

29 June 2021

Hon. Marama Davidson
Minister for the Prevention of Family and Sexual Violence
Parliament Buildings
Wellington 6160

Re: Submission on the National Strategy and Action Plans to eliminate family violence and sexual violence in Aotearoa New Zealand.

Dear Minister

Good Shepherd NZ is a not-for-profit organisation that works to tackle the significant issues impacting women, girls and families. We work in areas where women are more likely to experience disadvantage such as financial and economic wellbeing, and economic harm as a form of family violence.

We have three main points to raise as part of the consultation into the National Strategy and Action Plans to eliminate family and sexual violence in Aotearoa New Zealand:

- Economic harm needs particular emphasis in the strategy and action plans;
- The private sector needs to be identified as a key participant in the eradication of family violence; and,
- A gender lens needs to be legislated across all areas of policy.

Economic harm

Economic harm or abuse (including financial abuse) is a form of family violence that sits within psychological abuse for the purposes of current legislation, however the impacts for victims go far beyond psychological abuse, limiting access to money, credit, housing and employment.¹ When children are involved there is no money to meet their basic needs, their family and social networks are disrupted, they lose housing stability, and their educational wellbeing is affected.

The impact of economic harm can be felt long after a relationship has ended. Economic harm is both a form of family violence and a consequence of it.

Money and family violence are deeply interconnected. A lack of economic security and wellbeing makes people vulnerable to coercion and control. A lack of financial security and independence is often cited as the main reason why a person does not leave a violent relationship, why they may go back to a violent relationship, or why they are unable to gain control of their life and thrive after a violent relationship has ended. In our 2018 research into economic abuse², participants with lived experience shared that they put their financial needs ahead of their physical safety.

Recognise economic harm as its own form of family violence

Economic abuse or harm remains largely invisible to the general public, and we are concerned that while financial and economic abuse remains a subset of psychological abuse it will remain invisible.

¹ [Economic Harm - Good Shepherd NZ](#)

² [Economic-Abuse-in-New-Zealand-GSNZ-2018.pdf \(goodshepherd.org.nz\)](#)

This invisibility extends to government, where current government advice describes financial abuse as predominantly a form of elder abuse.³

Preliminary research in this area, cross-referenced with international literature, suggests economic harm is a significant and pervasive aspect of family violence in and of itself, as well as a form of violence that is experienced alongside physical and emotional violence. However, its invisibility in New Zealand means that people experiencing it are not able to identify and then take steps to address it, and that it is largely overlooked in the development of prevention and intervention responses. Economic harm is designed to limit financial and other forms of agency – making it incredibly difficult to navigate a way out of violence.

Good Shepherd NZ's 2018 research and more recent research⁴ (Fanslow et al, 2021) argue that economic abuse should not be conflated with psychological abuse. Economic harm requires a particular focus, dedicated resourcing and a specific response.

The role of the private sector

Good Shepherd NZ is working with both corporate entities and community organisations to raise awareness of economic harm. We think the private sector is a notable omission from the focus areas. We acknowledge 'community' may be intended as a catchall term; however we think not referring to business specifically devolves that sector of any responsibility to take actions to address a problem that is present in every aspect of New Zealand life.

Ourselves and the corporate partners we work with believe business has an important role to play in supporting New Zealand to become violence free. In our work together on economic harm we have identified two obvious workstreams, one is the role of employers to support employees, and the second is the role of businesses to support customers.

Businesses interact in an economic capacity with people who are experiencing economic harm but who will never access family violence support services such as Women's Refuge or Shine, because they don't identify with the physical and sexual violence that those services have historically supported, and don't identify themselves as being victims of family violence.

Banks, telecommunications and other utility providers have high volumes of interaction with customers, and a unique role in facilitating participation in society. For New Zealand to address some of the worst rates of family violence in the OECD we must leverage the work of these organisations that have high touch points across the population.

A gender lens is a family violence lens

Addressing the intersection of gender, violence, money and power is critical in any attempt to create a violence-free Aotearoa. Women are overrepresented in financial and economic insecurity, rendering them vulnerable to economic harm.

³ [Financial abuse | New Zealand Government \(www.govt.nz\)](https://www.govt.nz)

⁴ Fanslow J, Malihi Z, Hashemi L, *et al* Change in prevalence of psychological and economic abuse, and controlling behaviours against women by an intimate partner in two cross-sectional studies in New Zealand, 2003 and 2019. *BMJ Open* 2021;11:e044910. doi: 10.1136/bmjopen-2020-044910

We can see examples where a gender lens could have changed the direction of policy: for example research consistently finds that women have increased incentives to repay joint debt in order to maintain a credit rating that allows the household to continue functioning properly, enabling them to care for children.

A gender lens in all areas of policymaking is critical for the eradication of family violence in New Zealand.

International examples

There are international examples of how government can support an improved response to economic harm. These examples include:

- In the UK, legislation includes economic abuse as a standalone form of abusive behaviour;
- The UK government was involved in the creation of the Financial Abuse Code of Practice, which has almost 20 participants including HSBC UK, Lloyds Bank and Barclays Bank;
- In Australia, state government provided funding for the establishment of Financial Inclusion Action Plans that identified economic abuse as an area of focus for financial inclusion activities across business, not-for-profit and government; and,
- In Victoria, Australia, state government funds specialist microfinance (no interest loans) services for people impacted financially by family violence.

We would like to see the New Zealand government look at, and replicate where appropriate, some of these examples.

Yours sincerely



Fleur Howard
Chief Executive