

**TO: The Ministry of Justice**

**RE: Economic Abuse as a form of Family Violence**

**FROM: NCIWR**

Thank you for the opportunity to make a submission about economic abuse and the Domestic Violence Act 1995 (DVA). We note that you seek views as to whether economic abuse should be more explicitly identified within the DVA.

We apologise for these comments being late. We were only made aware of this issue when the submission date has passed. It is disappointing for us that we were not included in this process earlier. Economic/financial abuse is an issue we have are very interested in. We see it daily in the work we do and as such have much to contribute to the debate.

As a general note, we consider that 'financial abuse' is a better term to describe the behaviour we are considering.

### **General comments**

NCIWR consider that financial abuse is a serious form of family violence. Examples we see in our own work include:

- Controlling a victim's own finances
- Preventing a victim from working or choosing her own career
- Sabotaging her job (making you miss work, calling constantly)
- Stealing from her or taking her money
- Controlling all the household money
- Gambling household money
- Withholding basic necessities for the victim and children (food, clothes, medications, shelter)
- Withholding money for the victim's essential needs (e.g. sanitary products)
- Withholding money or credit cards
- Making the victim account for every penny spent
- Checking all the victim's receipts and the mileage on the car
- Refusing to pay child support, or be named as the father
- Using a victim's name for loans, credit cards, WINZ grants so that the victim gets into the debt
- Forcing the victim to work in a family business for little or no pay
- Forcing the victim to sell drugs or steal or commit crime
- Making the victim go on the benefit illegally
- Not letting the victim go out to work or study
- Not letting the victim put her name on the house and other property
- Bail bond to a state-house where she is likely to be put on notice by Housing NZ.

The results of financial abuse:

- Can lead to women and children living in poverty
- Can mean women and their children can not afford the basics,
- Can lead to the victim being in debt - making it harder for them to rent a flat, get a loan, sign up for power and phone accounts (i.e. harder for the victim to leave)

- Can lead to the victim getting criminals record and fines after taking the blame for the abuser's financial mishaps
- Can lead to the victim being unable to hold a job or gain a new one
- Can result in month (or more likely) years of lost income
- Can lead to frequent leave of absences from her employment
- Can lead to the victim being ineligible to state housing

### **General comments**

Financial abuse is both under reported and under discussed in New Zealand. Yet we see it on a daily basis. Often women who experience financial abuse are unaware it is even a form of abuse or are too ashamed to speak out against it.

It can become a more worrying form of abuse in times of recession.

While it might be often overlooked, it is nonetheless an extremely insidious form of violence with serious and long lasting consequences. One of the key concerns is that it makes it sometimes virtually impossible for a woman to leave the relationship.

In terms of the clients we deal with – financial abuse makes it harder for a victim to leave a violent relationship, and even when she does she may be left with debt, a bad credit rating, an inability to raise finance and even a criminal record.

For elder people, financial abuse can lead to institutionalisation, depression, poverty, poor health and early death. We understand Age Concern will be making their own submission to this process. We support them in this action.

### **Questions raised for discussion**

***Are your members aware of cases of economic abuse in which protection orders provided under the DVA would be useful? Can you give examples of particular client groups or circumstances?***

Yes we see it all the time in our client groups (women and children victims of domestic violence). Circumstances of how financial abuse is played out are listed above in the (actual) examples.

***How difficult would it be to develop affidavits in support of protection order applications in cases where economic abuse is the primary or only form of domestic violence being experienced?***

We do not consider that this would necessarily be difficult at all. We can see no reason why it would be any harder to prove than verbal or psychological abuse. Indeed, there is quite a raft of evidence that could be looked at including - debt levels, unpaid bills, a poor credit rating, the victim having lost her job, tenancy agreements, bankruptcy, even criminal records. Bank statements could be examined. Mortgage and other legal papers (such as Trust funds) could be looked at to see how the victim has been referenced.

***Economic abuse would be incorporated into the DVA through an amendment to the definition of domestic violence (s3). Do you have a view on whether economic abuse should be:***

- ***added as a distinct form of domestic violence, alongside physical, sexual and psychological violence, versus***
- ***being included as an example of psychological violence, along with intimidation and harassment?***

It is our strong view that it is a stand alone form of power and control and thus should be listed as a distinct form of domestic violence. While it can form part of psychological violence, it doesn't

always – and the dynamics can be quite different. It can constitute or include fraud, theft, identity theft etc.

***Would extending the definition of domestic violence be sufficient, or would associated provisions be required to address economic abuse. For example:***

- ***Would judges have enough flexibility under the DVA to specify appropriate protections/remedies for financial abuse?***
- ***Would domestic violence programmes be useful for people causing economic abuse and the people seeking protection, and would any special tailoring of programmes would be required to accommodate different target groups?***

Our initial view is that further provision needs to be made. Economic or financial abuse can have quite distinct consequences on the victim which may last much longer than the relationship. Bankruptcy, unemployment, debt, no asset base are all possible results. There needs to be enough flexibility in any judicial response to be able to provide remedies to restore the victim's financial reputation at the very least, as well as their financial status if at all possible. We do not consider the DVA as it stands (and on its own) can address these issues adequately.

We think that different forms of financial abuse may happen within different communities (e.g. elder abuse, in some migrant communities, with 'mail order bride' relationships). Some tailoring could be beneficial.

In terms of our own programme, we use the Duluth Power and Control model which includes financial abuse (as a distinct form of power and control).

We would welcome the opportunity to discuss this further.

**END.**