonwealth of Australia, Australian Government Office for Women, 2007; WIRE 2007). Women leaving DV situations encounter new situations for which they may need financial literacy education in areas such as income maximization, knowledge of more complex financial products such as mortgages and insurance policies, and understanding of responsibilities relating to being a joint signatory (for example on contracts or credit cards) (Australian Domestic & Family Violence Clearinghouse, 2010).

Women typically have many strategies to budget and manage finances, learnt through the trial and error of life experience. They manage money on tight budgets using tactics such as lists and diaries, Centrepay and direct debit, negotiating extensions on utility bills, avoiding credit cards, and finding cheaper purchases (Commonwealth of Australia, Australian Government Office for Women, 2007). When they need to learn more, they do not usually want to get financial information from formal education courses. They can easily feel overwhelmed by information and options offered without being adapted to suit their circumstances (Commonwealth of Australia, Australian Government Office for Women, 2007). Given the option, women usually choose to learn in a group with other women (WIRE 2007). They do not generally find paid financial advice useful and do not trust banks because they market their own products (Commonwealth of Australia, Australian Government Office for Women, 2007).

Marginalised women in Australia generally find that support workers in community service organizations provide the most useful financial information and education (Commonwealth of Australia, Australian Government Office for Women, 2007). Services such as Migrant Resource Centres, neighbourhood centres, women’s health services and family support agencies are accessible and often already known to women in vulnerable groups, providing the ideal location for financial education (Australian Domestic & Family Violence Clearinghouse, 2010). Good Shepherd Youth & Family Service research into the financial information needs of women living
on low income also identified that the community services where women already go for assistance are the best agents to deliver new financial information (Landvogt, 2008).

Financial literacy education in Australia takes many forms and is delivered through published brochures, school curricula and one-to-one financial counselling. The financial education sector is an emerging area and, as the responsible government authority, the Australian Securities and Investment Commission (ASIC) has established a monthly national link-up of education policy makers and practitioners from the financial literacy community of practice. Knowledge building practices and financial education materials are currently readily available, however, knowledge of effective financial education processes is still developing.

Notwithstanding the finding above that women do not prefer formal education settings, it is relevant to examine the operations of group-based short financial education courses specifically for women. A number have been developed in women’s health centres and community centres or delivered as a prerequisite for participating in a program, such as the Money Minded course which is part of the Saver Plus matched savings program (Russell et al, undated; 2008) WIRE women’s information have also run financial literacy seminars for women over the past few years and are in the process of expanding the content to address financial abuse and financial security for women leaving domestic violence (WIRE, 2011). Other financial education programs have been developed for particular groups such as Indigenous women or women from CALD communities. However there is generally a lack of detailed literature documenting the processes used in delivering this information to groups or how materials are adapted to different settings and groups.

A large variety of generic educational materials have been developed but women in various crisis or marginalized situations report finding them difficult to access and digest (Commonwealth of Australia, Australian Government Office for Women, 2007). There appears to be no generally available and accessible local material developed specifically for women leaving domestic violence. A UK resource in form of small, discreet information booklet seems to fill the gap there (Hopkins & Sharp, 2008). It covers economic abuse, preparing financially to separate (escape fund, financial documents), housing options, employment, financial concerns (budgets, entitlements, debts, bank accounts, disentangling financially from partner), and stating again (utilities, borrowing, savings, insurance, child support).

