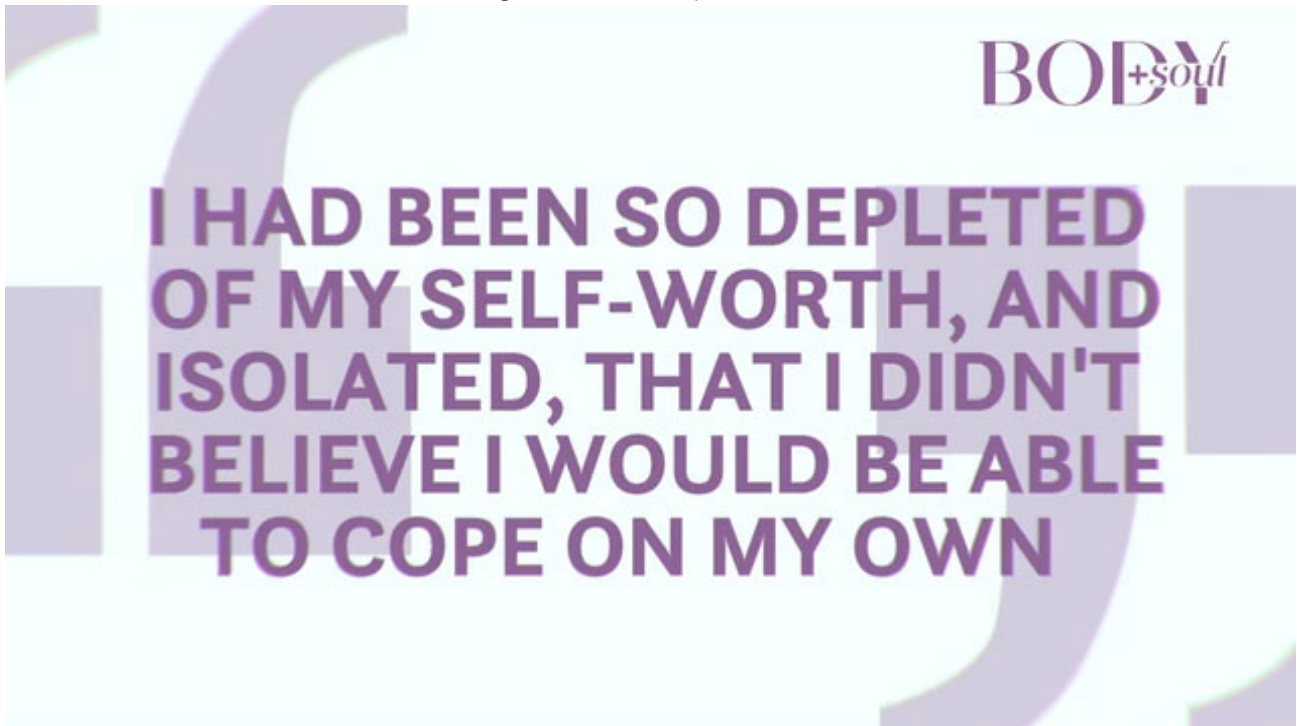


Financial abuse: My husband was secretly spending my money

Sara is unfortunately just one of the hundreds of thousands of Australians who are survivors of financial abuse.

Nicole Madigan (/the-team) | November 13, 2020



If you or someone you know is being financially abused, there is support available. Our experts break down what you should know and where you can go to get the help you deserve.

Throughout the five years Sara* was married to Anton*, she was subjected to serious and repeated physical, emotional and financial abuse (<https://www.kidspot.com.au/lifestyle/career-and-money/budgeting/why-women-need-to-manproof-their-money/news-story/e75b90fe6da932bbec8cf438fba11ca2>). While she eventually mustered the strength to leave the relationship (<https://www.kidspot.com.au/parenting/parenthood/divorce-and-separation/10-of-the-most-common-divorce-myths-debunked-by-a-financial-advisor/news-story/42008908dfcf3cf4dd7f1459eed181cd>), the repercussions of the financial abuse were ongoing.

Sara discovered that the car loan she assumed was in both names, was in fact in her name only, making her solely responsible for more than \$70,000 debt. Her husband had falsified her payslips and other financial documents to secure the loan in her name, while she was not employed and was home caring for their young child.

Anton also coerced Sara into signing up for two phone contracts that he had total control over. And after the relationship ended, he continued to accrue charges on her account, resulting in Sara's phone service being restricted. This rendered her unable to communicate with her caseworker or access critical services, such as medical care, legal advice and domestic violence support services.

Sara was eventually referred to Redfern Legal Centre, who helped her have the car repossessed and the car and phone debt waived and her phone reconnected

car and phone were waived, and her phone reconnected.

