

# MEDIA RELEASE

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## FUNDING AXE SHOCK FOR VITAL COMMUNITY SERVICE

At an extraordinary meeting last Friday, it was announced that all financial counselling in the metropolitan area will be defunded from 1 October 2015 as a result of the State Budget.

Regional financial counsellors will be funded for only one more year.

“This loss of funding is a huge blow for everyone struggling with their finances in WA,” said Charles Brown, Executive Officer of the Financial Counsellors’ Association of WA.

“Everyone is potentially at risk. It only takes a small change in circumstances for a person’s financial wellbeing to spiral out of control.”

Many West Australians need help negotiating with utility companies, housing providers (both mortgage and rental), debt with credit cards and personal loans or assistance navigating financial hardship applications and bankruptcy.

Financial counsellors provide this help and much more for no charge across a wide range of legal and financial matters.

“We estimate approximately 50 financial counsellors will need to look for other forms of employment over the next three months,” said Mr Brown.

Mr Brown said the cuts clearly illustrate a lack of understanding by the State Government of the benefits financial counselling provides to the community.

A recent [Cost Benefit Analysis by the University of Adelaide](#) demonstrated that for every one dollar invested in financial counselling there is a direct saving to the Government of five dollars.

“We are very disappointed in the decision to remove funding for such a vital, free public service; a service committed to achieving lasting, positive change in people’s lives,” said Mr Brown.

“Where will politicians, hospitals, mental health providers, domestic violence services and other public service agencies refer people experiencing financial hardship?”

*The Financial Counsellors’ Association of WA (FCAWA) is the peak body representing financial counselling in Western Australia.*

*Financial counsellors: trained professionals providing information, support and advocacy to people in financial difficulty.*

**For more information, telephone Charles Brown, FCAWA Executive Officer  
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[www.financialcounsellors.org](http://www.financialcounsellors.org)