A well-documented US program provides an example of a comprehensive financial education approach (Saunders et al, 2007). The Economic Education Program has a 12-hour group format and individual activities with the aim increasing access to and knowledge of financial resources and women’s self-confidence in managing and coping with financial problems independently. It covers four topics: money and power (including economic abuse), developing a cost-of-living plan, building and repairing credit, and banking and investing. In addition to core financial information, an emphasis on safety issues is included throughout the curriculum. Over time the curriculum has been adapted to fit women’s lives, so that each component is now a stand-alone and women can benefit from any individual class, and the program is now offered at eleven locations with various partner agencies. The outcomes may not be dramatic, given the difficulty of many women’s situations, but include positive steps towards budgeting, paying off debts, and
planning for the future. Financial self-efficacy, a sense of one's ability to make financial
decisions and reach goals, improved significantly for many of the women participants.
Confidence and empowerment in financial matters emerged as the key. For women who have
experienced DV, self-efficacy in financial matters could be viewed as a goal in itself, because it
both addresses some of the negative impacts of DV and translates into positive financial
behaviour.

Another ‘economic education’ program in the US which includes a critical awareness of power
relationships is the Personal Economic Planning (PEP), the first component of Elizabeth Stone
House’s Community Education for Economic Development (CEED) program in Boston (Correia,
2000). PEP encourages women’s understanding of larger economic systems, analyses the
roots of their poverty, and defines their path toward economic self-determination. The eight-hour
curriculum:

- focuses on improving low self-esteem
- provides an analysis of poverty that considers experiences of domestic violence
- increases knowledge of economic systems
- enhances financial management skills; and
- uses a strength-based goal-setting technique to implement personal action steps.

Participants develop a personal economic plan and receive support for one year from program
staff to implement it. Based on their plan, women are also referred to education and
employment opportunities and other components of the program.

The Allstate Foundation has recently partnered with the National Network to End Domestic
Violence to create 'Moving Ahead Through Financial Management', a curriculum and financial
education toolkit. The evaluation of the program reported the great majority of participants
successfully moving out of DV situations, managing budgets and debt better, and setting
financial goals. The educational topics include an understanding of economic abuse, financial
basics, and community resources for financial assistance (PR Newswire Association, 2010).

**Employment and education/training**

Employment is identified as a key pathway away from violence, both for the income and for the
escape it provides from the partner’s domain of control. It is as important to achieving financial
independence and security as any other form of asset-building (Correia, 2000). Men's abuse pre
and post separation poses a direct challenge to women’s employment through sabotage,
stalking, and pressure, and also through the impact of trauma on the capacity to work. Other
barriers to employment are lack of affordable child care, concern about losing Centrelink
payments, lack of meaningful and well-paid work opportunities, lack of transport, and
discrimination (Commonwealth of Australia, Australian Government Office for Women,
2007). Recent reforms in human resources practices are embracing the needs for workplaces to
support women to leave family violence and maintain employment (see for example
Strategies suggested to assist women to gain employment are: prepare women for employment through education, training, and/or volunteering, help women to find work; and keep women employed through domestic violence experiences (through flexible working conditions, disclosure to supportive employers) (Barrett-Meyering, 2010). The negative effects of domestic violence usually decline over time and women continue to seek financial self-sufficiency through employment, and job training and placement assistance can help significantly in these efforts (Lyon, 2000). There is US evidence that those needing extra support with employment are likely to have partners who are "directly interfering in their efforts to move towards self-sufficiency or are seriously threatening them or their children" (Lyon 2000: 9). This link points to the provision of safe procedures and policies as a priority in designing programs (Lyon, 2000).

Sustainable employment is important for economic independence providing not only the obvious financial benefits but also social support, a way out of isolation, and improved self-esteem. A restored sense of self-efficacy and a sense of connection are the ultimate goals and employment is a means to this end but not for all women: many will continue to need support from the state because of disability, age, or caring responsibilities.

Education is itself a pathway to employment, and often attracts the same blocking and control response by the abuser. Women also experience the usual barriers to education – child care, transport, cost – and often the added problem of poor health resulting from the abuse. It is important that training and education opportunities focus on long-term, as well as short-term, outcomes to build economic independence.

