

FINANCIAL COUNSELLORS' ASSOCIATION OF WA PRE-BUDGET SUBMISSION 2026-2027



Influential Advocate • Effective Peak Body • Best Practice Profession

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Acknowledgement of Country

We acknowledge the Traditional Custodians of the land on which FCAWA's Head Office is located, the Whadjuk people of Noongar Boodjar.

We recognise their continued connection to the land and waters of this beautiful place, and acknowledge that they never ceded sovereignty. We respect all Whadjuk Elders and their Ancestors, and all First Nations people.

Foreword

The Financial Counsellors' Association is proud to present our 2026-27 Pre-Budget Submission to Government

Western Australia's financial counselling sector is at a critical juncture. Rising living costs, stagnant wages, escalating housing stress, and increasingly complex personal circumstances mean that demand for financial counselling continues to grow faster than service capacity.

Our small pool of financial counsellors covers the largest geographic jurisdiction in the country. They are responding not only to individuals and families in hardship, but also to small business owners, people impacted by family and domestic violence, those facing disaster recovery and gambling harm, and people experiencing mental health, substance use challenges and/or experiencing suicidal ideation.

Here is a current state snapshot:

- In WA, an estimated 210,000 households live in financial stress¹
- 37 per cent of survey respondents would be unable to cover an unexpected \$500 bill.²
- A Beyond Blue survey of 5,000 Australians found financial pressure to be the leading cause of distress for 46% of respondents³ and according to Lifeline 15% of its daily calls are due to financial hardship.⁴

Currently, the profession is confined to a narrow service pool, with the potential broader impact across Ministerial portfolios not fully acknowledged. A new social impact study by financial counselling Victoria has found that for every single dollar spent on delivering financial counselling brings a social return on investment of between \$3.70 - \$5.30.⁵

A decade of underinvestment has eroded sector sustainability, diminished job security and constrained access for those who need support. Western Australians should not have to wait until they are in crisis to access a financial counsellor.

This Pre-Budget Submission outlines four (4) targeted recommendations that will:

- Increase capacity to meet escalating demand.
- Expand access by embedding financial counselling where people and small business owners already seek help.
- Build a sustainable, culturally secure workforce (including in regional and remote communities).
- Strengthen early intervention and sector capability.

Our goals as an Association align clearly with the WA Government Priorities 2025-2029.⁶ Times are tough for people across WA, but the solutions are available. With strategic investment, the financial counselling profession can continue to prevent avoidable harm, reduce service system pressure, and improve wellbeing and economic security across our communities.

Our Recommendations

1

An urgent increase in funding, with source diversification, or investment from alternate departmental funding streams to highlight the significant intersectionality of financial distress on the social and physical determinants of health. Specific allocations must be made available to support generalist and specialist financial counsellors who are assisting community members dealing with family and domestic violence, responding to natural disasters or helping those affected by gambling. Also, directed at cohorts who are in need of more support such as young people, First Nations those with mental health and alcohol and other drug challenges and older West Australians.

Budget Ask: \$3 million per annum over and above current funding agreements which corresponds to the funding given during COVID 19 (approximately 20 generalist and specialist financial counselling positions).

2

Establish a network of specialist small business financial counsellors embedded across metropolitan and regional hubs.

This model:

- Provides early intervention and crisis navigation
- Preserves business viability where possible
- Supports orderly business closure where needed
- Protects employment and local economic activity
- Reduces mental health, family stress, and risk of self-harm associated with unmanageable financial pressure

This is high return, low-cost, high-impact economic prevention work.

Budget ask: \$1 million per annum (approximately 7 specialist small business financial counsellors embedded across metropolitan and regional hubs).

Our Recommendations

3

The development of a culturally appropriate traineeship program that empowers more First Nations people to study financial counselling.

The traineeship would enable regional services to train local people on Country, avoiding the need to relocate workers into areas with severe housing shortages. In turn, this will create stable, local employment and strengthens culturally safe access to financial counselling.

Budget Ask: \$500,000 per annum (3-5 traineeships per year, with structured mentoring, cultural supervision and supported placement).

