

Family violence and economic abuse – an overview

This paper provides some background information about family violence and economic abuse, with a focus on intimate partner violence.

Terminology

This overview uses female pronouns to refer to people experiencing family violence because the vast majority are women (we explain this further below).

We refer to those experiencing family violence as “victim/survivors” to recognise that many women are recovering and taking control of their lives.

Family violence

Family violence is behaviour that controls or dominates a family member and makes them feel fear for their own safety or wellbeing, or that of others.¹ It can include emotional, verbal, social, economic, psychological, physical or sexual abuse.

Family violence is under-reported, and “a great deal of the violence remains hidden”.² It may not be immediately apparent that a customer or work colleague is a victim – or perpetrator – of family violence.

Gender

Men are victims of family violence and violence occurs in same-sex relationships, however women are more likely than men to experience family violence and there are significant differences in the nature of violence experienced by men and women. One study found that 87 per cent of all survivors of domestic and family violence are women and that 98 per cent of all perpetrators are men.³

According to another study, men were the perpetrators in 97% of family violence cases which involved ongoing violence and control of one partner over the other. This type of violence often included emotional abuse, sexual control and economic abuse.⁴

Men identify individual incidents of economic abuse (in some studies almost as many as women), however women are more likely to experience it for longer, to experience other forms of family violence in combination with economic abuse, and are much more likely to report experiencing financial control.⁵

Economic Abuse

¹ *Family Violence Protection Act 2008* (Vic) S 5. http://www.austlii.edu.au/au/legis/vic/consol_act/fvpa2008283/s5.html

² State of Victoria, *Royal Commission into Family Violence: Summary and Recommendations*, Parl Paper No 132 (2014–16) Summary Chapter, 18.

³ Anthony Morgan & Hannah Chadwick, *Key Issues in Domestic Violence: Research in Practice Number 7* (Australian Institute of Criminology, 2009) <https://aic.gov.au/publications/rip/rip07>

⁴ Michael P. Johnson, ‘Conflict and control: gender symmetry and asymmetry in domestic violence’ (2006) *Violence Against Women*, Vol 12, No 11, 1003-1018

⁵ Nicola Sharp-Jeffs, *Money Matters: Research into the Extent and Nature of Financial Abuse within Intimate Relationships in the UK*, (The Cooperative Bank, 2015, London) <https://www.refuge.org.uk/files/Money-Matters.pdf>

Definition

Economic abuse constitutes “behaviours that control a woman’s ability to acquire, use and maintain economic resources”⁶ and is often associated with other forms of intimate partner violence such as physical and psychological abuse.⁷

In most Australian states and territories, economic abuse is recognised by law as family violence. For example, Section 5 of the Family Violence Protection Act (Victoria)(FVPA), identifies “economic abuse” as a form of family violence, and Section 6 states:

Economic abuse is behaviour by a person (the *first person*) that is coercive, deceptive or unreasonably controls another person (the *second person*), without the second person’s consent:

- in a way that denies the second person the economic or financial autonomy the second person would have had but for that behaviour; or
- by withholding or threatening to withhold the financial support necessary for meeting the reasonable living expenses of the second person or the second person’s child, if the second person is entirely or predominantly dependent on the first person for financial support to meet those living expenses.

Extent of Economic abuse

There is a lack of study on the prevalence of economic abuse in Australia⁸. Despite being legally defined as family violence, economic abuse is not typically identified by victims, or the community, as family violence.⁹ However, “Estimates vary from 30-90 per cent of family violence cases involving incidents of economic abuse. (Macdonald, 2012). A conservative estimate suggests that economic abuse occurs in approximately 50 percent of family violence cases (Sharp, 2008). If that were true, then an estimated 1.86 million women in Australia may have experienced economic abuse (Corrie & McGuire, 2013).”¹⁰

Examples of Economic Abuse

Economic abuse usually constitutes a pattern of behaviour rather than a one-off event. it may include:

- disposing of property against the person’s wishes
- preventing access to joint financial assets (eg joint bank accounts)
- removing or keeping property without consent
- demanding disclosure of credit card details or passwords
- demanding cash
- preventing a person from seeking or retaining employment
- coercing a woman to:¹¹
 - incur debt for which she does not receive a benefit
 - relinquish control of her assets or income
 - claim social security payments

⁶ Adrienne E Adams et al, ‘Development of the Scale of Economic Abuse’ (2008) 14(5) *Violence Against Women*, 564.

