



2018 / 19

OUR IMPACT



Our Purpose:
to make life easier for people experiencing vulnerability and disadvantage in Australia

Our Vision:
a just marketplace, where people have power and business plays fair



Consumer Action is located on the land of the Kulin Nations. We acknowledge all Traditional Owners of Country throughout Australia and recognise the continuing connection to lands, waters and communities. We pay our respect to cultures; and to Elders past, present and emerging.

WARNING: Aboriginal and Torres Strait Islander people are advised that this document contains the names and images of people who have since passed away.

VISION

IMPACT

FUTURE

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A Word from the CEO and Chair

The 2018/19 year has been dynamic for Consumer Action.

The Banking Royal Commission that culminated in early 2019 benefited from the significant work and contributions of Consumer Action. We were pleased to see its Final Report pick up many of the recommendations made by Consumer Action, including on issues such as the availability of basic bank accounts, unfair contracts in insurance and unsolicited selling of financial products. It was terrific to see Consumer Action's contributions be recognised through the Tim McCoy Award and the LIV Access to Justice prize (see more on page 17).

not only on improving outcomes measurement, but importantly, creating a culture of continuous improvement. We hope this report contributes to keeping our Centre accountable to the people it seeks to support – those experiencing vulnerability and disadvantage.

Consumer Action commissioned its bi-annual stakeholder survey in 2018. We were pleased with the results, which showed that our stakeholders have a good understanding of Consumer Action's purpose and rate our Centre's advocacy work highly. With almost 100 respondents, the results showed:

- 97% of respondents reported Consumer Action has a good or very good reputation;
- 78% of respondents said Consumer Action has a good reputation compared to other advocacy organisations; and
- 80% of respondents agreed that Consumer Action has a strong or very strong influence over the resolution of systemic consumer issues.

It was also pleasing that stakeholders understand and appreciate the link between our advice and casework, and broader advocacy.

Finally, two long-serving board members, Barbara Romeril and Roslyn Hunter are due to retire this year. Barbara was chairperson of the board for eight years, and Roslyn Hunter has been a permanent member of the finance committee for at least ten. Consumer Action has been fortunate to have benefited from the significant input of these two remarkable women over a long period of time. We thank them for their valued contribution.

- Gerard Brody, CEO and
Victoria Marles, Chair

Our

VALUES & PRIORITIES

Consumer Action's values sit at the core of everything we do.

FAIRNESS

We believe in a fair deal for all.

EXCELLENCE

We use our specialist knowledge and reflective practice to deliver highly professional services and effective campaigns.

RESPECT

We care about and respect our clients, colleagues and partners.

COURAGE

We act boldly and courageously in pursuing our vision.

We use our skills in the law, financial counselling, policy and campaigning to make consumer markets fair. We will do this by:

ASSISTING AND EMPOWERING PEOPLE

through financial counselling, legal assistance and representation

We will match services to the abilities and needs of people we help, and regularly evaluate our services to improve outcomes. Our litigation will be high impact and strategic.

Supporting an EFFECTIVE COMMUNITY SECTOR

Financial counsellors, community lawyers, social workers and other community workers support the most vulnerable people in Victoria. We will help them help their clients through outreach, training and legal assistance.

SHAPING A FAIRER SYSTEM and more effective consumer markets

We will work independently and with others to ensure markets work for people experiencing disadvantage or vulnerability. We will craft, support and collaborate on powerful stories that inspire systemic change.

ENHANCING THE SYSTEMS, STRUCTURES AND PROCESSES that support our people to do a great job

We will recruit and retain expert staff and committed volunteers. We will support them through specialised training and development, effective technology and a highly integrated work environment.

Our Impact Framework articulates the change we want to make for people and society. You can find our *Impact Framework* at: consumeraction.org.au/impactframework



Assisting &

EMPOWERING PEOPLE

Victorians can seek free, independent and confidential advice from Consumer Action's specialist lawyers and dedicated financial counsellors. Our teams provide a vital service to the community, working tirelessly to inform Victorians about their rights and give them the tools they need to obtain a fair outcome with consumer, credit and debt issues.

This year our Legal team provided **4,510 legal support services to consumers** including advice, legal research, document drafting, referrals, progressing matters through dispute resolution services and leading matters through courts and tribunals. People most commonly sought legal advice for **breaches of**

consumer guarantees and breaches or non-performance of contracts this year.

3,132 referrals were made onto other services where a caller could benefit from additional support from another service.

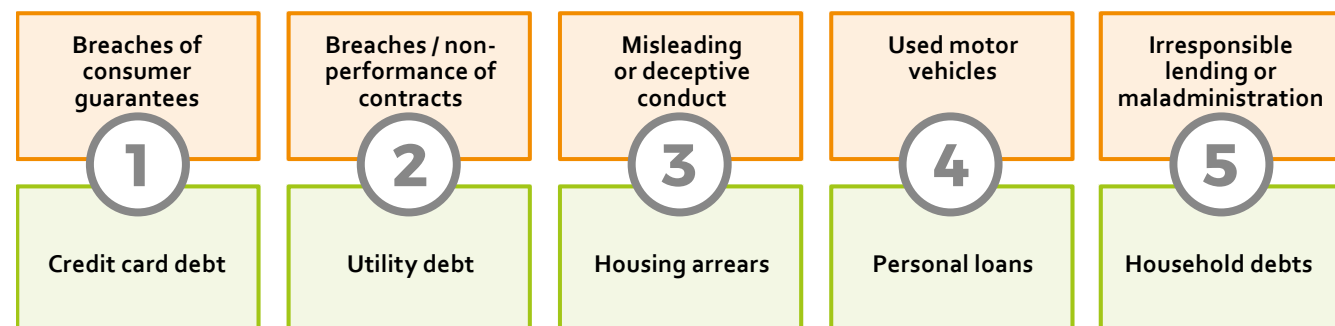
Our lawyers also took on **133 representation cases**. Their cases are usually complex in nature and require not only advocacy for the clients themselves, but additional effort to achieve systemic outcomes such as through formal complaints to regulatory bodies. We were on record in **19 court and tribunal proceedings** and made complaints to **24 external dispute resolution forums** on our clients' behalf.

Through this work, we were able to achieve over **\$3.4 million of savings for our clients**.

Our Financial Counselling team handles roughly **80% of all calls made by Victorians to the National Debt Helpline**. This service is always in very high demand: this year alone, we assisted **11,596 people** with a wide range of issues such as **credit card and utility debts** and **housing arrears**.

Telephone financial counselling advice improves the outlook for people experiencing debt issues. **84% of clients surveyed said they felt confident, better informed, supported, relieved, less anxious, hopeful and optimistic** after speaking to our financial counsellors.

Top 5 consumer issues addressed by our legal advice and financial counselling services

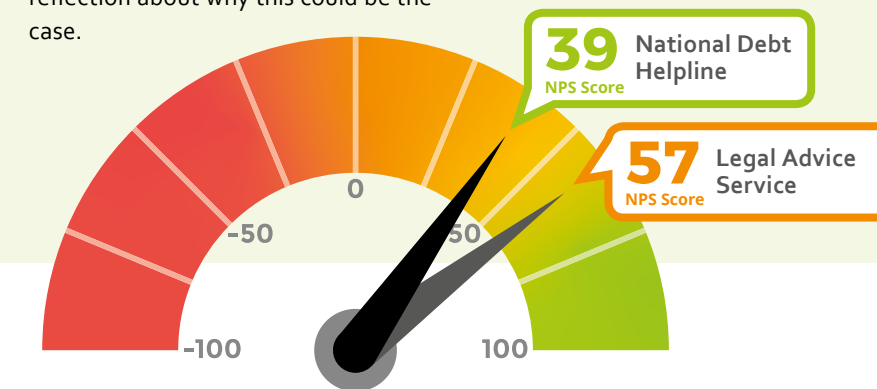


How did we do?