4

Recognition, of the role FCAWA plays in raising awareness of the profession for the benefit of the community, and in providing support to and accreditation of financial counsellors across the State.

Budget ask: Increased core funding of \$200,000 per annum (1.5 FTE) for casework and practice support for remote counsellors, workforce and stakeholder engagement, communications and community awareness, policy and advocacy at State and National levels.

Our Sector



Perth rents have surged 76% since 2020. Renters pay an extra \$16,640 per year compared with 2020.



210,000 WA households now say housing is **unaffordable**, a 91% increase since 2022.



Electricity bills spiked 116.8% in mid-2025 after rebates ended, adding ~\$550pa per household.



Perth CPI rose 2.7% (to June 2025). Housing and food costs are the main drivers of higher inflation.

Key issues identified by Financial Counsellors and Agency Managers:

- Cost of living
- Housing
- Poor mental health
- Family Domestic Violence
- Economic Abuse
- Substance use
- Spiraling debt
- Complex cases
- Systems and processes not keeping up with increasingly complex landscape
- Transport costs
- Elder Abuse
- Scams



WA population = 3.0 million, 3.1% increase year-on-year and the **fastest growth in Australia**. Demand for our services rises in line with population.



Increased complexity of clients and less options (debt negotiation, courts, family violence, economic abuse).



Independent reviews show **every \$1 invested in FCs saves at least \$5** in avoided social costs (homelessness, health, justice).



Unemployment still low (3.6–4.2%), but **underemployment** and **insecure work** are increasing stress for low-income households.



Waitlists for FC appointments are **4-6+ weeks** in many areas. Clients often present in severe crisis by the time they're seen.



Without access to FCs, people are at **higher risk of homelessness, family breakdown, court action, and health issues**.

Each month so far in 2025, the National Debt Helpline (NDH) has received over **1,000 unique calls** to its WA service. Most months, the total calls received is **1,500**.

Each year from 2021-2024, calls to the NDH in WA increased by between **10% - 38%**.



Direct Feedback

“

“Our clients are experiencing complex, high levels of trauma. They are fearful for their lives. One of the biggest challenges is how hard it is for people to get help or sort issues out themselves. The systems aren't keeping up. For example, navigating Centrelink is really hard and it is almost impossible to go in person to a bank now. We're spending more and more time helping vulnerable people navigate these out of date, non-user friendly systems.

Since 2015, we've been on a series of rolling contracts. There is no job security for financial counsellors. Good people are leaving the sector and it is hard to attract new people. For such an in demand, essential service, job security should be a given.

”

“

Gone are the days of people coming in just to get help setting up their budget. Everyone I meet has a range of complex issues impacting their lives and livelihood.

What has happened to the National Financial Literacy Strategy? More must be done to intervene early and make sure people are saved from the path to financial hardship.”

”

Because so many agencies are online or over East, we are doing the work they used to do here, like helping people fill out forms. This takes up way too much time and keeps us from our core business of helping people out of financial hardship.

”

Our public hospitals have funded social workers, which is good and should be the case. Why are there no financial counsellors? Health events, both positive like starting a family and negative like cancer diagnoses have a massive impact on financial wellbeing. Embedding a financial counsellor in the public hospital setting, as has been done with social work, is obvious in terms of its benefit. Isolating the delivery of this service to the communities or NFP sector is not simply yielding the gains needed.

”

We're worried about all the people missing out on financial counselling. This includes seasonal workers, young people (under 25), First Nations communities, the 'new poor', small businesses, students, and those from CaLD backgrounds. There is so much benefit that could come from making sure financial counselling is offered in the places where these groups are, rather than tucked away as it is now.

”

About FCAWA

FCAWA is the peak body and voice of financial counselling in WA. We advocate for financial wellbeing and promote excellence in the sector to achieve our goals of financially resilient communities and reduced hardship for all.

We provide financial counsellors with training, resources, events and professional support so they can deliver free, independent and confidential help to people facing financial hardship. We also advocate for systemic change, working with government, regulators, and agencies to make financial systems fairer and more compassionate.

As the driver of frontline impact and systemic change, FCAWA is a high-value, high-influence partner for government, agencies, and the community.

Our Vision

Financially resilient Western Australians with reduced financial hardship.