**Structural advocacy**

Individual advocacy with financial institutions can be effective, but structural changes are also needed and service providers need to advocate for wider changes. In the financial services industry, better regulation of predatory lending and greater awareness of the implications of domestic violence in particular financial abuse would decrease the vulnerability of women to financial abuse and dependence. Banks and utility companies should also be encouraged to modify their own practices to avoid aggravating the problem and to better support women in hardship caused by domestic violence (Australian Domestic & Family Violence Clearinghouse, 2010; Sharp, 2008).

The structural barriers to women's economic independence need to continue to be addressed, including wage and job discrimination, lack of access to education, lack of affordable childcare, and inadequate income security and access to child support (Macdonald 2012, Barrett-Meyering, 2010; Correia, 2000; Saunders, 2007; Sharp, 2008). It has been a feature of women-centred services with a feminist analysis that systemic advocacy springs from individual advocacy work. Challenging the structures that continue to support, albeit unconsciously, women’s financial abuse and dependence, is part of the role of these service providers (Weeks, 2001). Training is needed for DV workers to undertake structural advocacy in financial issues, just as it is needed for individual advocacy. One US program includes skills training in policy analysis, community collaboration, community needs assessment, and program design to meet newly identified needs (Correia, 2002).
4.3 Best practice frameworks

There is ample evidence of the need to address financial capability within the context of family violence, both to undo the damage done by economic abuse and to empower women to take charge of their financial futures. The challenge of designing effective programs to meet this need is assisted by those documented evaluations of other innovations that have been made publicly available. More such evaluations are needed to build up a robust ‘financial capability stream’ within the family violence sector. The work required includes establishing consistent financial assessment tools and robust outcome measures.

A number of frameworks are available to guide practice in the areas of women’s health, domestic violence, financial education and mentoring. Although they vary in level of detail and tone, each has some relevance to the Tools for Change project. They are not necessarily reproduced here in their entirety.

Women’s health

Underpinning community-based women’s health practice and systems are the importance of:

- understanding gender
- diversity
- using the social determinants of health and life stages as lenses
- pursuing prevention and resilience as goals for women
- partnerships and evidence-building within service approaches

Domestic violence support (Victorian Women’s Health 2009)


Guidelines for professional practice

1 Professional conduct: Professional conduct in this context captures the behaviour, language, use of resources, and practice expected of a person employed to work directly with women and children affected by family violence. Professional conduct draws on professional standards, codes of practice and codes of ethics.

2 Inclusive practice: Practitioners’ use of language, application of skill and use of resources are all focused on ensuring clients experience respect, empathy and a skilled response. Founded in a rights-based approach to practice, inclusivity refers to the need for all communication – verbal, non-verbal, written – to speak to the full range of client diversity in background, culture and experience.

3 Integrated effort: Women and children’s services are part of the continuum of response for people affected by family violence, and are most effective when robust networks are in place that allow ease of access between services. Achieving integration requires effort at the strategic
level, the service level, and by practitioners at the operational level. When clients have complex needs this is even more critical.

4 Systemic advocacy: Advocacy at the systemic level aims to redress barriers, disadvantage or discrimination experienced by women or children. It is underpinned by the right of all to live free of violence, and it recognizes that the systems and bureaucracies in place to deliver justice, economic support and other support are not always responsive to the needs of people at particular times, or with particular experiences.

5 Understanding and applying legislation and policy: The legal context for family violence practice is increasingly complex, with recent changes in both state and federal legislation. The practitioner plays a critical role in the timely provision of information and referral to women and children through the support/counselling/group work period. The practitioner is also subject to legal requirements as well as requirements to adhere to Victorian Government policy. Practitioners and agencies share responsibility for ensuring legislative and policy requirements are met.