Her case highlights the importance of frontline community services, that help the thousands of women and men impacted by economic and financial abuse

(<https://www.kidspot.com.au/parenting/parenthood/relationships/financial-abuse-is-real-the-man-i-thought-i-loved-put-me-through-hell/news-story/f297e0226f9290d12e22f957a4ddc603>).

Want to join the family? Sign up to our Kidspot newsletter (<https://www.kidspot.com.au/?destination=showRegister&type=organic#member-function:register>) for more stories like this.



(<https://content.api.news/v3/images/bin/20d6d938c88195c773e1436836444d09>)

Sara is just one of the all too many people survivors of financial abuse in Australia. Image: iStock.

What is financial abuse?

Put simply, financial and economic abuse are forms of domestic violence: patterns of abusive behaviour where the abuser uses money to exert power and control over their partner. It's complex and will look different in different relationships.

Laura Bianchi, team leader and solicitor at Redfern Legal Centre's Financial Abuse Service (<https://rlc.org.au/our-services/financial-abuse-legal-service>), says among women who seek help from domestic violence services, up to 90 per cent have experienced financial abuse.

"The majority of our clients have tens of thousands of dollars of debt from being coerced into getting loans and credit cards in their name for their partner's benefit. For example, we have advised clients who have loans for vehicles they don't even have the licence to drive. This financial sabotage can persist well beyond the end of a relationship if it damages the victim-survivor's credit record."

There are also cases where women are controlled and isolated through the abuser restricting access to money itself. This could include, "not allowing them to work, giving them an allowance that barely covers basic living expenses, forcing them to make early withdrawals from superannuation, or taking control of their social security benefits."

Like all forms of domestic violence, financial abuse can happen to anyone, regardless of wealth, or socioeconomic status, and can lead survivors to feel trapped and unable to leave the relationship.

RELATED: My friend's husband is financially abusive, because 'he earns the money' (<https://www.kidspot.com.au/parenting/parenthood/mums/my-friends-husband-is-financially-abusive-because-he-earns-the-money/news-story/446f1347a2b49e9fc95ae36be5b4c667>)





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Financial abuse operates and exists differently, case by case. Image: iStock.

Coercive control is at the heart of financial abuse

At the heart of this type of abuse is coercive control, says Carolyn Bond, Project Manager of Economic Abuse Reference Group (<https://earg.org.au/>) (EARG).

“Like other forms of coercive control, economic abuse often develops slowly,” she says.

“Things that at first appear to be supportive and helpful – even romantic, can develop so that the partner puts pressure on the woman to stop working once she has children. But the impacts are long term – debts incurred can mean a bad credit report, making obtaining credit difficult, leaving the survivor struggling to pay for basics such as housing after leaving a violent relationship.”

Despite growing awareness, Ms Bond believes this type of abuse remains largely misunderstood.

“Because it often happens gradually, and many of the signs may appear to relate to how a couple manage their money. If one person handles the bills and manages the money, that’s okay if both people agree with the arrangements, but it’s when choices enable one person to control the other person that it becomes a problem.”

This is why specialist organisations are critical to ensure positive outcomes for victims and survivors.

RELATED: 12 signs you're in a financially abusive relationship

(<https://www.kidspot.com.au/parenting/parenthood/relationships/12-signs-youre-in-a-financially-abusive-relationship/news-story/e9a94b84eeef7df350b7374603cc9718>)





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Financial abuse often develops gradually - making it very hard to see sometimes. Image: iStock.

"Specialist services can make a big difference to outcomes"

"Specialist services can make a big difference to outcomes. Family violence financial counsellors can help clients to challenge some of the debts, and to put a case to have debts waived, or to access special programs offered by some large businesses."

"The big message is that a wide range of businesses – banks, energy companies, water companies, telcos, etc, that may have once felt they could do nothing for customers experiencing DFV, *can* introduce policies and processes that do make a difference. Community services which specialise in DFV and economic abuse can provide input to a range of ongoing work by industry and government."

RELATED: 'Financial abuse is real, the man I thought I loved put me through hell'

(<https://www.kidspot.com.au/parenting/parenthood/relationships/financial-abuse-is-real-the-man-i-thought-i-loved-put-me-through-hell/news-story/f297e0226f9290d12e22f957a4ddc603>)



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Specialist services can help if you're in a financially abusive relationship. Image: iStock.

Expanding services as response to the pandemic

The Ecstra Foundation (<https://www.ecstra.org.au/>) has recently announced multi year funding for Redfern Legal Centre and the Victorian EARG to help them expand their services and meet the demand.

"There is no easy solution or quick fix. Complex social problems such as financial abuse need dedicated philanthropic and government funding to ensure we are responding to current and future needs," says Ecstra Foundation's CEO Caroline Stewart.

"COVID adds even more urgency to the work. Ecstra's support of EARG in Victoria and our funding of the Redfern Legal Centre's NSW Economic Abuse Service also aims to build a National Economic Abuse Reference Group, for greater reach and to share what works in each state."