Consumer Action uses client feedback to help us analyse the impact of our services.

The results of client surveys encourage us to more closely examine which specific aspects of our services can be enhanced. For example, this year we noticed that while the result for our financial counselling advice service was quite high, it was slightly lower than the other two consumer services we provide. This prompted deeper reflection about why this could be the case.

We learned that the comparatively short amount of time each client has over the phone with our financial counsellors can impact the overall outcome. While our control over the length of these calls is relatively limited, the team can focus on further empowering our clients to achieve better outcomes. This includes making sure clients feel comfortable enough with the options provided to self-advocate and providing referrals to other supports where the client would benefit from additional support.



Greater Outcomes

People experiencing consumer legal issues often have a range of debt issues, and vice-versa. It is for this reason that we have worked this year to enhance our approach to offering integrated financial counselling and legal assistance. While our lawyers have long worked closely with community-based financial counsellors, we now additionally provide financial counselling casework for a limited number of clients where there is also ongoing legal representation.

This approach helps us achieve greater outcomes for the people we assist with significant or complex cases. This year, we obtained **total debt waivers or a significant reduction in debts, with over \$187,000 worth of waivers, refunds and compensation awarded**.

An integrated approach also helps us identify and highlight where changes to laws or regulations are necessary to prevent further harm to Australian families.

One such case was that of Henry, a man in his early 50s who contacted the

National Debt Helpline after dealing with a well-known debt management firm. He needed help juggling over \$60,000 in personal loan and credit card debt accrued over seven years when he turned to this firm.

Henry told us that the debt management firm offered him a Part IX debt agreement and that he was not advised of any other options available to him such as speaking with a free financial counselling service. He also said that he was unable to read the full agreement before signing it via a tablet device, he was not advised of his right to a cooling off period until after it had ended and that he was not told all the fees he would need to pay the firm.

In addition to concerns about the debt management firm's methods, we suspected that Henry's creditors had irresponsibly extended finance to him in the first place. The financial counsellor managing his case worked with one of our lawyers to obtain copies of documents from his

creditors, and they soon discovered that all of them had not adequately verified his financial situation.

We were able to have creditors waive interest and fees on his accounts and refund amounts that had already been paid. Henry's total debts were subsequently cut in half. He is now paying them off through an affordable payment plan that will see him debt-free in three years.

We also had the debt management firm's fees successfully waived and the agreement ended.

This case helped us demonstrate the need for these 'debt vultures' to be more closely regulated. We supported our client as he spoke about his experience during the *Senate Inquiry into credit and financial services targeted at Australians at risk of financial hardship* hearings in November and December 2018 and subsequent media interviews.



A Holistic Approach

Service integration was extended beyond our own office this year through a formalised partnership with the Victorian Aboriginal Legal Service (VALS).

Recognising that we need to take a coordinated approach to addressing the civil needs of Victorian Aboriginal communities, our Koori Engagement Manager, Kaylee established an Action Group in early 2018.

The Action Group includes representatives of government departments, dispute services and community agencies. Analysis undertaken by the group helped us better understand the consumer, credit and debt legal needs across Victorian Aboriginal communities* and encouraged Consumer Action and VALS to work in partnership to address these needs through community engagement and casework.

Community engagement sessions held in Aboriginal communities help us create better partnerships with Elders, community members and local support organisations to provide community members with more holistic assistance through a variety of legal and community sector supports.

Aboriginal Community Controlled Organisations (ACCOs) play a vital

role in the engagement process, and we actively involve ACCOs and other relevant local services in every session. This creates opportunity for ACCOs to increase their understanding of consumer, credit and debt issues so they can continue identifying issues that are prevalent within their communities and connect community members with legal support and advice.

Service promotion through the community engagement sessions and creating culturally appropriate resources including a dedicated Koori Helpline has resulted in a **25% increase in advice and casework provided to Victorian Aboriginal communities** since the project was launched. This work has also fed valuable intel to our policy work through issue-spotting and case studies conveying the experiences of community members with harmful financial products and services.

* All references to Victorian Aboriginal include Aboriginal and Torres Strait Islander peoples living in Victoria.

Consumer Action data indicates a

25% increase

in number of Aboriginal and/or Torres Strait Islander people receiving consumer, credit and debt assistance across Consumer Action's legal and financial counselling services compared to the same period last year

Giving People a Voice

Add-on insurance policies that are bundled with financial products such as credit cards, personal loans, mortgages and car finance have been a long-standing concern for our Centre.

People are too often pressured into purchasing add-on insurance policies such as consumer credit (CCI) and gap insurance, sometimes so far as being convinced that it is required in order to obtain finance. Many people don't even realise they have purchased insurance cover, and they pay hefty premiums for policies that, thanks to exclusions, don't end up paying out.

In early 2016, we identified a need for people to have an easy avenue for requesting refunds on these 'junk insurance' policies.

Enter **DemandAREfund.com** – a simple tool to help people stand up for their rights and generate a formal complaint letter to demand their money back for add-on insurance they have been sold.

This year alone, **usage of DemandAREfund.com more than doubled and over \$3 million worth of refunds have now been demanded.**

The tool's use continues to increase each day, and we regularly receive positive feedback from people who have achieved a successful outcome thanks to this service.

The harm caused by add-on insurance was a hot topic during the Banking Royal Commission, and several insurers have stopped selling these policies. Following our advocacy, the Final Report from the Banking Royal Commission recommended establishing a deferred sales model for all types of add-on insurance to give people time to consider their options.

Australians with junk insurance sold by caryards received another boon in June 2019 when ASIC announced a further \$14.7 million in remediation programs by six insurers for these policies, bringing total remediation to \$130 million by June 2019.

We will continue to advocate for a level playing field this year, including protecting people from unfair terms in their insurance policies, banning unsolicited selling and establishing a deferred sales model for add-on insurance.

I wanted to share the results of my demand letter with you guys and thank you for your excellent work.

I bought a car with finance from the dealer (never, ever again) and ended up with gap insurance (which I was told was mandatory), loan protection (which I didn't need as I have income protection insurance) and an extended warranty.

I used your service to generate a refund demand letter for the gap insurance and was immediately successful in obtaining a full refund.

I then enquired as to the other policies with the complaints rep I was dealing with and have ended up being fully refunded for all 3 policies, totalling nearly \$12,000.

I'm delighted with the outcome and consider it a lucky escape.

- Feedback from a DemandAREfund user

Vale, Celia Tikotin

Our much valued and loved colleague, Celia Tikotin sadly passed away this year.

Celia worked with Consumer Action since its inception, and with Consumer Credit Legal Service prior to that. Celia was an inaugural co-Director of

Legal Practice and worked in a variety of roles across our Centre. Celia – a passionate advocate for social justice – was a leader in using consumer law to ensure people experiencing financial disadvantage had sufficient resources to live on. She literally saved many people's homes from repossession.

Celia was a loved colleague and friend to many past and current members of staff and the broader consumer advocacy and financial counselling sector. She is missed.

Vale, Celia.



Supporting an

EFFECTIVE COMMUNITY SECTOR

Our experts provide information and advice to workers from across the legal and community sectors, enabling them and their organisations to take a more holistic approach to serving their clients' needs.

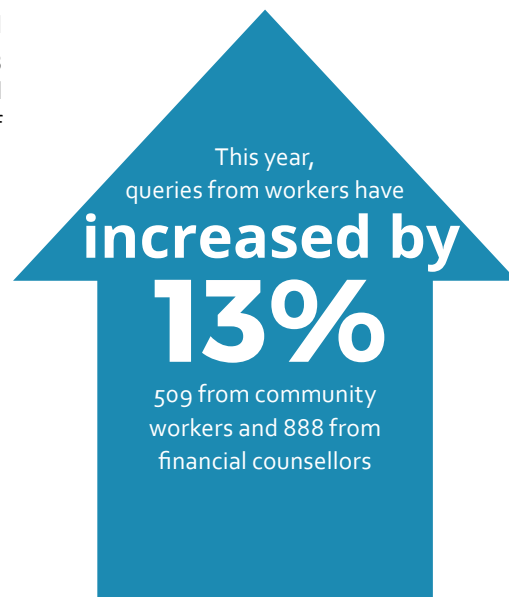
Queries from workers have increased by 13% this year – **509 from community workers and 888 from financial counsellors**. Queries relating to **bankruptcy, car loans and consumer credit insurance** were common from workers seeking legal advice to support their clients.