⁷ Jozica Kutin, Roslyn Russell and Mike Reid, ‘Economic abuse between intimate partners in Australia: prevalence, health status, disability and financial stress (2017) 41 *Australian and New Zealand Journal of Public Health*, 269–274. doi:10.1111/1753-6405.12651

⁸ Owen Camilleri, Tania Corrie and Shorna Moore, *Restoring Financial Safety: Legal Response to Economic Abuse* (Good Shepherd and Wydham Legal Service, 2015), 14

⁹ Owen Camilleri, Tania Corrie and Shorna Moore, *Restoring Financial Safety: Legal Response to Economic Abuse* (Good Shepherd and Wydham Legal Service, 2015), 11.

¹⁰ Owen Camilleri, Tania Corrie and Shorna Moore, *Restoring Financial Safety: Legal Response to Economic Abuse* (Good Shepherd and Wydham Legal Service, 2015), 18.

¹¹ Most examples sourced from: <http://www.ntlawyers.com.au/economic-abuse-relationships-marriages-domestic-violence/>

- put household bills in her name alone
- sign a contract, loan application or guarantee

The Role of Debt in Economic abuse

Debt can be used as a way of maintaining control over women during the relationship, and after they leave.

“The use of debt was a common and pervasive form of economic violence. Perpetrators would often force women to take out debts in her name, and retain the asset during the relationship and post-separation. This was particularly true for cars, which were regularly withheld from women to control and limit their economic and social participation.”¹²

The financial/economic impact of family violence

Family violence can have a significant impact on a woman's economic wellbeing, both during the relationship, and if she leaves. Financial insecurity is one reason a woman may stay in a violent relationship.

- Domestic and family violence is the leading cause of homelessness for women^{13 14}
- Survivors of family violence often have significantly reduced assets post-separation¹⁵
- Economic abuse erodes survivors' sense of their financial capability and ability to make financial decisions¹⁶
- Survivors often inherit, and pay for, jointly accumulated relationship debts when the relationship ends¹⁷
- Survivors are more likely to be reliant on income support after experiencing domestic and family violence¹⁸

Impacts include:

- Lack of financial resources for her own, and children's needs, due to leaving in a hurry, the need to hide or to re-establish a home 'from scratch'
- Difficulty maintaining employment (due to physical injuries, low self-esteem or avoiding perpetrator contact)
- Lack of access to joint accounts and assets
- Destroyed or damaged assets (eg car)
- Outstanding debt
- Poor credit history which can reduce ability to borrow at reasonable rates
- Problems acquiring vital utilities such as electricity or phone because of unpaid accounts in her name
- Lack of confidence to deal with day-to-day financial matters
- Ongoing increasing debt liabilities due to the ex-partner continuing to incur credit (eg credit card or phone) for which the woman is responsible

[Economic Abuse Reference Group](#)

April 2018

¹² Owen Camilleri, Tania Corrie and Shorna Moore, *Restoring Financial Safety: Legal Response to Economic Abuse* (Good Shepherd and Wydham Legal Service, 2015), 13.

¹³ 'Violence puts women on the streets', *New Matilda* (online), 8 March 2013. <http://newmatilda.com/2013/03/08/violence-puts-women-street>

¹⁴ Nicola Sharp, *What's Mine is Yours* (Refuge, 2008), 9-10.

¹⁵ Rochelle Braaf & Isobelle Barrett Meyering, 'Seeking Security: promoting women's economic security after family violence' (2011) *Australian Domestic and Family Violence Clearinghouse*.

¹⁶ Ibid.

¹⁷ Tanya Corrie & Magdalena McGuire, *Economic Abuse: Searching for Solutions* (Good Shepherd Youth & Family Services, 2013).

¹⁸ Nicola Sharp, *What's Mine is Yours* (Refuge, 2008).