Our Purpose

- Advocating for financial wellbeing.
- Promoting excellence and compliance in the financial counselling sector.
- Providing the voice of financial counselling in Western Australia.

Our Values

Integrity | Leadership | Support | Innovation

As a for not-for-profit organisation, FCAWA:

- Provides continuous professional development, resources, and support for financial counsellors.
- Advocates for a fair and equitable marketplace.
- Works to raise the profile of financial counsellors.
- Advocates to increase access to financial counselling.
- Works to improve hardship processes for people in financial difficulty.

As the peak body, FCAWA represents member views on many systemic consumer-related issues and provides input to government and nongovernment policies and practices. It also speaks on behalf of financial counsellors and consumers by actively participating in relevant committees and lobbying for change through submissions and membership of industry action groups.

FCAWA is specifically named both in the National Consumer Credit Protection Act (2009) and in the Corporation Act (2001) as the governing entity for financial counselling in WA. Financial counsellors are exempt from holding both an Australian financial services and credit licence. It is vital, therefore, that the compliance and professionalism of financial counsellors is appropriately monitored and maintained, a role we take very seriously. All financial counsellors are expected to achieve 20 continuing professional development points and 10 hours of supervision under the National Standards. This compliance must be audited to maintain standing, however FCAWA is not directly funded to perform this role.

For 40 years, financial counsellors and our Association have been responding to the needs of the Western Australian community. Looking ahead, we have ambitious goals. We want the vital services of our members and team to be recognised and sustainably supported, enabling them to make an even greater positive impact.

Our five-year contract is due to be renewed with no increase in funding. This is despite the increased complexity of needs and services FCAWA must offer to ensure financial counsellors are providing expert services to clients and to maintain their exemption under legislation. We strongly urge the State Government to review the recommendations contained within this submission.

About Financial Counselling

Financial Counselling is a free, independent and confidential service provided by qualified professionals to help Australians facing financial hardship.

Thousands of Australians benefit from financial counselling services every year.

Financial counsellors provide practical support and advice to help individuals, families, and small businesses. Support includes budgeting, understanding rights and negotiating with creditors. Financial counsellors also advocate for fairer systems and improved access to financial support for everyone.

Specifically, Financial Counsellors help people:

- Understand which debts are priorities.
- Make behavioural and budget changes to reduce financial distress.
- Develop budgets and money plans.
- Understand the pros and cons of different options to manage financial issues including Bankruptcy.
- Access grants or concessions.
- Negotiate with creditors.
- Access dispute resolution services.
- Understand their rights and access legal help.
- Access other support services (e.g., mental health, alcohol and other drugs, legal, family, and domestic violence services).

Financial Counsellors have specific knowledge about credit, bankruptcy and debt collection laws, concession frameworks and industry hardship practices. They are trained in negotiation and counselling and offer emotional support and a listening ear when people really need it. They are not financial advisors or planners. They do not earn commissions or provide investment advice.

Despite being temporarily defunded in 2015, the financial counselling profession has developed and evolved considerably in WA, as well as more widely around Australia. National standards, policies, and practices have been continuously reviewed, new standards have been developed and implemented and FCAWA has established robust systems to audit and support members in meeting annual professional requirements for continuing professional development (CPD) and professional supervision. This includes accrediting and maintaining CPD requirements for professional supervisors and providing additional skills training for newly qualified financial counsellors. FCAWA has developed key membership structures designed to provide peer support on practice and advocacy issues. The profession is currently looking to formalise specialisations in gambling, family and domestic violence, disaster response and small business financial counselling.

Research in 2014, found that every \$1 invested in financial counselling provides a \$5 return, and that four in five clients had experienced at least one financial crisis.⁷ This research has now been reinforced by the recently released Victorian report, which estimates the return on investment to be between \$.3.70 and \$5.30 rising to as high as \$8.10 for clients effected by family violence, \$7.40 for small business owner and \$5.90 for clients with a disability. The researchers noted that the cost-benefit analysis did not include other benefits that are more difficult to quantify, such as improvements in financial literacy, or mental health issues, stabilised housing, or avoidance of legal action. In other words, the 1:5 cost benefit is a highly understated and conservative measure of the true economic impact of financial counselling.⁵

Financial counselling provides the following benefits:

Individuals, families, and small business

- For many, the ability to reliably afford food, pay for utilities, maintain employment, achieve family stability, avoid homelessness and even criminality are benefits afforded by financial counsellors. For many more, financial counselling can help improve mental and physical health problems or stop them occurring in the first place. For small businesses, the outcomes are amplified as financial stability will impact business owner and any associated employees.

