



Australian Domestic & Family Violence Clearinghouse

Economic wellbeing: what does it really mean for women and their children affected by domestic violence?

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Does economic wellbeing mean the same thing to everyone?

How does domestic violence threaten women's economic wellbeing?

What does the loss of financial security mean for women's lives and how do they regain it?

These were central questions in a research study conducted by the Australian Domestic and Family Violence Clearinghouse over the past year and a half. The study was funded through the federal Department of Families, Housing, Community Services and Indigenous Affairs.

In this study, we were interested in exploring the ways in which domestic violence creates complex economic issues for women (and their children), and how it disrupts their lives over the short and long term. We were equally concerned with investigating those initiatives that support women to break free from economic uncertainty.

In presenting some of the findings of this project, I hope to demonstrate that for women affected by domestic violence, economic wellbeing goes to the heart of their survival of abuse, recovery and (re)gaining control over their lives.

Aims and method

When we began the study, we generally recognised that partner abuse can impact financially on women. Through this research, we wanted to deepen our understanding of how this occurs and to also find ways of better assisting women.

The study's specific aims were to:

1. investigate ways in which domestic violence undermines women's financial circumstances and, in turn, how poverty affects women's efforts to gain safety
2. investigate strategies that support positive economic outcomes for women
3. develop and promote the implementation of these, to support women's economic wellbeing.

We began the research by undertaking a literature review to draw out information about economic impacts of domestic violence for women from the many single issue studies that had looked at effects of abuse on women's employment or housing, for example.

We identified some areas where women experienced the greatest impact on their finances. These were around:

- debts, bills and banking
- accommodation
- legal and immigration matters
- employment
- social security and other material support
- child support
- health.

While we focused questions for study participants around these issues, we also left the questions open ended and reflexive, allowing participants to raise other issues that they felt were important.

We then approached eight services across three Australian states to work with us on the project. They were all very enthusiastic to take part and recruited workers and female clients to participate in the research. Overall, we spoke with fifty-seven female clients and fifty workers in qualitative, one-on-one interviews and focus groups.

The interviews and focus groups were recorded and analysed using content analysis, looking for patterns and trends in their responses. We were also interested in issues arising in individual cases that broadened our understanding of women's experiences.

Staying or leaving

One of the first clear findings to emerge was that for the majority of women in the study, economic circumstances were a key factor in their decision to leave or stay in a violent relationship.

Economic issues as impetus to leave

Some of the women cited financial issues as one of the reasons they had decided to leave their partners. This often had to do with men:

- controlling the household income
- controlling women's employment
- using women's finances without their knowledge
- running up large debts
- forcing women to commit social security fraud or tax evasion.

Additionally, several women said they left because their ex-partners had drug and alcohol problems that were affecting the family's financial situation. As one woman told us:

That was a lot of the reason why I left, because he preferred to pay for alcohol than buy nappies for our baby. [Service 3, Client focus group]

Economic issues as cause to stay

For other women, concerns about being financially insecure had prevented them from leaving the relationship. This was also true for women from seemingly wealthy backgrounds; e.g. for women who did not work or who had no access to the family financial accounts. In some cases, men had threatened women with financial consequences if they tried to leave the relationship; for example, threatened legal action, loss of property or withdrawal of all financial support.

A number of women had stayed in an abusive relationship for years because of their fears of not being able to survive financially on their own. As one woman with a disability recalled:

It was a big part of it... I thought, 'How do I have all my needs – groceries, medications – met? I thought, 'What am I going to do?' It took two to three years for me to finally say, 'What's worse: doing without or doing this?' [Service 4, Client 3]

Several women spoke about continuing to experience their ex-partner's violence even after separating, and lacking the financial resources to take further safety precautions, such as installing security measures around the home or moving interstate.

Women also spoke about a lack of finances as a key reason for returning to violent partners.

Economic issues not a factor in decisions to leave or stay

Some women in the study did not see finances as playing a significant role in their decision to separate. This was either because they were in a financially secure position or they emphasised the importance of other factors, such as safety issues. Indeed, a number of women had left the relationship following an incident of severe violence or following escalating violence against themselves or their children.

