

An inclusive economic recovery is everyone's business – *FIAP response to COVID*

Financial Inclusion Conference – Roads to Resilience

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Disclaimer

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Good Shepherd acknowledges Aboriginal and Torres Strait Islander people as the traditional custodians of this land and pay our respects to their history, their living culture and to Elders past and present.



Research and Advisory Services



- Bespoke service offering a range of financial hardship, family violence and financial wellbeing training
- Co-design expertise with trained human centred design practitioners
- Client understanding to deliver genuine insights on vulnerability
- Policy creation and review
- Research and advocacy used to inform, design and influence policies and practice models that promote participation for all. As an organisation with both a research arm and an operational focus, we are able to ensure cross-pollination between research insights and good practice service delivery.
- A range of evaluation options to measure impact
- Advisory@goodshep.org.au or Hannan.amin@goodshep.org.au



An inclusive economic recovery is everyone's business

Session overview:

- COVID-19 context
- Financial Inclusion Action Plan (FIAP)
- Corporates & Hardship

"I lost my job (due to COVID) and went from (earning) \$200,000 to nothing."

(GS Research participant)

"I thought I was going to lose my house. I was falling more and more behind on everything. I have never been late before in my life. The stress I was under was leading me to a mental breakdown."

(GS Research participant)



COVID-19 Context



Roy Morgan Research

Key Findings:

- **Does the impact of COVID-19 continue?**

Between Apr 20 and Sept 21, 37.8% of working Australians were impacted by COVID-19 driven negative changes in employment conditions.

- **Who has been most impacted?**

Most impacted includes individuals on lower incomes (over half), migrants (less than 5 years), women, young people, unskilled or semi-skilled workers, and sole traders/small business owners.

While there has been some recovery, particularly in late 2020 and early 2021, trend data indicates an uptick in July/Sept 21.

- **What are the financial impacts?**

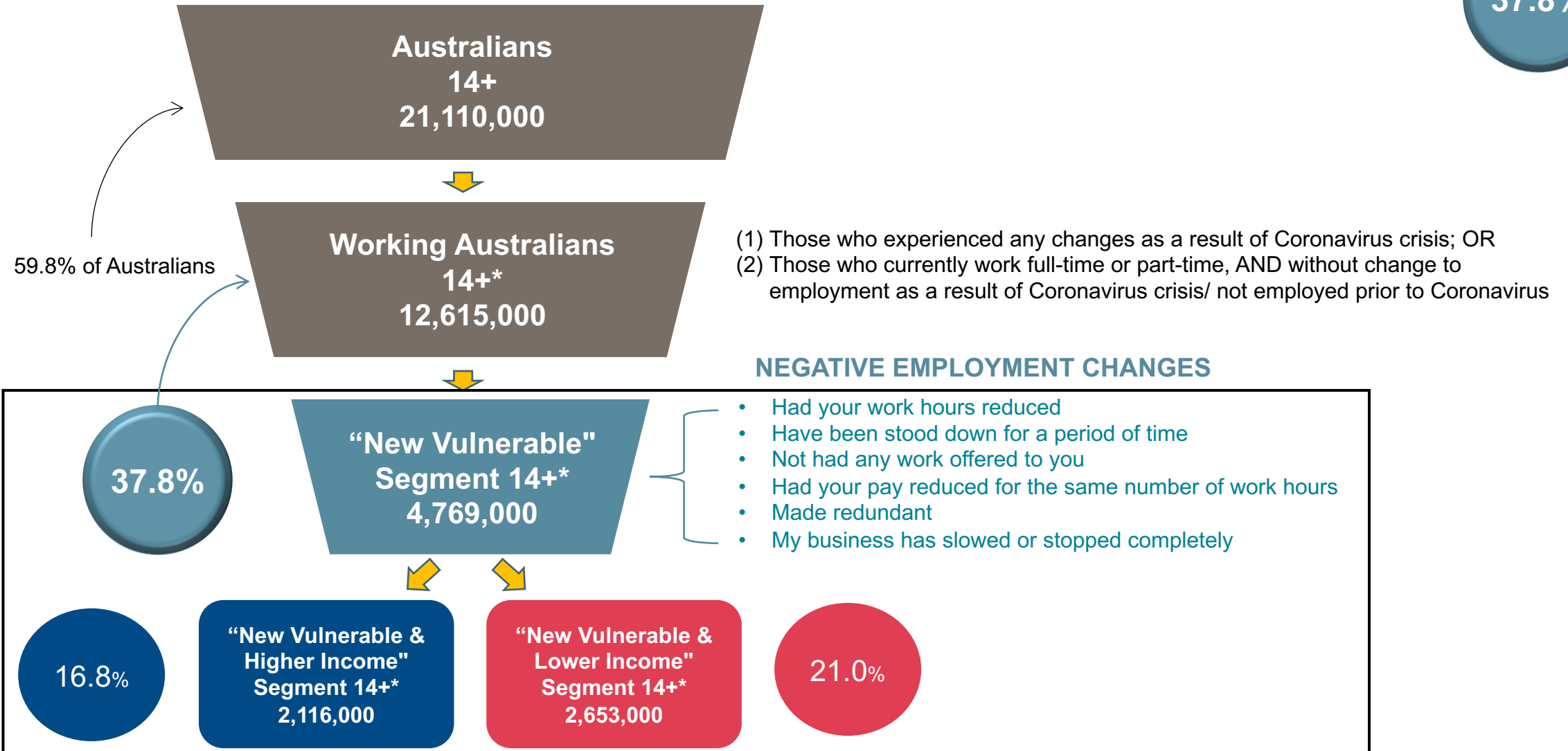
Nearly 6 in 10 JobSeeker and JobKeeper recipients made financial changes due to COVID-19 compared to just over 1 in 3 Total Working Australians.