Industry (banks, credit unions, telcos, utilities, debt collectors, insurance)

- Financial counsellors assist with negotiations of debt reduction, manageable payment options and support through debt recovery and court processes. Their work means that there is a higher rate of debt repayment than would otherwise be the case and/or reduced collection costs.

State and Federal Governments

- Financial stress is at the heart of many other problems for individuals and families. It impacts mental and physical health, affects housing stability, relationships, and children. At least some of these costs are borne by the Government in increased social security payments, increased strain on the health system, and higher demand for emergency relief and housing.

Communities

- Where access to financial counsellors is available, communities may experience reduced crime, reduced court costs and more cohesive communities. These benefits come when individuals are provided support to responsibly plan and manage their own budgets, leading to reduced demand for community services in general.

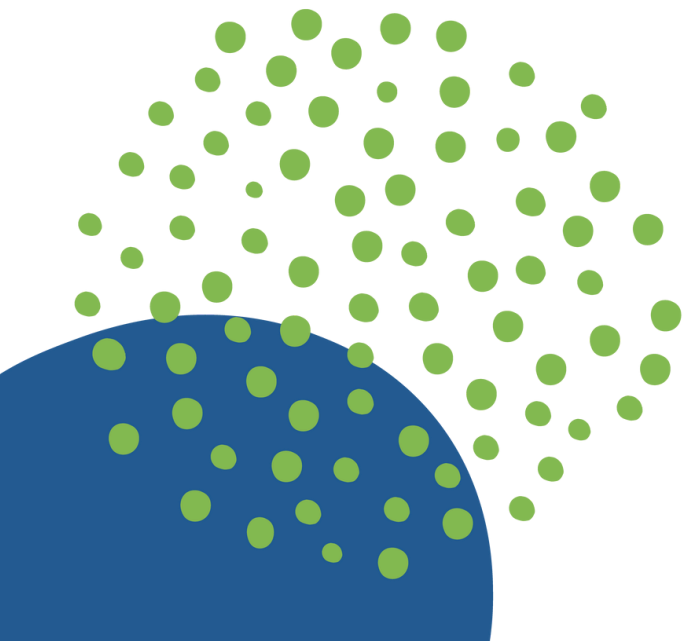
Recommendations Detail

Our small network of only **160 financial counsellors** across WA represents the front line of defence against financial crisis for many families, playing a crucial role in supporting individuals and families facing financial hardship.

Given that most people require multiple sessions with a Financial Counsellor; to assist the estimated 210,000 households living in financial stress, our members would each need to see over 1300 people a year equating to 11–17 appointments every working day.

These needs are impossible to service. Specialised services are particularly stretched, with a significant lack of capability to cover areas such as gambling, small business, family and domestic violence and disaster recovery support. Despite the election uplift of \$3 million to existing services (which was a one-off investment and not ongoing), the gap between service demand and capacity, especially for vulnerable cohorts, continues to widen.

Most financial counselling services are found within community-based providers. Increasingly, other sectors, such as youth, education, mental health, drug and alcohol support, Local Governments, and health hubs, are seeking to establish similar offerings. Many people do not know that financial counselling exists or if they do assume it is not for them. Placing financial counsellors in services that people trust and frequent ensures they are much more likely to reach out and see a financial counsellor sooner. Feedback from our members is that most clients they are seeing are at crisis point and would have had many more options and choices had they seen a financial counsellor sooner.