The impact of domestic abuse on women's finances

The second key finding of the research was that, regardless of their prior economic circumstances, many women experience financial risk or poverty as a result of domestic violence. This may occur prior to and post separation, and impacts can continue for long periods post separation.

To give you a sense of the ways in which this might occur, I'll summarise just a few of these.

Employment

Some women spoke about having to give up their jobs when they had to flee their partner. One woman had to give up her small business, which had been operating out of the family home.

Some women continued to be harassed at work by their ex-partner, through disruptive phone calls or turning up at their workplace. Other women had not been allowed to work while in the relationship and were now finding it difficult to enter or re-enter the workforce post separation.

Debts, bills and banking

Women spoke about carrying debts incurred by their partner during and after the relationship; such as mortgages, credit card bills and business debts.

Some of these were debts or bills held in joint names that women's ex partners then refused to pay. Others were accounts held in the woman's name, for which ex-partner had run up large debts; such as utility bills after the woman had left the family home.

These actions had severe consequences for some women, including a bad credit rating, insolvency or bankruptcy.

Accommodation and household goods

When separating from a violent partner, many women in the study were forced to leave the family home, often resulting in women becoming immediately homeless.

Finding safe, affordable, appropriate accommodation post separation was probably the single biggest concern for women in the study. A few had managed this or had remained in the family home, but most were living in accommodation of poor quality, that was too small, that was temporary (as in a refuge or with family or friends), or that was too costly for their income.

Some women had left behind all their worldly possessions when they left the home. One woman gave us a stark illustration of this reality. She said:

.. leaving a domestic violence situation isn't that much different to leaving a bushfire residence. Everyone that was in the [Victorian Black Saturday] bushfire lost everything and the whole of the country went 'Oh my god' and there were beds and clothes and money and whatever. A person that has to flee domestic violence is in the same boat and they might never get those things back. [Service 2 Client 4]

Legal battles

Another major drain on women's finances was over legal matters involving ex-partners. Many women in the study faced multiple and protracted court battles over: criminal cases; civil cases involving protection orders; family law matters involving custody of children and property settlement; wills; victim compensation; bankruptcy and legal action relating to jointly owned business.

These legal matters ended up costing women substantial funds in legal fees, lost work days, child care and the costs of court appointed specialists.

Lack of perpetrator accountability

Our third key finding was that exacerbating these experiences was a lack of perpetrator accountability for contributing to women's economic hardship. Both women and workers aimed their criticism about this directly at organisations, including banks, companies and government agencies, which were seen to protect abusers.

For example, some lenders had issued women with a bad credit rating or imposed penalty fees on joint loans or mortgages, even when they had continued to make repayments but their ex-partner had not. Women and workers questioned why organisations could not adopt measures to spread the responsibility for debts and bills between a woman and her ex-partner; such as splitting children's school fees or electricity bills that were in arrears.

Impacts on healing and recovery

Our fourth key finding was that for the women in the study, the experience of poverty or financial difficulty has slowed their recovery from the trauma of the violence in two important ways.

The first way is that women have been financially unable to access all the help they need to recover from the abusive relationship; for example, were unable to access medical or legal assistance for themselves or their children. One woman told us:

I had a fall last year during a panic attack and broke my ankle in two places. I probably need an operation but won't know until I've had physio treatment, which I can't afford. I have an ankle brace on it until I can afford the physio. I also suffer from anxiety which gives me neck and shoulder pain, but I can't afford the treatment. I take a lot of pain killers. [Service 7, Client focus group 2]

The other way financial difficulty impacts on recovery is that women felt the financial implications of the relationship operated as an extension of abuse, making it difficult for them to move on. For example, one woman told us:

I actually feel financially ruined. I think that I've lived with domestic violence for thirteen years and getting out of it I thought that I will be free of it but my barrier to freedom is the money. [Service 7, Client focus group 2]

Women's sense of economic wellbeing

Against this backdrop then, how did women feel about their current economic situation?

What was immediately apparent is that most women did not feel financially secure and spoke of the difficulties they experienced in just getting by from day-to-day.

Some spoke of having to make critical decisions between providing food and nappies for the children or pursuing legal matters; or of having to continually put off medical treatment or finding more appropriate accommodation. One woman described her situation in stark terms:

I've got no money. I don't know where the money for the next meal is coming from. I've got nothing. [Service 3, Client 2]

The stress and worry associated with managing their finances was a recurring issue, with one participant describing her financial situation as 'a headache... a heartache.'

