

# ANROWS

AUSTRALIA'S NATIONAL RESEARCH  
ORGANISATION FOR WOMEN'S SAFETY

*to Reduce Violence against Women & their Children*

# Compass

Research to policy and practice

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Domestic violence and women's economic security:  
Building Australia's capacity for prevention and  
redress: *Key findings and future directions*

Dr Natasha Cortis, Research Fellow, Social Policy Research Centre,  
UNSW Australia

Dr Jane Bullen, Research Associate, Social Policy Research Centre,  
UNSW Australia



**UNSW**  
AUSTRALIA

UNSW Australia  
UNSW, Sydney, NSW 2052

ANROWS Compass (Research to policy and practice papers) are concise papers that summarise key findings of research on violence against women and their children, including research produced under ANROWS's research program, and provide advice on the implications for policy and practice.

This report addresses work covered in ANROWS research project 4.6 "Domestic violence and women's economic security: Building Australia's capacity for prevention and redress". Please consult the ANROWS website for more information on this project. In addition to this paper, an ANROWS Landscapes and Horizons is available as part of this project.

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### Acknowledgement of Country

ANROWS acknowledges the traditional owners of the land across Australia on which we work and live. We pay our respects to Aboriginal and Torres Strait Islander elders past, present and future; and we value Aboriginal and Torres Strait Islander history, culture and knowledge.

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# Introduction

Domestic violence exacerbates economic inequality, as both economic abuse, and other tactics of violence, generate costs for women and contribute to financial instability and stress. Australia's National Plan to Reduce Violence against Women and their Children 2010-2022 recognises the importance of economic wellbeing to the capacity of women and children to rebuild their lives following violence (Department of Social Services, 2014). Consistent with this recognition, and with Australia's National Research Agenda to Reduce Violence against Women and their Children (ANROWS, 2014), this research was designed to support initiatives to improve women's economic circumstances following violence. In particular, the research was designed to explore:

- the impact of violence on women's economic status;
- the efficacy and limitations of existing approaches, policies and programs relating to women's economic security; and
- ways to more effectively build women's economic security following violence.

This short summary paper provides an overview of the longer research report released in the ANROWS Horizons series (Cortis & Bullen, 2016). The work builds on the literature review contained in the ANROWS Landscapes paper "Building effective policies and services to promote women's economic security following domestic violence: State of knowledge paper" (Cortis and Bullen, 2015). That paper discussed how economic abuse is a frequent tactic of violence. However, service systems are not well equipped to prevent, identify and respond to financial abuse or the other economic harms associated with violence. Financial issues, including the prospect of leaving property or assets behind, are a major factor in women's decisions about leaving or staying in violent relationships. The economic difficulties arising from violence, including loss of wealth upon separation, reverberate through women's lives and increase hardship in the long-term.

We contribute new statistical analysis and qualitative evidence which shows that domestic violence contributes to alarming levels of financial stress, and services and systems are ill equipped to respond. Statistical analysis shows how violence is associated with economic stressors which affect women for a number of years. Interviews with stakeholders demonstrate widespread perceptions that although Australia has some highly effective initiatives in place, these operate on too small a scale to fully address the extent or range of women's needs. Individual victims of violence, and the services that support them, unfairly bear the economic burden of violence.

## The financial impact of domestic violence

Evidence of the economic impact of partner violence comes from analysis of the Journeys Home<sup>1</sup> survey. Journeys Home involved a random sample of highly disadvantaged people, drawn from those flagged as homeless or at risk of homelessness in Centrelink records. This sample of highly disadvantaged men and women were interviewed every 6 months over six survey waves. While the survey focused on housing insecurity, it included questions about exposure to violence, relationships to perpetrators, and economic status. This made it possible to examine associations between domestic violence and women's economic security. The sample included in Journeys Home was highly disadvantaged, and may not reflect the economic impact of domestic violence for women for whom asset or income levels, or visa status would make them ineligible of income support payments.

