

Factsheet

Building
Great
Communities

For a fairer NSW

Financial Inclusion Network – aims to influence policy discussions to create a more financially inclusive future for NSW

Policy area

Financial inclusion.

Introduction

Everyone has the right to feel that they will financially cope with life's emergencies. When people are financially excluded, the other disadvantages they face are magnified. For example, they are likely to experience poverty and mental ill-health, may be forced to remain in a violent relationship or face homelessness.

People are financially excluded if they have:

- No access to financial resources such as emergency savings or the ability to raise funds in a crisis situation
- No access to safe, fair and affordable credit
- No access to affordable insurance to protect assets
- Barriers to financial budgeting and management
- No access to a bank account

Problem/Issue

Despite exceptional economic growth in NSW for the last four years, 17% of Australian experience financial exclusion:

- 3.3 million Australians lack access to safe, affordable and appropriate financial products and services
- 1 in 5 Australians cannot raise \$2 000 in an emergency
- 1 in 6 report having difficulties in covering living expenses such as housing, food, utilities and education.

Solution

Financial exclusion will decline if we:

- Adopt a whole of government approach to address financial exclusion.
- Invest in building financial resilience.
- Develop financial inclusion strategies for Aboriginal communities and people living remotely.
- Develop innovative programs to intervene early and prevent tenant debt.
- Seek urgent action from the federal government to change legislation on payday loans and rent to buy goods.

Why act?

Financial Inclusion breaks the cycle of disadvantage and strengthens our economy:

- Reducing long term government spending
- Improving the economy of NSW
- Reducing poverty and homelessness
- Improving mental health outcomes
- Improving education and employment outcomes
- Increasing people's economic and social participation

For additional information – key contact:

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