Both JobSeeker and JobKeeper recipients reported levels of debt are out of control across the time period.



Both lower income and higher income workers impacted by negative employment changes, to make up the “New Vulnerable Segment”.

37.8%



Source: Roy Morgan survey of Australian, Apr20-Sep21
 Percentages are amongst working Australians 14+*
 *Remark: Excludes those with no answer/don't know income

The lived experience of COVID-19 impact

“This was definitely the first time I’ve dealt with unmanageable debt...it is confronting, particularly going to a financial institution and having to put your hands up and say, hey, I’m not able to manage this anymore and I’m stuck and I don’t know what to do.”



The new vulnerable and help-seeking

- In addition to the population research Good Shepherd commissioned Roy Morgan to undertake specific research which included surveys and interviews.
- All surveyed participants (n=822) had experienced a negative impact on their employment since March 2020 as a result of COVID-19 (a requirement to participate in the survey). Of these, 18% had a history of financial hardship prior to the pandemic, and 42% reported that their COVID employment impact was ongoing.
- 78% took specific actions to address personal or financial difficulties during the pandemic. Top actions were:
 - Received JobKeeper (44%)
 - Applied for JobSeeker (28%)
 - Accessed Superannuation early (24%)
 - Asked for help from family or friends (18%)
 - Stopped or reduced mortgage payments (10%)



The new vulnerable: What would have been helpful?

Most common responses were:

- Mental health support (41%)
- Knowing where to get information or help (36%)
- Having a conversation about managing finances (26%)
- A conversation about family relationships (24%)
- Advice on small business support (20%)
- Accessing emergency relief (15%)



References

- **Roy Morgan Research**

<https://goodshep.org.au/wp-content/uploads/2021/10/GSANZ-New-Vulnerable-Research-April-2021-2.pdf>

<https://goodshep.org.au/publications/the-new-vulnerable/>

- **Good Shepherd Insights report**

<https://goodshep.org.au/publications/impacts-of-covid-19-on-vulnerable-australians/>