In our work with generalist community legal centres over the past few years, we have observed lawyers becoming increasingly confident and skilled in running consumer law matters affecting vulnerable people. As a result, our ongoing assistance to these lawyers this year has increasingly taken the form of advice on more complex and impactful casework.

This year, we also provided professional development via **13 training sessions for financial counsellors** in the early stages of

their careers, **five training sessions for students undertaking Diploma of Financial Counselling studies** in Melbourne's western suburbs and **two full-day telephone advice training sessions**.

Five new eLearning modules were also developed for graduate year and early career financial counsellors.



Greatly improved my confidence in taking on a case as I know I have legal advice to guide me. I have taken on many cases that I would otherwise not have pursued so far ...

Sometimes I run information past [Consumer Action] to confirm the planned path, and [Consumer Action] usually provides different angle, ideas.

Working mainly as a sole financial counsellor a discussion re: the case and the options is invaluable where there are legal issues ...

I still remember conversations I had on the line from years ago, which totally changed and drove the way I approach things like consumer leases, payday loans, insurance.

Without this line, I would not be the type of financial counsellor I am today.

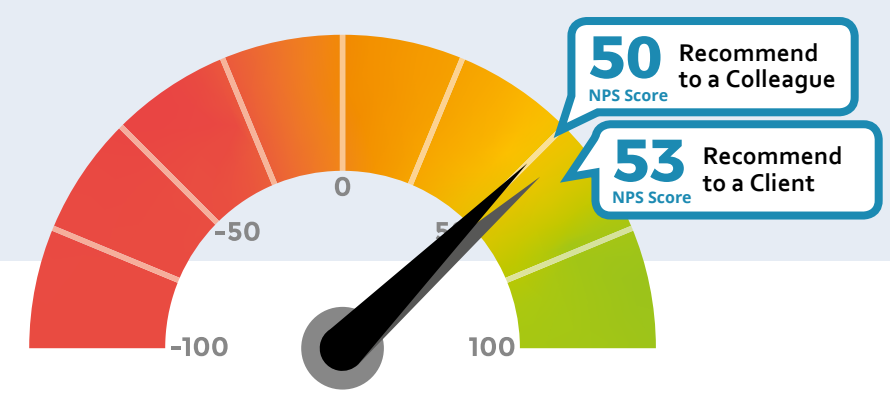
- Client feedback from the worker advice service

How did we do?

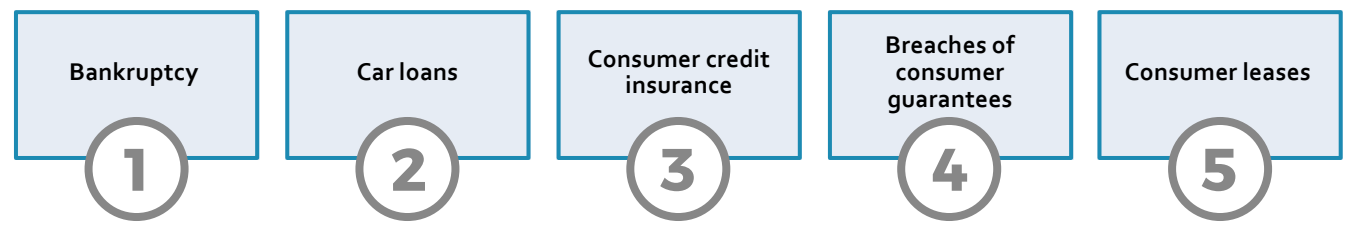
As with our consumer-based services, Consumer Action seeks feedback from workers to help us analyse the impact of our worker advice service. The main takeaway: most of the workers we assisted would recommend our services to their colleagues and their clients.

We also learned that while we have limited control over accessibility and wait times, we can reach more workers

by creating and promoting resources on a wider range of topics for our website. Enhancing our lawyers' understanding of what other services (such as financial counselling) can do to assist with certain queries that fall outside of our service offering may also help with accessibility concerns.



Top 5 queries received by community sector workers and volunteers



A United Front

Recognising that consumer advocates can achieve greater client outcomes when we work together to share our collective knowledge, we have worked to take a more collaborative approach to sector training and engagement this year.

Our team delivered **22 sessions to consumer advocates and community workers** designed to help them identify consumer and credit issues and provide referrals where appropriate. We also hosted specialised training sessions for sector workers that support people through

matters relating to NDIS and family violence.

Two standout sessions were held for Launch Housing and other sector workers in February 2019. The sessions were run in partnership with Social Security Rights Victoria (SSRV), Tenants Victoria and St Kilda Legal Service to show attendees how to spot legal issues and use the law to address many of the housing, Centrelink and financial issues that commonly affect people experiencing vulnerability and disadvantage.





Consumer Champions

After a successful collaboration with Hume Riverina and Barwon community legal centres in early 2018, we continued and strengthened relationships this year.

Affectionately dubbed the 'Consumer Champions Network', we endeavour to build a strong network of lawyers that are able to identify and run consumer and credit law cases. This involves information-swapping through regular updates, collaboration on advocating for reform to law and industry practices, inclusion in professional development opportunities and strengthening referrals across agencies.

The Network also includes WEstjustice and VALS, who bring with them valuable experience with migrant, refugee and Aboriginal communities.

One client who benefited from the shared expertise of the Network was Anne*, a single parent who has survived family violence. Anne cares for her two children and the carer payment and family tax benefit are her only source of income. She had four consumer lease contracts with Radio Rentals for household goods between 2012 and 2017. These leases were paid using Centrepay.

Unfortunately, Anne found all of the leases to be unaffordable and repaying them caused her financial hardship. The cost of the goods under the leases was excessive. The goods had a recommended retail price of over \$9,000 according to Radio Rentals. However, the total amount to be repaid under the leases was over \$17,000 – almost \$8,000 more than what Radio Rentals said the goods were worth.

In total, Radio Rentals took an additional \$4,000 from Anne via Centrepay over the course of the leases, which was refunded in instalments. It is not clear why these additional amounts were taken or the process governing the way the additional amounts were refunded.

Consumer Action worked with Hume Riverina Community Legal Service (HRCLS) on this matter. Deb from HRCLS prepared and sent the initial letter of demand to Radio Rentals, then referred Anne's matter to us failing resolution at an early stage. Our lawyers then drafted pleadings but were able to resolve the matter with Radio Rentals prior to filing before the Federal Circuit Court.

This connection with HRCLS enabled us to progress some of our strategic policy work around harmful financial products. Anne's experience formed part of our work to urge the Department of Human Services to kick consumer leases off Centrepay. (See page 25 of this report for more information about this work.)

Anne has also championed our work by allowing us to share her experience in a number of forums, including the *Senate Inquiry into Credit and Financial Services targeted at Australians at risk of financial hardship* and some promotional materials we have developed for our outreach work.

* Name changed for privacy reasons.

Fair Energy in Victoria

When it comes to sector collaboration leading to positive policy outcomes, our work on energy has been a big winner this year.

We've worked with the regulator, the Essential Services Commission (ESC) and other advocates including the Victorian Council of Social Service (VCOSS), Brotherhood of St Laurence and the Financial and Consumer Rights Council (FCRC) to support a new consumer protection framework to respond to financial difficulty.

The new Payment Difficulty Framework launched on 1 January 2019 and preliminary data from the National Debt Helpline indicates that energy service disconnections have already decreased.