## Impact of domestic violence in Wave 1 on financial hardship in Wave 6

Of the 765 women who participated in Wave 1, 159 (20.8%) reported that they were victims of partner violence in the previous 6 months. Average income levels and employment rates of this group of women, and those not affected by violence in Wave 1, were similar. However, even with similar levels of income and employment, those exposed to violence confronted much higher levels of financial hardship and stress. The economic penalty associated with violence persisted across the six waves of the survey. For example:

- By Wave 6, women affected by violence in Wave 1 still faced more difficulty than other women paying bills, and carried higher average levels of debt.
- By Wave 6, women affected by violence in Wave 1 were more likely than other women to go without food when they were hungry due to shortage of money.
- Women affected by violence were more likely to ask for material assistance from welfare agencies, but were also more likely to say they had difficulty accessing welfare services.
- In Wave 6, women who had reported violence in any wave of the study had lower levels of financial satisfaction than those not affected by violence.

<sup>1</sup> The research used unit record data from Journeys Home: Longitudinal Study of Factors Affecting Housing Stability (Journeys Home). The study was initiated and is funded by the Australian Government Department of Social Services (DSS). The Department of Employment has provided information for use in Journeys Home and it is managed by the Melbourne Institute of Applied Economic and Social Research (Melbourne Institute). The findings and views reported are those of the authors and should not be attributed to DSS, the Department of Employment or the Melbourne Institute. "Journeys Home" is a longitudinal dataset involving six waves of a survey of disadvantaged people.

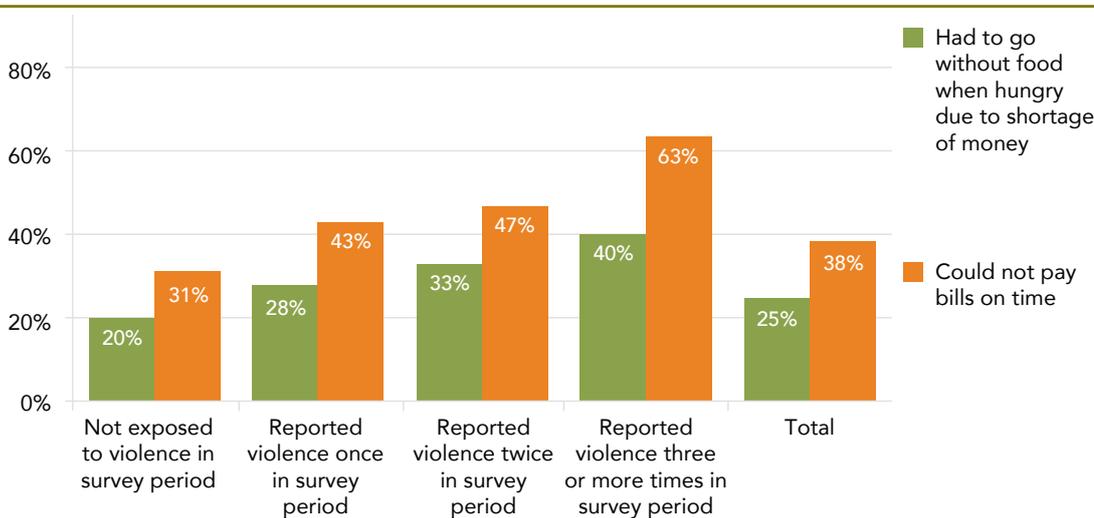
## Impact of level of exposure to violence

On each indicator, economic outcomes for women who reported violence in more than one wave of the study were worse than those who reported violence once only, or who were not affected. Key findings, which underline how prolonged or repeated exposure to violence has the worst economic impacts, are shown below.

Figure 1 shows how women with repeated or prolonged exposure to violence had more difficulty paying bills, and were more likely to report hunger due to shortage of money in Wave 6 than other women.