Financial Inclusion Action Plan (FIAP) program



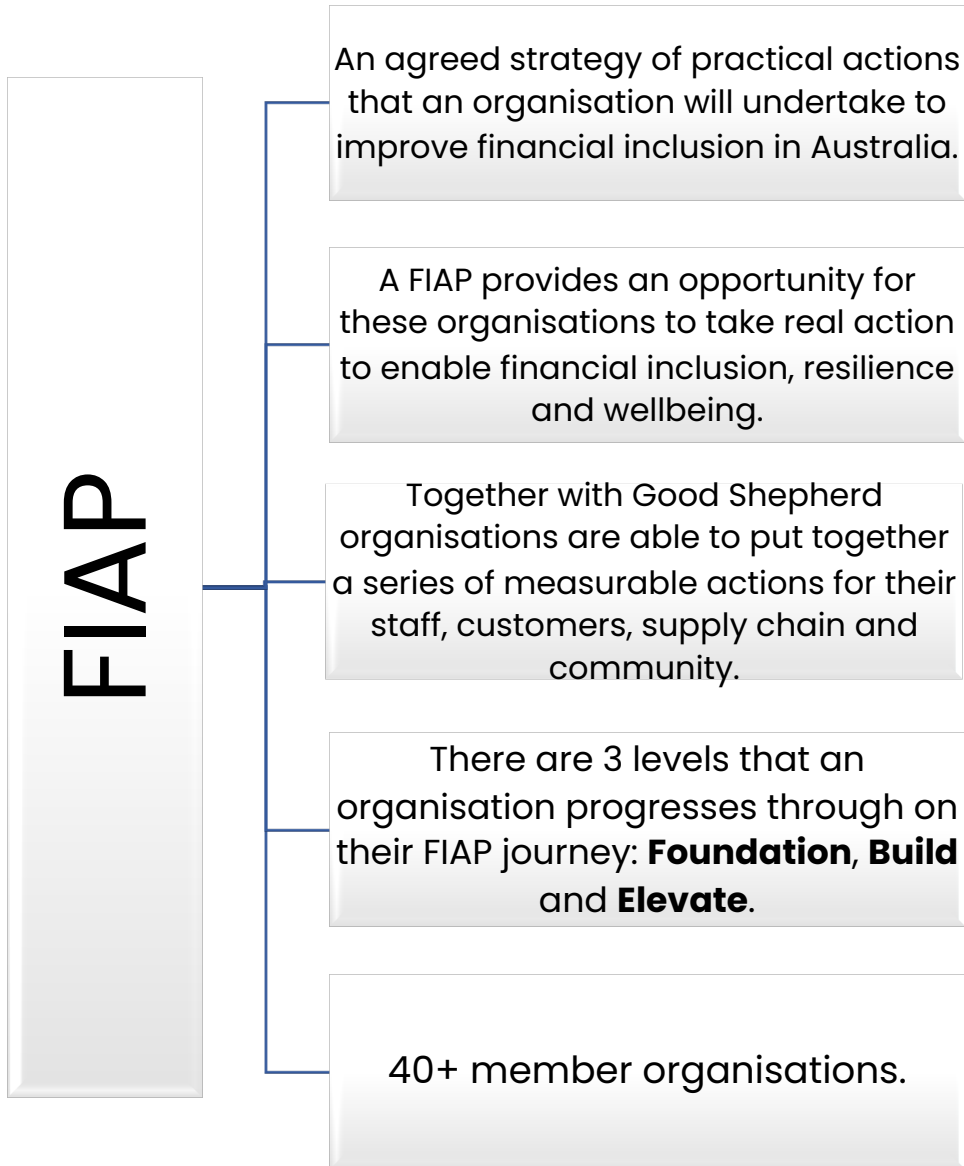
About FIAP

Financial wellbeing is everyone's business

FIAP Members recognise that Financial Wellbeing is everyone's business. More than **3.3 million** people in Australia are financially excluded, unable to access safe, affordable and appropriate financial services when they need them, and more than **2.4 million** people are financially vulnerable.



What is FIAP?



More information : <https://www.fiap.org.au/>

To contact the FIAP team: fiap@goodshep.org.au



Corporates & Hardship



COVID-19 and Hardship

"WE ARE NOT ALL IN THE SAME BOAT.
WE ARE ALL IN THE SAME STORM. SOME ARE ON
SUPER-YACHTS. SOME HAVE JUST THE ONE OAR."



COVID-19 and Hardship

- A common theme for COVID-19 has been an increase in hardship enquiries
- Organisational responses:
 - Hardship provisions & policies
 - Family violence
 - Newly vulnerable cohort
 - Reluctance to ask for help /stigma
 - Navigating the new space
 - Women more impacted
 - Upskilling staff
 - Financial Hardship and Family Violence Awareness and Response Training



Covid and Hardship- Training

- Identifying financial hardship when it's not disclosed
- Responding appropriately as well as appropriate ways to respond when identified
- Making respectful referrals
- Factors impacting recovery

An inclusive economic recovery is everyone's business



**Good Shepherd's vision is
that all women, girls and
families are safe, well,
strong and connected.**