We've also long advocated for a default offer to be introduced in Victoria's energy market. Once again, we joined forces with VCOSS, FCRC and others to make sure community concerns were heard and that price setting was in their best interest.

This year, these efforts paid off when the State Government accepted our recommendations and developed the Victorian Default Offer. We then provided technical input into the pricing methodology, and the new Offer was available from 1 July 2019. Our work has helped Victoria take the lead when it comes to ensuring Australians get a fairer price for electricity.



Extending Our Reach

Part of helping to build a stronger and more integrated community sector is to raise the profile of consumer lawyers and financial counsellors.

This year, we worked with Financial Counselling Australia (FCA) on the 'Day in the Life' program, giving politicians and senior decision-makers the opportunity to gain a better understanding of the work financial counsellors do for the community. Our team had the pleasure of **hosting 11 people for 'Day in the Life'** this financial year, including James Shipton, Chairman of the Australian Securities & Investments Commission, Kate Carnell from the

Australian Small Business and Family Enterprise Ombudsman and several parliamentarians.

Our financial counsellors continued handling referrals from the Cancer Council. Many people diagnosed with cancer are forced to quit their jobs or go on extended leave for treatments, causing financial difficulty. We have **assisted the Cancer Council with 28 referrals** this year and look forward to continuing this successful relationship well into the future.

In November 2018, we also started a new referral program with Victoria Police. Regularly meeting members of the public who are in need of

additional support, Victoria Police identified a need to develop a group of social support agencies that can provide a wrap-around service for matters such as severe debt, mental health and housing.

This referral program has been an important touchpoint for our financial counsellors to reach some of the most vulnerable and disadvantaged in our community. We have **assisted Victoria Police with 415 referrals** this year.

Beyond Measure

Every day, we are contacted by people facing considerable stress and hardship. They often express a sense of hopelessness when we first meet them – feeling betrayed by people or companies they trusted, or simply having no idea what to do.

Thanks to the services provided, those feelings are often transformed into relief and even empowerment. The feedback we receive from clients and workers alike demonstrates the positive effects our services have on their mental health and general wellbeing.

Sometimes I run information past Consumer Action to confirm the planned path, and usually Consumer Action provides different angle, ideas. Working mainly as a sole financial counsellor a discussion regarding the case and the options is invaluable where there are legal issues.

The agent I spoke with was fantastic! He was understanding, didn't cut me off, he was sympathetic, he gave advice and suggestions that made me feel a lot better about my situation. He was also very compassionate and repeatedly applauded me on the positive steps I was taking to better my situation. I would love to thank him!

The lady that answered me was professional, empathetic and lovely. I was so stressed and she made me feel so much better and knew her stuff. Thank you for actually changing my life.

Just having the support; having professionals that helped me understand what was going on and shining a light on the different options that I had, especially when I was in a really tight financial position. It was amazing. It made all the difference in my life to have that assistance.

The counsellor I spoke with was very kind and caring and provided me with good options and offered access to other resources. I managed to resolve my matter the next day successfully. Thank you.

I particularly like the way I can be directed to a specialist in the field eg insurance and how Consumer Action workers take the time to reply or email. I have had lawyers write specific advocacy letters relevant to my case, for which I am so appreciative.

I was lucky to speak to a Financial Counsellor and she was so helpful and genuine. After speaking to her I felt so much relieved because I know my rights and found a resolution.

I cannot speak highly enough of my experience! I was incredibly stressed and worried and was completely put at ease and really felt like I had my own power back to handle my situation.

Your counsellor not only offered sound advice they were supportive and understanding. This nullified my shame about having to ask for help and fear of the possible outcome.

My advisor was excellent and made me feel like I wasn't going crazy. She offered me support and guidance in what is a very scary time for me and my family financially. Thank you for your help.

Really great people to talk to. They weren't condescending, and they gave me courage and confidence to face my financial problems.

I must say that some of the training specific to issues that is taken out to regional areas has greatly improved my practice (consumer leases and responsible lending are examples). In the past five years I have been operating, I've needed to have it rehashed, and rehashed as there is so much to it all. Every time I attend such a mentoring group session, it sinks in more, and I build on knowledge toward greater complex issues and understanding. It's the old adage of 'never know it all' and I always seize a Consumer Action training session where I can, even if I've done it before, so the point is please continue these!

Being Heard

Great change can be achieved by working collaboratively with others on litigation, complaints to regulators and political lobbying for change.

In 2016, we published a report – *Fringe Dwellings* – that analysed the dangers of rent-to-buy and vendor terms agreements in Australia's housing sector. These agreements prey on people's desire to live 'the Australian dream' of homeownership, and the risks far outweigh the benefits.

The biggest misconception is that people entering into these agreements own their home from the first payment, but they don't really own the property until all payments have been made. Moreover, unaffordable deals meant that purchasers were never able to conclude agreements, causing them to lose their home and life savings.

Between 2016 and 2018, we collaborated with WEstjustice and Maurice Blackburn to address a number of concerning vendor terms cases in Melbourne's western suburbs.

We worked collaboratively with our partners, including providing assistance to one client whose matter went to the Supreme Court.

At the same time, we worked together to campaign for change, starting with complaints to Consumer Affairs Victoria (CAV) and the Australian Securities and Investments Commission (ASIC). We then lobbied for changes to the legislation to ban rent-to-buy and vendor terms agreements from the housing market.

Though it was years in the making, persistence paid off this financial year with the *Sale of Land Amendment Bill 2019* passing Parliament in May 2019, which proposes a ban on vendor term and rent-to-buy agreements in the Victorian housing sector.

Shaping

A FAIRER SYSTEM

With a number of high-profile inquiries such as the Banking Royal Commission in full swing, this year was a dynamic one for our Centre's work to shape a fairer system.

We made **45 submissions to a range of inquiries** on topics such as regulating payday lenders and buy now pay later providers, enhancing dispute resolution guidelines and giving more people access to fairer energy prices. This work was further supported by **354 engagements with industry, government, regulators, politicians and community advocates**.

In an effort to address systemic issues spotted in advice and representation work, we also made **96 complaints to regulators**.

Our policy and campaigning efforts were further boosted by extensive media coverage at a local, state and national level. This included commentary and mentions in **1,635 print/online articles** and **2,893 broadcast interviews** (1,757 radio and 1,136 television).

Banking Royal Commission

The *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (Banking Royal Commission)* continued to be a significant undertaking for our Centre this year.

We made substantial submissions to several rounds of the Banking Royal Commission and supported clients to give evidence before the Commission.

Tracey gave evidence about her experiences of purchasing what she thought of as funeral insurance from the Aboriginal Community Benefit Fund (ACBF). Grant discussed how pressure selling of life insurance over the phone by Freedom Insurance affected his son who is living with a disability. These experiences were heard by a national audience and the conduct of both ACBF and Freedom were very publicly scrutinised and referred to regulators.

The Final Report from the Banking Royal Commission was released in February 2019 and included several recommendations we had made

throughout the inquiry. Consumer Action was one of only a handful of consumer advocates invited to the lock-up for the release of the Final Report.