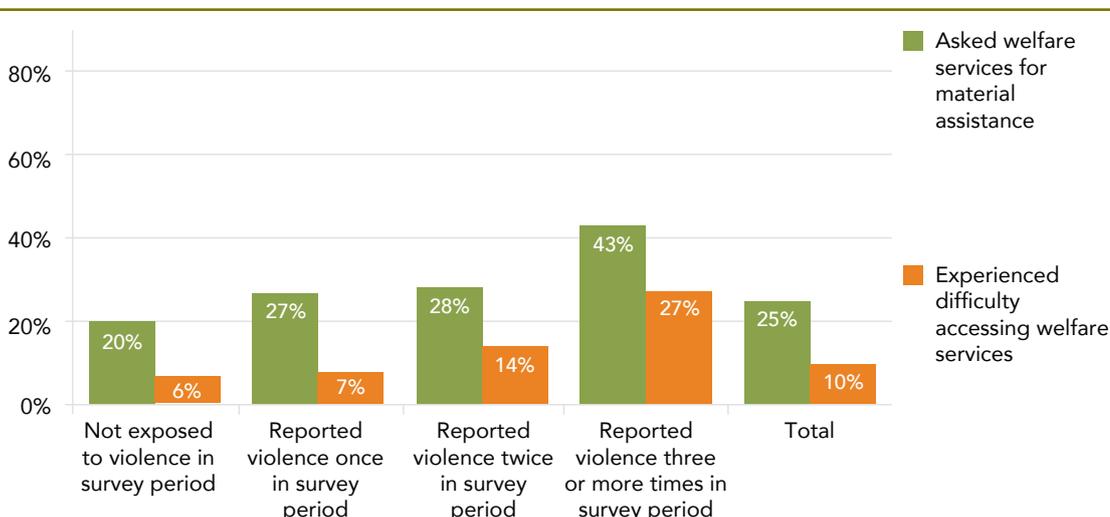
Further, women with repeated or prolonged violence was associated with higher demands on welfare agencies for material assistance. However, women who experienced violence in more than one wave of the survey were both more likely than other women to ask welfare agencies for material assistance in Wave 6, and to report difficulty accessing welfare services than women who reported violence in one wave, or who were not affected in the survey period (see Figure 2).

Figure 1 Percentage of women reporting financial hardship in Journeys Home Wave 6, by level of exposure to violence in the survey period



Source: Journeys Home: Longitudinal Study of Factors Affecting Housing Stability. n=640 (measure of going without food). n=618 (measure of difficulty paying bills on time).

Figure 2 Proportion of women reporting financial hardship in Journeys Home Wave 6, by level of exposure to violence in the survey period



Source: Journeys Home: Longitudinal Study of Factors Affecting Housing Stability. n=642 (asked welfare services for material assistance). n=631 (experienced difficulty accessing welfare services).

## Insights from sector leaders and advocates

As the Journeys Home data cannot elaborate on strategies to prevent the economic harms of violence, nor ways to intervene to redress economic injustice and promote women's outcomes, qualitative research was undertaken. This involved semi-structured interviews with 32 key informants involved in developing and delivering services and supports for women affected by violence. These people were selected on the basis of their role in policy advocacy, service design and delivery, including in relation to groups of women who may have different circumstances and needs, such as women in rural areas, women with disabilities, women involved in post-separation property settlements, those employed and those looking for work.

Interviewees identified several areas which need to be properly resourced to be part of a co-ordinated response to economic disadvantage resulting from violence. They discussed how change is required in relation to:

- property and debt, and the legal arrangement associated with these, including processes for post-separation property settlements which can exacerbate harms for women;
- housing, as this is the largest living cost for most people, and the major household asset, and is frequently shared;
- employment and supports to obtain and maintain paid employment, including through industrial protections, education and training, and the *jobactive* employment services system;
- income support and child support, which do not consistently support women following violence; and
- the specialist domestic violence service system, focused on a multitude of women's physical, emotional and economic needs following violence.