Financial literacy education

The best practice principles for financial literacy education for women presented in an Australian government overview (Commonwealth of Australia, Australian Government Office for Women, 2007) were:

1. Clear target audience and consider specific needs in design stage
2. Work with participants over an extended time in courses focussed on improving skills
3. Well-resourced through partnerships with banks, Government and CSOs
4. Evaluate program

Other practices suggested in the same report were borrowed explicitly from health promotion frameworks:

- Adapt resources for local relevance
- Use two-way communication channels
- Use stories and images of real people
- Respond to peoples’ particular needs and life stages
- Involve participants/community in planning and delivery
- Adapt information and strategies to the needs of marginalised groups
- The most comfortable setting is a community-based organization; and
- It’s about life-long learning, resourcefulness, and not knowing everything now.

A US study identifies seven dimensions that were present in successful financial literacy education programs:
1. Unambiguous mission and purpose
2. Targeted outreach
3. Adequate staffing and administration
4. Successful evaluation and follow-up
5. Program accessibility
6. Relevant curriculum; and
7. Dynamic partnering.

The most effective financial education programs had the following objectives:

1. To impart clear financial information—not in the abstract, but within real-life contexts.
2. To teach introspection about making financial choices: Are they consistent with personal goals and values?
3. To strengthen decision-making ability and teach students how to set priorities.
4. To strengthen resourcefulness—how and where to find needed information, people and organizations on one’s own.
5. To provide support and affirmation to students throughout the education process.

In Victoria, *MoneyMinded* was developed by the ANZ bank and is delivered in a range of contexts, including in conjunction with the Brotherhood of St Laurence’s *Saver Plus* matched savings scheme. In this program, participants learn from each other as much as from the curriculum delivered by a trainer. It is the stories, dialogue and relevance that the process has to participants’ lives that is given precedence and which allow the financial tools to be successfully adopted. This echoes the findings of a previous study of the financial education needs of women living on low incomes. It was found that some of “the most useful aspects of the program arise when participants feel sufficiently comfortable to share their experiences with each other” highlighting the importance of this process (Landvogt, 2008: 40).

*MoneyMinded* is a compulsory component of *Saver Plus* that encourages better savings and money management behaviour through 16 module topics that can be chosen and tailored to suit the needs of participants. The topics that ranged from ‘goals’, ‘saving and spending’ and ‘money planning’ to ‘to types of paperwork’, ‘loans’, ‘debt’, ‘credit and credit cards’ were shown to:

- Increase levels of self-confidence
- Improve awareness of rights
- Improve ability to make informed choices; and
- Improve participants’ sense of emotional and social wellbeing that were passed onto children.

(Russell et al, undated: 53; Russell et al, 2008: 99-100)
“The holistic design of the program, including education and coaching support worked effectively towards not only assisting the participants in achieving their savings goal but also instilled in them over the course of the program a sense of greater control over their lives and a sense of worth” (Russell et al, undated: 53)

Mentoring

A 2006 review of evaluated corporate mentoring programs (Szirom & Stephens, 2006) found that few have a clear theoretical framework, and often leave the style of delivery up to participants. A number of best practice principles have been found to be important for successful mentoring programs, however, and these essentially amount to programs being structured, clearly articulated, and defined; having the appropriate recruitment and assessment frameworks in place; being well supported both financially and in terms of supervision, training and emotional support for mentors and mentees; and having appropriate evaluation methods in place (Szirom & Stephens, 2006: 45-47; Bond, 2010: 6-7; Mentoring Australia, accessed 14/11/2011; Australian Mentor Centre, 2008; Victorian Youth Mentoring Alliance, 2011).

The Victorian Youth Mentoring Alliance (2011) provides a number of useful checklists that can assist in designing and implementing a successful mentoring program. These relate to:

- Vision, purpose and values
- Policies and procedures
- Establishing a program budget
- What to look for in a coordinator
- Recruitment of mentors
- Recruitment of mentees
- Orientation
- Mentor screening
- The mentor training program
- The matching process
- Building the relationships and networks of participants
- Supervision and support
- Acknowledging and supporting contributions
- Closing the match
- Evaluation

These topics provide a good indication of the considerations that are important.