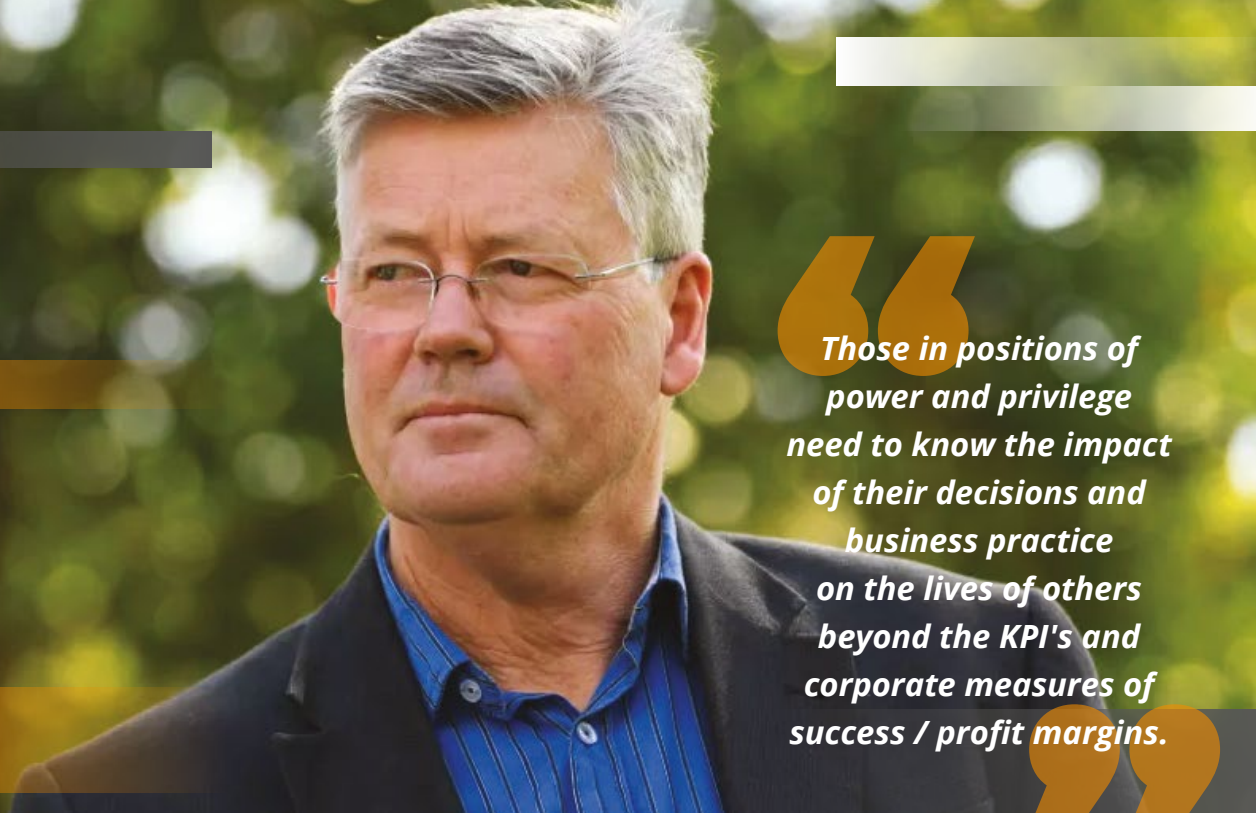
We will continue our work with Government and other consumer advocates to ensure that the community's best interests are at the heart of these recommendations as they are implemented in the coming years.



With Honours

Consumer Action was honoured to receive two awards in recognition of our work on the Banking Royal Commission this year. In November 2018, we were awarded the Tim

McCoy Award for social justice and advocacy. We were then awarded the Law Institute of Victoria Legal Award for Access to Justice in April 2019.



“Those in positions of power and privilege need to know the impact of their decisions and business practice on the lives of others beyond the KPI's and corporate measures of success / profit margins.”

Taking a Stand

Of the 27 consumer witnesses that spoke about their experiences with financial service providers during the Banking Royal Commission, a statement about one family's experience with an insurance company resonated with people from all walks of life.

That statement came from Melbourne father and Baptist minister, Grant.

In 2016, Grant contacted Consumer Action for support after his son was coerced into purchasing life insurance over the phone. His son lives with a disability and relies on his parents to help him make key financial decisions.

Consumer Action's lawyers helped Grant and his son cancel the insurance policies, and also assisted Grant before the Commission.

"It was obvious listening to my son's call with the insurance agent that he was being manipulated through the process and being asked leading questions that went according to a script," says Grant.

"Consumer Action provided pro-bono legal counsel, encouragement and support through the whole process. They gave us the ways and means to see justice done."

When the opportunity to speak about his son's experience at the Royal Commission came up, Grant gladly accepted.

"Testifying at the Royal Commission was important to me for several reasons. There was a sense of wanting justice to be done and a desire to see change happen.

"Unless the practice of unsolicited selling / cold calling was challenged, it would likely continue unabated and those who did not have the capacity to ascertain what is of good value and needful would continue to be targeted."

Grant said it was important for him to take a stand for those who can't. "Many members of our society with intellectual disabilities are not able to speak for themselves and need others to articulate and advocate for them."

Grant testified on his son's behalf in September 2018. What he didn't expect was the outpouring of support his family received from the community far and wide.

"The intensity of media attention and the 'chord' that was struck by the testimony was a big surprise. I had not anticipated that this particular case would garner such intense and,

indeed, world-wide focus as a clear example of what needed to change."

Consumer Action supported Grant through several media interviews throughout late 2018 and early 2019. "They were consistently available and helpful in the lead up to the Royal Commission and in subsequent dealings with media." He said that he appreciated everyone's willingness to protect his son's identity throughout the process.

While it generated a lot of personal attention, Grant said that he would not change his decision to appear as a witness. He says that good support is critical and urges anyone questioning whether they should stand up for their rights to seek assistance from consumer advocates.

He also says it is important for people to speak out because it provides incentive for change and for justice to be done.

"Justice, wellbeing and fairness are important measures of community health.

"Those in positions of power and privilege need to know the impact of their decisions and business practice on the lives of others beyond the KPI's and corporate measures of success/ profit margins."

Empowering Regulators

Since 2015, our advice services have witnessed an increase in queries relating to one predatory credit agent, Cigno Loans. The frequency and severity of the cases prompted us to publish an alert on our website outlining our concerns about Cigno in May 2018, inviting community sector workers to contact us to obtain a template complaint letter and advice on how to handle these queries.

We then created another template letter for workers to complain to the Australian Securities and Investments Commission (ASIC) about Cigno's misconduct and to explain their client's circumstances and vulnerability. Since publishing our website alert in May 2018, we have **provided advice and assistance to 55 workers on issues relating to Cigno**, including advice on