Reforming these areas to better promote women's economic security following violence would incorporate a range of systems and institutions, including courts, counsellors, real estate agents, employers, banks, utility companies, Centrelink, other government agencies, and many non-government community services and supports.

## Directions for change

Widespread change is required across these institutions, services and support, and reform needs to be co-ordinated with other violence prevention initiatives. Interviewees discussed how the economic impacts of violence harm women in the context of some overarching conditions:

- Overall, women are disadvantaged economically relative to men, and this disadvantaged position can be exacerbated by domestic and family violence.
- Women have highly diverse needs and circumstances, and different types of vulnerability to economic harm.
- The financial tactics and harms of domestic violence are less well recognised than the physical and emotional aspects.
- For many years, services and systems have been severely under-resourced, which mean that they are unable to meet the range or diversity of women's needs.

Recognising these factors, interviewees identified a range of strategies for change. Our work conceptualises these as strategies directed towards four high level goals:

- *preventing* the economic harms that women experience during violence, and upon separation from a violent partner;
- meeting women's *basic needs* in the crisis period and beyond;
- improving system capacity to *redress* economic harms, that is, to remedy the injustices of women's experiences where there is loss of income and wealth as a result of violence; and
- *promoting* women's financial capacity where this is required.

Interviewees identified a range of issues they saw as necessary to realise these goals. These are summarised in the following table, which provides a conceptual framework for understanding strategies to improve women's economic security. While not an exhaustive account, key issues discussed below, and in more depth in the full research report.

## Summary of strategies suggested by interviewees to improve women's economic security

|   |   |  |                                   |
|---|---|--|-----------------------------------|
| <b>Recognise the diversity of women's needs and circumstances</b> | <b>Preventing economic loss associated with violence</b>  | <b>System coordination and collaboration</b> | <b>Adequate system resourcing</b> |
|   | <ul style="list-style-type: none"> <li>• Improve women's economic status</li> <li>• Improve community understanding of economic issues associated with violence</li> <li>• Early specialist advice and assistance to secure property and funds, and prevent loss upon separation</li> <li>• Consumer policies that prevent financial abuse</li> <li>• Prevent Centrelink debt arising from financial abuse</li> <li>• Improve access to child support payments</li> <li>• Prevent economic loss while waiting for court settlements</li> <li>• Prevention of loss through employment</li> </ul> |  |                                   |
|   | <b>Meeting women's basic living needs and economic security in the crisis period and beyond</b>   |  |                                   |
|   | <ul style="list-style-type: none"> <li>• Improved access to options for immediate and long-term housing security</li> <li>• Adequate levels of income support</li> <li>• Improving Centrelink capacity to identify and respond to women's needs</li> </ul>  |  |                                   |
|   | <b>Redressing economic injustice associated with violence</b>   |  |                                   |
|   | <ul style="list-style-type: none"> <li>• Improve Family Court outcomes for women experiencing violence</li> <li>• Access to legal representation and support</li> <li>• Develop alternative means of resolving small property matters and debts</li> <li>• Developing consumer policies to remedy financial abuse</li> <li>• Specialist domestic violence skills for financial counsellors</li> </ul>   |  |                                   |
|   | <b>Promoting women's future earnings and economic wellbeing</b>   |  |                                   |
|   | <ul style="list-style-type: none"> <li>• Access to affordable housing</li> <li>• Access to education and training opportunities</li> <li>• Improved employment services and support</li> </ul>  |  |                                   |

While the list in the table above highlights the wide range of areas for change, some key priorities arising from the research are summarised below:

## Awareness

Initiatives need to promote information and awareness about economic abuse and the financial impact of violence. A national information campaign about the financial tactics and harms associated with violence should target the general community including adult women and young women in schools; along with a wide range of service providers to improve their responsiveness, including Centrelink; financial counsellors; employment service providers; and staff in banks, utility providers and other organisations that deal with debt, loans and joint accounts. It is particularly important to understand the dynamics of economic abuse, and how it may be perpetrated after separation, including through the courts and child support systems.