Goals of financial independence and freedom

So how did women in this situation perceive economic wellbeing?

When asked to define what financial security might look like for them, women expressed entirely modest views: that it meant being able to put food on the table. For some it meant being able to afford to go to university or find a stable job; for others it meant having a home of their own.

For most, it meant being free of worry about how to pay the next bill. It was the security offered by having some savings for emergencies and to begin planning for the future. These were very modest expectations.

In exploring these issues further, however, it became apparent that for most women, financial security represented empowerment.

Being financially independent

Most of the women in the study spoke about wanting to be financially independent: not only of their ex-partners but also of family, government agencies and creditors.

Some women had been prevented from working or had been stay-at-home mothers during the relationship and so had been dependent on their ex-partners for an income. Others spoke about their ex-partners forcing them to hand over their wages or pension each fortnight. One woman recalled that:

Depending on whether I complied with his rules and regulations during the week, would depend on how much money I got in my hand. [Service 7, Client focus group 1]

These women wanted to be in a position of being able to financially look after themselves and their children.

Having control over financial decisions

For many women, a sense of economic wellbeing was premised on gaining or regaining control of their finances.

Some women had been shut out of any management or decision making over the family finances during the relationship. They wanted to be able to make decisions without having to seek 'permission' from someone else. One woman noted:

Well the money we had wasn't mine anyway but what I've got [now] is – so I do [feel secure].
[Service 6, Client focus group]

Women's desire to have control also reflected a determination not to return to their ex-partners.

Making informed choices

Service workers in the study placed a strong emphasis on the importance of women having 'choices' about the way their money was spent and being treated with 'dignity'.

Workers focused on women's understanding of financial matters. They noted that women not only needed a secure income but also 'knowledge of what is available' and the 'ability to make decisions in a proper space of time'. They spoke about supporting women to be confident about their financial choices.

Developing responses

Given the key purpose of this research was to identify ways in which we could support women's economic wellbeing pre and post violent relationships, it is important to consider what these findings mean for those of us engaged in services and agencies.

First, it helps to have an appreciation of the financial impact of domestic violence on women's lives. To have an understanding that the economic hardship such women face is more likely to be a feature of the abuse and low income, than a poor ability to budget or manage finances. It is also important to recognise that both the abuse and the economic impact of the abuse may continue long after separation. Training around domestic violence and linkages with domestic violence services can sensitise and raise awareness of these issues for service and agency workers.

Second, women in these circumstances need targeted short and longer term financial and material support. We recorded many programs and initiatives offering support available to women affected by domestic violence. However, these are typically fragmented, provided by different bodies, with different eligibility requirements and time periods in which to apply. Moreover, women in the study were often unaware of the support and programs available to them. Making information available to women about their rights, entitlements and programs is critical to them accessing support. For this reason, we also found that the advocacy provided by specialist and generalist services was often critical to women getting the housing, legal, health and other outcomes they sought.

Third, we can introduce and expand programs that build women's economic capacity. For example, increasing the availability of counselling and other health services to deal with the trauma of abuse so that they are ready for paid employment; providing subsidised education and training for

women affected by domestic violence; and establishing matched savings accounts can build women's economic capacity.

Fourth, we can create economic opportunities for women affected by domestic violence. Strategies to do this may include: providing affordable childcare for women who work; job placement programs; domestic violence workplace provisions (such as safety protocols and leave provisions); low interest loans; and finance for women's business ventures.

Fifth, we can introduce financial education and counselling services to inform women's financial decisions and choices.

Finally, we can recognise abusive men's contribution to negative economic outcomes for women and make them accountable; for example, through sharing bills and debts between ex partners.

Conclusion

I want to conclude by returning to the title of this presentation: 'Economic wellbeing: what does it really mean for women and their children affected by domestic violence?'

Notions of independence, freedom and control over one's own finances were central themes that ran through the course of this study, and which have informed the analysis and development of our recommendations.

This study has shown that through economic empowerment, women can find ways to survive and leave violent relationships, recover from the abuse. Economic empowerment can provide the freedom for women to make independent and informed choices about their lives. Thank you.

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