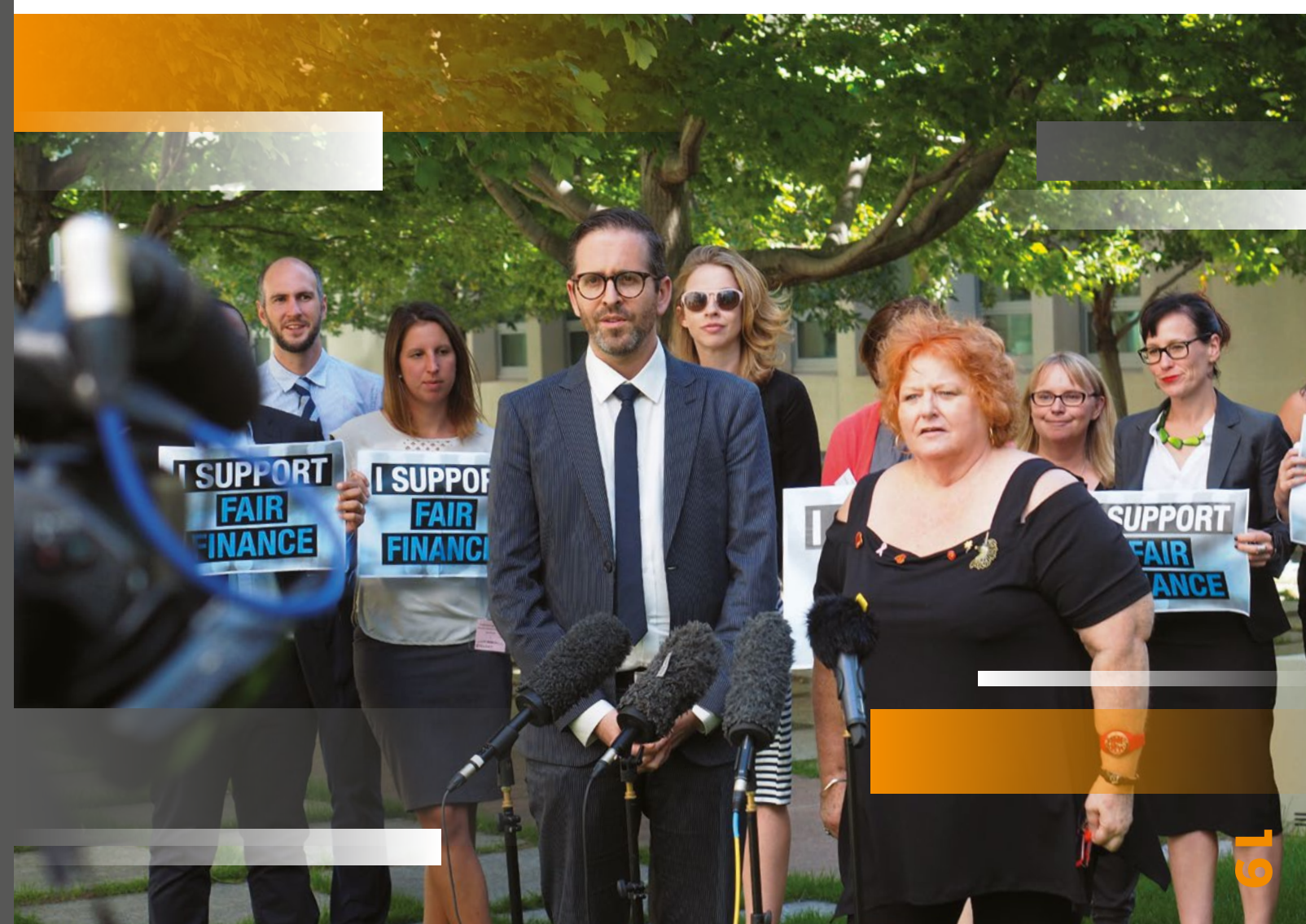
how to lodge a complaint with ASIC.

In addition to assisting individuals, we also worked to ensure businesses that cause consumer detriment like Cigno are held accountable. We led a sector-wide push to grant ASIC new product intervention powers (PIPs) that would enable them to ban or amend harmful financial products where there is a risk of significant customer detriment. We also pushed to update design and distribution obligations (DADOs) to require all financial service providers to create and provide products that meet customer needs rather than focussing on securing the sale.

In April 2019, ASIC's new PIPs and enhanced DADOs were enacted, and ASIC has since announced its intention to use the new laws on

Cigno. This would ban the business model creditors like Cigno use to exploit customers. ASIC then took action against Cigno in September 2019.

In its announcement, ASIC stated that they had received 165 reports of misconduct by Cigno since July 2016 alone, persuading them of the need to intervene. This demonstrates that complaining to regulators like ASIC, and supporting community workers to do this, pays off.





Enhancing SYSTEMS, STRUCTURES & PROCESSES

As team integration has evolved, so too has the need for internal resources that encourage and enhance collaboration.

This year, we worked to roll out a new practice management tool which enables us to better integrate legal, financial counselling, policy, campaigns, communications and service development functions. The new system has already enhanced the way we work together and is currently meeting approximately 80%

of our needs. Phase two will include creating a vision for how we want this new system to work and developing a roadmap to get there.

We also recognised a need to refine the large variety of document templates and collateral that are used throughout our Centre. The varied styling and set-up of these resources had presented challenges with showcasing Consumer Action as one integrated team, particularly when work spans across departments.

Enter Yoko – graphic design and communications guru. Yoko has worked to develop a suite of new document templates and collateral that are beautiful, cohesive and fit for their intended purpose. To pull everything together, she also developed a brand style guide that will take us well into the future.

and protecting those experiencing vulnerability and disadvantage. We are pleased to find that our staff agree: all of the survey respondents said that they believe in our mission and values.

As we continue on our path toward being a more integrated organisation, we are increasing our focus on making sure each person's role and contributions are clear. One key step in this process is the development of a Wellbeing Framework aimed at capturing all of our policies, practices and initiatives to promote the wellbeing of our people in one place.

Our third biennial staff survey was conducted this year with some interesting and pleasing results.

Survey respondents indicated that Consumer Action has a positive work environment that encourages our staff members' career goals. All respondents also agreed that there is a commitment to ongoing training and development of our staff. 98% of respondents also indicated that their manager provides help and support when they need it.

As a values-driven organisation, we strive to recruit people who are passionate about social justice

One Cohesive Team

Beyond the Sector

Our Operations team had a unique and unexpected role in extending our reach this year.

When we decided to transfer our telephone advice lines to Touchpoint, a popular telephone queuing system, we soon discovered a hitch: Touchpoint didn't effectively integrate with JAWS, a platform commonly used by those with blindness or low vision.

JAWS is an essential tool used not only by members of our team but by many other legal and community sector organisations and beyond. As such, it is critical for all systems to work effectively with JAWS.

Our telecommunications partner, Prosum was integral in resolving this issue. Their technical staff worked closely with us to find the hiccups and identify the best ways for the two systems to integrate.

In the end, the collaborative work between our Centre, Prosum and the product vendor led to a successful integration between Touchpoint and JAWS that countless other organisations and their blind and low vision staff across the world will now be able to enjoy.

Unexpected Lessons

The people are this organisation's greatest strength: they are intelligent, committed and interested in the world.

- Response from the Staff Survey

HR and Finance help lead the way to our Centre becoming a paper-free workplace. This year, this work was achieved by transitioning these functions to a more user-friendly platform.

In August 2018, QuickBooks and Employment Hero were selected as platforms of choice for their useful integration of both departments' requirements. Unfortunately, it was a short-lived adoption for one of these systems due to an unexpected dilemma: we soon discovered that Employment Hero was promoting an unregulated lending option through its platform. This directly conflicts with the work we do to ensure financial products are consistently and safely regulated.

This unexpected experience prompted an important discussion about whether this arrangement truly aligned with our organisation's values. In the end, we decided to part ways with Employment Hero and have since moved to another provider beginning in November 2018.





When Career Meets Calling

Consumer Action’s Operations team has a group of dedicated experts who take charge of addressing the unique process and technical needs of each function of our Centre. One such guru is Kaitlyn – process development extraordinaire and passionate social justice advocate.

Kaitlyn used to work in the IT industry but as much she enjoyed her work, the culture wasn’t a good fit. She wanted to help people experiencing vulnerability and felt that her values were more in line with the not-for-profit sector.

So when an opportunity to join our team came up, Kaitlyn jumped at the chance. “Consumer Action has been not only an incredibly supportive workplace, but an organisation whose culture and values align with my own,” she says.

When she’s not using her skills to enhance our collaboration efforts through better systems and processes, Kaitlyn volunteers her time to support women at the Women’s Information and Referral Exchange Inc (WIRE).

She discovered the opportunity through a joint training program with Consumer Action, and her managers

were very supportive of her desire to volunteer. “At Consumer Action, my clients are basically my team members. I really wanted a connection to something else my heart is in. I have always had a passion for women’s issues and mental health and WIRE gave me that.”

If you ask Kaitlyn’s workmates about her, they would probably remark that she has an endless amount of energy as well as patience: in addition to her work and volunteering efforts, she has also spent the past year completing a Bachelor of Information Systems (Business Analytics) at Deakin University.

Juggling full-time work and part-time study wasn’t easy but getting through the final year with the support of the team helped her keep the end in sight during the last stretch. Through this complement, she was able to fulfil a work-based learning unit and lead the design of an internal HR training system for our Centre.

It is not hard to see how much Kaitlyn loves her work. When asked about the best part of working at Consumer Action, she doesn’t hesitate before saying, “The people.”

“Everyone here is super smart and super passionate. They care a lot about their clients and have a true passion for justice.”

