**Standing Committee on Indigenous Affairs**

***Inquiry into how the corporate sector establishes models of best practice to foster better engagement with Aboriginal and Torres Strait Islander consumers***

**Public Hearing, 25 N0vember 2021, Canberra (appearing via videolink)**

**Opening statement**

**Samantha Rudolph, Aboriginal Policy Officer, Consumer Action Law Centre**

**Katherine Temple, Director of Policy & Campaigns, Consumer Action Law Centre**

Good morning and thank you for the opportunity to appear today on behalf of Consumer Action Law Centre.

We acknowledge that we work on the unceded Country of the people of the Kulin Nations. We have also worked on the unceded Countries of a number of other Victorian Aboriginal communities. We pay our respects to Elders past, present, and emerging. We would like to extend that respect to First Nations people here today and those viewing the live stream.

Consumer Action Law Centre is an independent, not-for-profit consumer, credit, and debt advocacy organisation, which aims to make life easier for people experiencing vulnerability and disadvantage in Australia. Our services include telephone financial counselling and legal advice including a Koori Helpline, legal representation, policy work and campaigning, and capacity building through sector training and community legal education. In September 2020, Consumer Action also launched a Koorihelp Facebook page which now has over 1,700 followers.

In March 2019, Consumer Action and the Victorian Aboriginal Legal Service embarked on an Integrated Practice Project as one way of addressing some of the unmet consumer, credit and debt needs of Victorian Aboriginal communities. The project is now in its third year, and has released three reports detailing the consumer issues continuing to impact community. We have continued our community engagement, casework, and policy work throughout this time, although needed to adapt our approach during 2020 and 2021 in response to the challenges presented by the COVID-19 crisis.

I am a proud Wurundjeri woman and work as the Aboriginal Policy Officer on the project. As part of my role I regularly engage with industry about how they can improve their practices, and speak with policymakers and regulators about the issues impacting community. Unfortunately, many of the issues are well known and the solutions already presented in submissions and other work from Consumer Action, VALS and other community organisations. The genesis of the Integrated Practice Project can be traced back to the 2013 *Civil and Family Law Needs of Indigenous People in Victoria* Report, published by James Cook University’s Indigenous Legal Needs Project.

In our most recent joint report with the Victorian Aboriginal Legal Service, entitled *Consumer Issues in Victorian Aboriginal Communities during 2020,* we found that similar consumer, credit and debt issues are continuing to impact community almost 10 years later. Of the 98 calls to our financial counsellors from Aboriginal people in Victoria, the most common financial difficulty types identified were utilities (40%), third tier lenders such as payday loans (24%), credit card debt (24%), and housing arrears (19%).

29% of calls to our lawyers related to consumer services (like cancelled events or travel), 14% related to funeral insurance, and 10% each related to telecommunications and payday loans. 39% of calls to the Victorian Aboriginal Legal Service related to consumer complaints, 15% related to motor vehicle accidents and 13% related to debt collection.

Misconduct by telecommunications providers continues to be a big issue in community. As the Committee is aware, in May 2021 Telstra was fined $50 million for its unconscionable sales practices in northern and central Australia. Unfortunately, we have seen similar misleading and unfair sales conduct by telcos in Victorian Aboriginal communities. We recently had 45 Aboriginal and/or Torres Strait Islander people from Victoria complete a survey about consumer issues, and 26% of respondents said they had been sold extra mobile phones, tablets, pay TV or phone accessories for themselves or additional family members that they did not need by a telco provider. 22% said they had had their internet or mobile phone plan disconnected or restricted since March 2020 and 20% had sought a payday loan to pay their telco bill. 26% of respondents had been unable to arrange an affordable payment plan with their telco provider, despite being in financial hardship. Self-regulation of the telco sector via the Telecommunications Consumer Protections Code has clearly failed to deliver good outcomes for many First Nations consumers.

However, it’s not just the telco sector that has caused harm in Victorian Aboriginal communities. We have also seen significant problems with funeral insurance, specifically the Aboriginal Community Benefit Fund, third tier lending, lemon cars and utilities debt. This is demonstrated in the data from our latest report we mentioned earlier.

We think there is room for significant improvement in the ways the corporate sector engages with Aboriginal and Torres Strait Islander people. Our report made 5 recommendations for change, which included ensuring all parties (including corporations) embed cultural competency and safety into their practices, and work in partnership to ensure Victorian Aboriginal communities have their voices heard. We also recommended that Government consult with community on strengthening regulation of essential services like energy, telecommunications and lending to help address the consumer, credit and debt issues impacting community.

We would like to note that many organisations that work with community are overstretched, and might not have the capacity to respond to this important Inquiry within the timelines provided. It is important that community knows about this inquiry, and has time to draft their response and submit their solutions to this wide issue. If possible, we urge the Committee to consider extending the timeframes for this Inquiry to ensure that valuable input from community members, Aboriginal Community Controlled Organisations and other organisations that work in this space can be provided. First Nations people know the solution to these issues, and it’s important that the committee listens and takes on board all recommendations.

Thank you again for the opportunity to appear today, and we would be pleased to take questions from the Committee.