Learning from the experiences of the Brotherhood of St Laurence’s Women on the Move pilot and a review of several studies, Bond found that the following were important considerations:

- programs have a clear purpose and model (e.g. one-to one, group mentoring) which is tailored to meet the needs of participants and their community
- organisational supports and policy are sufficient, for example with respect to mentor screening, training and support, managing expectations and risks, referral information and program exit
Tools for Change Literature Review

- funding is sufficient for the duration of the program
- participants’ needs are correctly assessed
- mentors endorse the program objectives and can commit for an agreed period
- matching occurs between people with similar skills and interests, by gender and, when requested, ethnicity
- mentors receive training related to the particular needs and experiences of mentees, in the case of *Tools for Change* this could be training regarding domestic violence with a particular focus on financial abuse.
- programs are evaluated to assess effectiveness, undertake further development, and seek new partnerships and funding (2010: 6-7)

The main lessons that can be taken away from this pilot for *Tools for Change*, however, are perhaps around the challenges that arose regarding community engagement, recruitment, training, and matching mentors with mentees. The coordinators found that these were the most time consuming and uncertain aspects of the program (Bond, 2010: 23-37). It was suggested, for instance, that it may have been more effective to develop relationships with one or two key agencies to create strong mechanisms for more regular referral, rather than the more ad hoc approach that was taken to recruitment (Bond, 2010: 23).

The majority of the principles and considerations mentioned above are congruous with those highlighted in the Mentoring Australia *Benchmarks for effective and responsible mentoring programs*. This framework, however, also provides greater detail regarding:

- the type of training that should be provided to mentors: cultural and social sensitivity, and acceptance of individual differences, guidelines on how to get the most out of the mentoring relationship, crisis management and problem solving, communication skills, referral points for other support services, ongoing skills development as appropriate
- the matching a monitoring strategy that includes: selection rationale, statement of understanding outlining the conditions of the relationship, consistent scheduled meetings, regular contact between mentor and participant, a framework for ongoing feedback, written reports, and input from community partners and significant others
- the process for managing grievances: recognition, re-matching, interpersonal problem solving, and premature termination of the mentoring relationship; and
- the closure or exit strategy: clear procedures for exiting the program and clearly stated policy for future contacts

This organization also provides useful quality checklist resources on their website (accessed: 14/1//2011).

Additional characteristics for effective mentoring that are identified by the Australian Mentor Centre (2008) and Szirom & Stephens (2006: 47-48) include: reciprocity and mutuality between mentors and mentees that values the knowledge of both; the program is mutually beneficial; that there is a knowledge gap; the discussion is focused; and the discussion is confidential.
4.4 The knowledge gaps

In summary, within the social inclusion context there is a lack of knowledge, research and best practice frameworks that specifically address women’s mentoring. Because of this gap in women’s mentoring the dimensions/dynamics of the support and learning relationship are not adequately described by looking at mentoring ‘best practice frameworks’ alone. Women’s learning and support groups literature may provide useful knowledge in this context for later. What can be learnt, however, is that the impact mentoring can have on social capital and connectedness is at least as important as the knowledge content of a program.
Section Five. Conclusion

The literature review has found overwhelming evidence of the need for better financial support for women leaving domestic violence. The *Tools for Change* project operates in a complex context in terms of both the target group’s needs and the type of service or intervention, including:

- the diversity and patterns of the women’s financial experiences
- the women’s other vulnerabilities – e.g. safety, isolation, CALD background, Indigenous identity
- boundaries and limitations of financial education and links with other financial support services
- rural setting considerations; and
- structural barriers to women’s financial independence.

The literature suggests that financial independence and empowerment of participants can be furthered through:

- reflection on personal financial experiences and their links to domestic violence and gender-based inequality
- accessing all entitlements including income security, child support, asset-building microfinance, concessions & grants
- access to necessary immediate and practical financial assistance e.g. emergency relief, financial counselling, increased understanding of legal and financial consumer rights and responsibilities
- accessing cheap and appropriate financial services (e.g. asset-building microfinance)
- increased understanding of legal and financial consumer rights and responsibilities; and
- planning a financially secure future and taking steps towards achieving it e.g. through employment, further education, or saving.