## Housing

Housing situations impact on all aspects of women's efforts to re-establish themselves after separation as well as their overall economic wellbeing. Housing is the major household cost for most people, and for some, a key asset and source of wealth, much of which can be lost when women leave a violent relationship. The research points to the need for a range of initiatives to assist women with access to, and costs of, housing, and that offers women the option of either relocating or staying at home with the perpetrator excluded, depending on their situation. The options of either relocating or staying at home with the perpetrator excluded should both be resourced so as to be available to all women. There is also a need for increased availability of specialist

domestic violence refuge accommodation and support so that women in crisis are not turned away. Where women are homeless following domestic violence, the response should be to enable access to suitable housing for the woman and her children, and not remove the children on the grounds of homelessness.

### Reducing systemic risks

There is a need to reduce the risks involved in addressing violence and redressing its economic impact. Many interviewees described how in their experience, the systems intended to redress the economic harms associated with violence can also exacerbate it, such as where perpetrators inflict economic abuse through drawing out processes in the family court and child support systems. Access to early specialist advice could help women to take key steps to prevent economic loss. The Family Court requires a more gendered response including identification of cases where there is a history of domestic violence and improved measures to protect women's economic security. Property settlements for small matters could be dealt with more efficiently outside the family court system, and the government could establish processes designed to mitigate the harms to women associated with child support non-payment. For example, the Commonwealth could become responsible for claiming child support and could carry the burden of non-payment of child support, so that women affected by economic abuse of non-payment are not unfairly penalised.

### Adequate resourcing

Services in all jurisdictions and service areas require adequate resourcing, including specialist crisis assistance and accommodation support, financial counselling, employment programs for women, housing and access to justice. Resource limitations have caused services to focus resources on the immediate needs of women in the highest risk categories. Public resources are needed to ensure women have access to representation for property matters upon separation from a violent partner. Resource constraints also mean that some of the work that practitioners and policy-makers know would help cannot be done, leaving systemic gaps.

### Specialist financial counselling

There is a need to develop pathways to specialist domestic violence practice for financial counsellors, including through specialist domestic violence counselling, and co-location of specialist financial counsellors in services used by women who have experienced violence.

### Quality employment and industrial protections

Economic security depends on women obtaining – and staying in – quality jobs even when affected by violence. Along with expanding industrial protections to cover a higher proportion of the workforce, supports to promote supportive human resource management practices are important. Further, family and domestic

violence should be included in anti-discrimination legislation. In addition, tailored, personalised support can help women with multiple barriers to employment obtain and sustain jobs.

### Improving responses by Centrelink and employment services

For Centrelink and employment services, the Job Seeker Classification Instrument should be amended to recognise domestic violence as a barrier to employment, so that allocating resources to assist women following violence is properly recognised in employment service providers' contracts and performance indicators. Jobactive services should also develop comprehensive local referral information for women who have experienced violence. Opportunities for face to face contact and the building of relationships between practitioners and clients should be maximised, to create psychological safety for disclosure and response. Issues of the inadequacy of income support payments, and poverty among income support recipients, should be urgently addressed.

### Collaboration and integration

Collaboration is important to the effectiveness of services addressing the economic aspects of violence. Particular areas, including employment services, would benefit from collaboration with specialist domestic violence services. However, better integration and collaboration generally would help reduce the burden on women of managing themselves across multiple services and professionals. Promoting women's economic security also requires that a wider range of agencies and professionals be brought together, including commercial players whose policies affect debt, loads and access to basic services, such as banks, utility and telecommunications companies, and real estate agents.

### Identifying and expanding good practice

Developing, documenting and evaluating innovative partnerships is important for building the evidence base, including experiences of collaboration between mainstream and specialist services. Interviewees described some promising, innovative practices happening at local levels, such as within an area or within a service. However, there is no mechanism in place to systematically share good practice nationally, and to take best practice to scale.

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