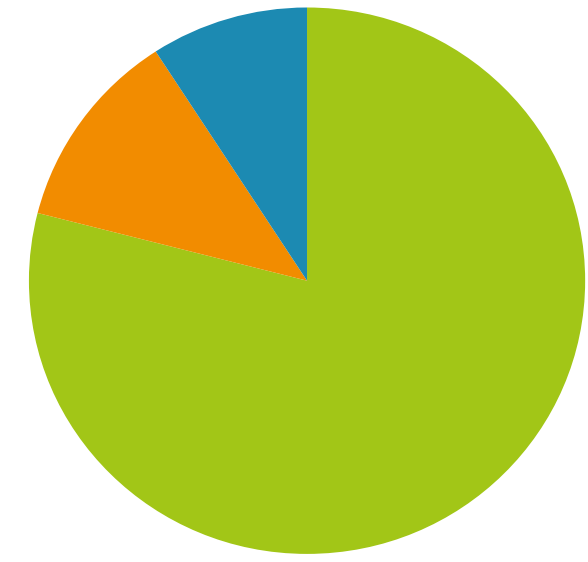
She is thankful for everyone’s support of both her work and her goals for the future. “I feel like I can connect to them and belong here – my work is valued, and they also empower you to develop your skills.”

Kaitlyn encourages anyone considering working in the community sector to show their passion for whatever issue they’re interested in, and to try to get a sense of the internal culture of the organisation they want to work with. “You want to help people, but you also want to enjoy the people you work with.”

Above all, Kaitlyn says not to be afraid to grasp an opportunity to follow your passion.

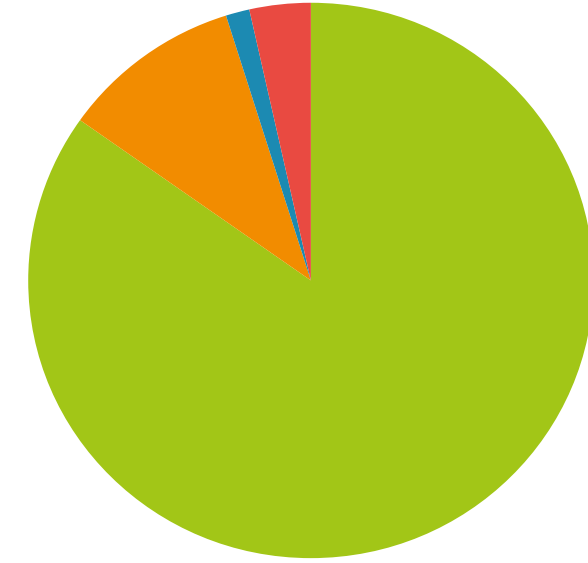
“Just go for it. It’s totally worth it.”

Income: Our Revenue in 2018-19



Total Income: \$5,120,967

Expenses: How We Spent Our Funding in 2018-19



Total Expenses: \$5,548,566

Surplus/Deficit: \$ -427,599

	\$	%
GOVERNMENT FUNDING	4,044,904	78.99%
Victoria Legal Aid Community Legal Services Program (State)	1,229,810	24.02%
Consumer Affairs Victoria - Financial Counselling Program (National Debt Helpline)	979,087	19.12%
Consumer Affairs Victoria - Consumer Advocacy & Assistance Program	790,783	15.44%
Victoria Legal Aid Community Legal Services Program (Commonwealth)	342,292	6.68%
Department of Social Services (Commonwealth) - National Debt Helpline	315,684	6.16%
Consumer Affairs Victoria - Financial Counselling Program (Legal Support)	284,998	5.57%
Victorian Department of Justice & Community Safety	102,250	2.00%
SECTOR GRANTS	607,160	11.86%
Ecstra Foundation	187,500	3.66%
Energy Consumers Australia	173,200	3.38%
Standards Australia	140,138	2.74%
Federation of Community Legal Centres - Integrated Practice Fund	106,322	2.08%
OTHER REVENUE	468,903	9.16%
Refunds and reimbursements	175,561	3.43%
Other income	100,043	1.95%
Interest	93,435	1.82%
Rental income	71,453	1.40%
Consulting and sitting fees	28,411	0.55%

	\$	%
SERVICE AND PROGRAM DELIVERY	4,704,877	84.79%
Staff salaries, superannuation, on-costs and training	4,199,660	75.69%
Travel	115,553	2.08%
Program and planning expenses	389,664	7.02%
ADMINISTRATION AND INFRASTRUCTURE	574,337	10.35%
Premises costs	333,521	6.01%
Depreciation	62,101	1.12%
Office overheads	164,053	2.96%
Finance and accounting	14,662	0.26%
RESOURCES	75,244	1.36%
Communications	44,947	0.81%
Library, resources and subscriptions	30,297	0.55%
OTHER EXPENSES	194,108	3.50%

The complete audited Financial Statement for 2018-19 can be found at: consumeraction.org.au/impactframework



A Look at

THINGS TO COME

Better Systems

This year, we will continue to update our systems and, in doing so, encourage collaboration throughout our Centre.

Work on data analysis and visualisation tool, Power BI will kick off. This tool will revolutionise the way our teams use data to spot systemic issues and trends to inform our policy and strategic litigation work. Beyond issue spotting, it will aid in strategic decision making on where funding and resources would be most critical to address the needs of the community.

We will also continue our work toward becoming a paper-free workplace.

This has included moving our systems onto the cloud, thereby removing the need for virtual private networks when our staff are working remotely, which have a relatively high potential to be compromised.

Staff education about data and system security also plays a vital role. We have established an effective process that enables our staff to spot, prevent and notify others of any potential security threats such as email scams. This work has had extremely positive and preventative results.

Getting the Job Done

We continue advocating for changes to laws and regulations in key focus areas in the wake of the Banking Royal Commission and beyond. At the time of reporting, work has continued on three key policy areas.

Post-Banking Royal Commission, we extensively consulted with the Australian Securities and Investments Commission (ASIC) on a review of its responsible lending guidance. We emphasised the importance of ASIC considering the significant harm demonstrated during the Banking Royal Commission when updating the guidance. We will continue to work with other advocates to ensure responsible lending guidance from both ASIC and the Australian Financial Complaints Authority (AFCA) help lenders comply with the law and meet community standards.

Our Centre has played an instrumental role in shining the spotlight on harmful financial products that didn't

fall under the remit of the Banking Royal Commission. We were critical in ensuring the *Senate Inquiry into Credit and Financial Services targeted at Australians at risk of financial hardship* examined debt vultures, payday lending, buy now pay later and consumer leases.

Despite the Federal Government accepting the recommendations from its own inquiry into small amount credit contracts (SACCs) over three years ago and their inclusion in the Final Report from the Senate Inquiry this financial year, these changes have yet to be actioned. Meanwhile, Australians continue to be trapped in crippling debt due to high-cost 'fast loans' and harmful consumer leases.

In response, we recently created the **Stop the Debt Trap Alliance** – a group of over 20 consumer advocacy bodies determined to see stronger laws implemented to protect Australians from irresponsible lenders.

Telecommunications has been a relatively new policy focus this financial year after having been identified as a systemic issue by our lawyers and financial counsellors. We contributed jointly with WEstjustice to consultations on the most recent iteration of the Telecommunications

Consumer Protection (TCP) Code. There were a number of inclusions to the new draft of the code that would have adversely affected the community and their ability to seek fair resolutions to disputes. Other necessary safeguards recommended by the Australian Communications Consumer Action Network (ACCAN) were also not addressed, including unsolicited sales and commission-focussed selling practices.

The new TCP Code took effect on 1 July 2019. While we were successful in quashing some of the most detrimental changes to the code, there is still work to be done to ensure the telecommunications industry acts in the best interests of their customers.

Strategic Litigation

Consumer Action has always considered that litigation can help give a more public face to systemic issues that cause significant harm to Australian families.

This year, we enhanced our capacity to lead strategic litigation by recruiting Special Counsel, Ursula. We have already hit the ground running by tackling two systemic issues that have been witnessed time and again throughout our advice and casework.