The evidence suggests that increased financial knowledge, skills and confidence plus increased financial resources and greater financial security will impact positively on the women’s wellbeing, self-esteem, active citizenship including caring and employment activity, and asset accumulation such as household effects, home ownership, savings, investments and superannuation.

Increased social connection resulting from participation in programs such as *Tools for Change* is also expected to impact positively on wellbeing, self-esteem, and active citizenship, as well as on social capital, social inclusion, and sense of community belonging.

The literature also suggests that increasing the focus on financial capability within the knowledge and practice frameworks of the DV sector is an important goal.

There are sizable knowledge gaps in the DV sector in relation to addressing the financial capability needs of women exiting domestic violence situations. The Tools for Change project includes developing suitable tools to assist workers to support women in re-building financial
independence. While basic financial education tools and resources now exist in Australia, this project can make a vital contribution to both the DV and the financial literacy sectors by adapting these materials to the needs of women leaving DV. A two-way dialogue between the financial counselling and the DV sectors would also be useful to identify further needs and opportunities for developing our capacity to respond to the needs of these women.

Data collected through the project can also be critically examined for indications of how protocols used in Centrelink, the Child Support agency, banks, and other systems can be improved to ensure women can depend on these systems to support them in the face of economic abuse and other forms of domestic violence with economic consequences.

Within the financial literacy sector, there is as yet little attention in either research or policy to the community-based processes required for effective adult learning. There is no doubt that practice has raced ahead of policy in this area, as community organizations respond locally to the needs of their constituents, but these efforts remain largely unconnected and the knowledge gained is not widely shared.

While Australia and in particular Victoria has some advanced and progressive responses to DV, these do not yet include sufficient attention to financial aspects of abuse. Basic research is still required, along with specific policy and practice frameworks to address both the financial causes and financial effects of DV, as well as financial abuse itself. This is part of a broader need to continue to gain more knowledge about effective interventions for women experiencing abuse. Too often government funding does not budget for evaluation research. This project can therefore make an extremely valuable contribution.
References


Australian Government (2010), National Women’s Health Policy, Department of Health and Ageing


Commonwealth of Australia Family Law Act 1975 s4AB


Tools for Change Literature Review


Equality Rights Alliance (2012) Women’s Experience of Income Management in the Northern Territory


In Touch Multicultural Centre Against Family Violence (2010) "I lived in fear because I knew nothing" Barriers to the Justice System faced by CALD Women Experiencing Family Violence, State of Victoria


Macdonald, F. (2012a) Spotlight on Economic Abuse:, Good Shepherd Youth & Family Service and Kildonan UnitingCare

Macdonald, F. (2012b) Spotlight on Economic Abuse Catalyst Paper 2: Credit, debt and economic abuse, Good Shepherd Youth & Family Service and Kildonan UnitingCare


Macdonald, F. (2012e) Spotlight on Economic Abuse Catalyst Paper 5: Child support and economic abuse, Good Shepherd Youth & Family Service and Kildonan UnitingCare


McFerran, L. (2010) It could be you: female, single, older and homeless, Homelessness NSW


PR Newswire Association (2010). Financial literacy takes 'saving' to a new level when it comes to domestic violence; key to saving domestic violence survivors from abusive lives is financial independence, PR Newswire Association.


Sharp, N. (2008a). 'What's Yours is Mine’ The different forms of economic abuse and its impact on women and children experiencing domestic violence. UK.


State of Victoria (2010b) Victorian women’s health and wellbeing strategy 2010-2014, Department of Health


State of Victoria (2012) Victoria’s Action to Address Violence against Women and Children – Everyone has a responsibility to act


Tools for Change Literature Review