Our legal and financial counselling advice services regularly speak to people who have dealings with debt management firms who do not live up to expectations. Despite promising to help people experiencing vulnerability or disadvantage, these services cause significant financial harm. To address what we consider to be systemic breaches of consumer law, we commenced proceedings on behalf of a client in the Federal Court of Australia against debt management firm, J Daniels & Associates.

Another core piece of strategic advocacy work involves Centrepay, the direct debit system offered by the Department of Human Services

(DHS) to pay essential living expenses for Centrelink recipients. Since November 2017, we have made more than a dozen complaints to DHS on behalf of clients about consumer lease providers using this service to hire non-essential goods before clients have the opportunity to pay their daily living expenses such as food and transport.

Our main complaint is that consumer lease providers we see are engaged in

systemic misconduct that is not only unlawful but in breach of DHS's own Centrepay Policy.

This work will continue in the next financial year as we have lodged a complaint with the Commonwealth Ombudsman about DHS's failure to substantively respond to complaints against consumer lease providers. This complaint was under investigation at the time of publication.





Commonwealth Attorney-General's Department	Ecstra Foundation	Victorian Department of Environment, Land, Water and Planning
Commonwealth Department of Social Services	Energy Consumers Australia	
Consumer Affairs Victoria	Federation of Community Legal Centres	Victorian Department of Justice and Community Safety
	Standards Australia	
	Victoria Legal Aid	

Pro Bono Barrister Panel

Luisa Alampi	Georgia Douglas	William Houghton QC	Carl Moller	Sally Whiteman
Garry Bigmore QC	Andrew Downie	Leigh Howard	Sandip Mukerjea	Sarah Zeleznikow
Paul Bingham	Jonathan Evans QC	Rebecca Howe	Meg O'Sullivan	Brind Zichy-Woinarski QC
Daniel Bongiorno	Peter Fary	Marcus Hoyne	Anastasia Smietanka	
Kate Burke	David Foster	Mathew Kenneally	Carolyn Sparke QC	
Sarah Cherry	Min Guo	Caroline Kenny QC	Dan Star QC	
Daniel Clough	Astrid Haban-Beer	Patrick Miller	Melanie Szydzik	
Jarrold Corbett	Kristine Hanscombe QC	Garry Moffat	Cam Truong QC	

With Thanks To

Australian Communications Consumer Action Network	Consumer Policy Research Centre	Financial Rights Legal Centre	Maddocks (Peter Francis, Michael McDonald)	Rumbalara Aboriginal Co-operative
Australian Government Solicitor (Geetha Nair, Sue-Anne Thompson)	Consumers' Federation of Australia	Hume Riverina Community Legal Centre	Maurice Blackburn (Kim Shaw, Jennifer Kanis, Hayriye Uluca, Tom Willcox, Jacinta Lewin, Karl Shami)	Sabiene Heindl (ECA)
Barwon Community Legal Centre	Dean Lombard (Renew)	Ipsos (Jennifer Brook, Julie Young)	Melbourne Law School (Professor Ian Ramsay, Lucie O'Brien)	Social Security Rights Community Legal Centre
Ben Williams	Dexter Eugenio (KASA Digital)	Jacqueline Morris (VALS)	Mindylim (CEC)	Super Consumers Australia
Berrill & Watson	Djirra	Janine Rayner (EWOV)	Mungabareena Aboriginal Corporation	Tenants Victoria
Carolyn Bond	East Gippsland Aboriginal Corporation	Jo Wallwork	Parbin-ata Carolyn Briggs AM	The Gathering Place - Morewell
CHOICE	Eastern CLC (Donna Askew)	K&L Gates (Katie Sweatman, Deen Hamaker, Christien Corns, Adam Levine, Callum Fleming)	PIAC EWCAP team	Thriving Communities Partnership
Clayton Utz (Susan Flynn, David Hillard, Jessica Morath, Peter Sise, Hai-Van Nguyen, Fred Prickett)	Energy and Water Ombudsman Victoria	Ken Baker (Vision Australia)	Rachel Wong	VCOS
Consumer Credit Legal Centre SA	Financial & Consumer Rights Council	Legal Aid NSW	Rob Law (CVGA)	Victorian Aboriginal Legal Service
Consumer Credit Legal Service WA	Financial Counselling Australia	Legal Aid QLD		WEstjustice
		Liz Curran		WIRE
				Wulgungu Ngarlu Learning Place

Board

John Berrill	Philip Cullum	Vic Marles (Chair)	David Tennant
David Berry	Roslyn Hunter	Barbara Momeril	

Staff

Galit Aflalo	Dianne Dejanovic	Kane Johnson	Catherine Miller	Lisa Michelle Silvers
Kaylee Anderson	Param Dhillon	Amber Johnston	Liz Minter	Shae Skinner
Houwaida Ayoub	Hannah Dodd	Sumeet Kaur	Cat Newton	Patrick Sloyan
Yoko Baxter	Lachlan Edwards	Heather Keen	David Niven	Amanda Storey
Mick Bellairs	Skye Forster	Brian Kerr	Ursula Noye	Ally Stuart
Liz Bitar	Akeer Garang	Kaitlyn Ladd	Shungu Patsika	Claire Tacon
Denise Boyd	Zac Gillam	Devon LaSalle	Alix Pearce	Katherine Temple
Gerard Brody	Regina Godfredson	Denise Lawry	Rex Punshon	Sue-Anne Thompson
Jonathan Brown	Anna Goodluck	Jonathan Lee	Susan Quinn	Celia Tikotin
Sarah Brown-Shaw	Lisa Greal	Jake Lilley	Georgia Robenstone	Preethi Vergis
Sheena Colquhoun	Philippa Heir	Erin Macfarlane	Brigette Rose	Jillian Williams
Ali Creighton	Penelope Hill	Jesse Marshall	Lucas Rutten	
Liz Curran	Janet Inglis	Nila Martin	Ellie Sakell	
Claire Deane	Barbora Ježek	David Maunsell	Katia Sanderson	

Volunteers/Casuals

Sally Anne	Peggy Gusah	Nolan Lee	Jenny Nguyen	Mihika Upadhyaya
Davor Balder	Colin Harte	Silvana Mattarolo	Ariadne Paras	Kate Walker
Heather Barclay	Meng Ho	Nicholas Montgomery	Rachel Parnis	Rachel Wong
David Cao	Lara Kuhn	Frederick Munchenberg	Rob Rosewarne	Alexendra Wood-Williams
Robin Dunbar	Sharlene Kurupparachchi		Darius Teo	
Brit Griffiths			Nick Tikfessis	

<p>The Consumers' Federation of Australia Standards Project, managed by Consumer Action, works with outstanding consumer representatives on Standards Australia Technical Committees to ensure that consumer rights and voices are kept at the forefront in the standards development process.</p> <p>This year, we strongly advocated for consumer representatives to develop a new Australian committee to provide input for an international standard addressing how business and government engage with consumers experiencing vulnerability. We were successful in this goal and have two representatives participating in this committee.</p> <p>We would like to thank our hardworking volunteer consumer representatives for making a difference.</p>	Elaine Attwood	Mark Henley	Rob Rosewarne
	Antonio Bonacruz	John Henry	Rebecca Searcy
	Gail Broadbent	Ian Jarratt	Ron Somers
	Tanisha Cowell	Mike Langsford	Rado Starec
	Bill Dee	Paul Loney	David Strachan
	John Furbank	Darren Margerison	Matthew Tung
	Martin Gill	Anita McAdam	Elizabeth Wheeler
	Jeff Godfredson	Juliet Moore	Cam Wilkinson
	Heather Grain	Max Mosher	Sarah Wilson
	David Gray	Murali Nathan	Bill Yeo
	Gail Greatorex	Debra O'Connor	
	Raph Grzebieta	Polly Plowman	



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