Recommendation 1: Diversification of Operational Funding

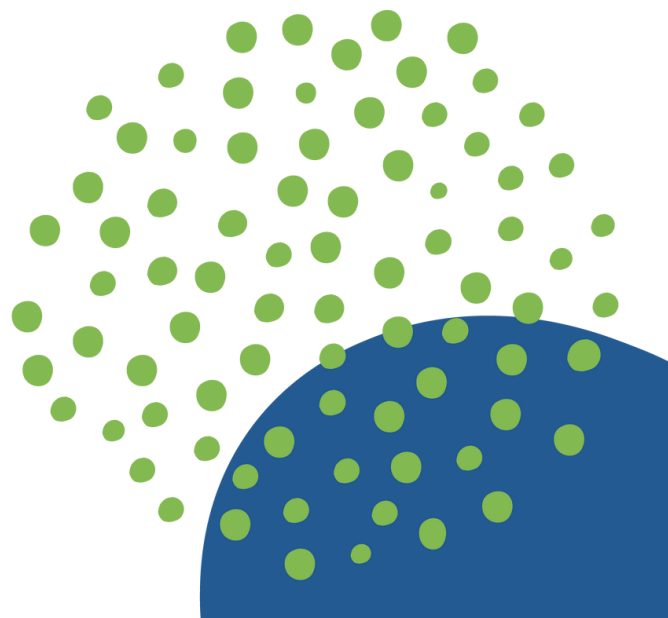
Financial counselling in Western Australia is built on a strong **generalist model**, and this remains essential. Generalist financial counsellors support people with a wide range of issues, often at times of significant stress. Their ability to take a holistic view of a person's circumstances, including housing, income, health, family safety, and debt, is core to the effectiveness of the service and must continue to be the foundation of the sector.

However, the nature of financial stress is changing. Increasingly, financial counsellors are seeing clients whose circumstances are shaped by specialised and complex factors such as family and domestic violence, gambling harm, natural disaster recovery, and small business viability. Supporting these clients requires specific skills, deeper knowledge, and strong cross-sector partnerships.

While many generalist financial counsellors already respond to these situations, doing so requires them to stretch across a broad and continually expanding knowledge base. This is not sustainable without dedicated support.

Establishing specialist streams, supported by targeted training, peer mentoring, and sector coordination, would:

- Strengthen the capacity of generalists by providing clear referral pathways for complex cases.
- Improve outcomes for clients whose circumstances require more intensive or specialised support.
- Ensure knowledge and practice leadership is embedded within the sector.



Recommendations Detail

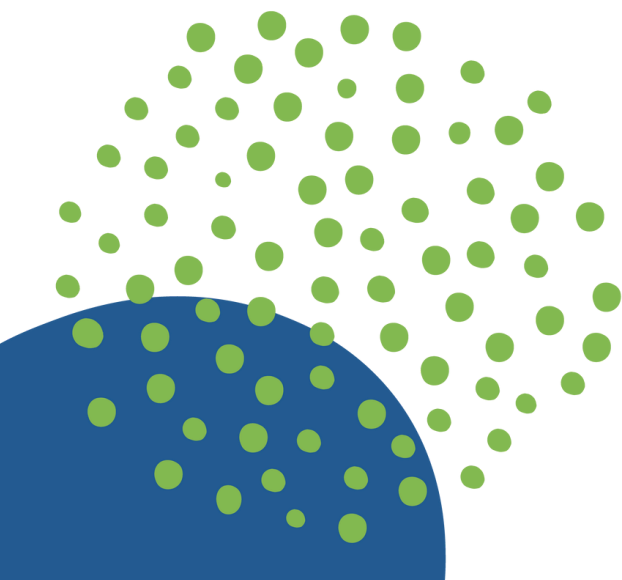
For example, in its recent desktop review, the Department of Communities identified financial counselling as a critical component of disaster recovery, because financial stress is one of the earliest and most enduring impacts of disaster events. Financial counsellors are already providing this support on the front line, often without dedicated funding, working alongside community services, legal services, and emergency response networks.

Investing in specialist capability strengthens the entire financial counselling system. It does not replace generalist practice; rather, it ensures the sector can respond effectively and consistently to the evolving and complex financial pressures faced by Western Australians.

Recommendation

An urgent increase in funding, with source diversification, or investment from alternate departmental funding streams to highlight the significant intersectionality of financial distress on the social and physical determinants of health. Specific allocations must be made available to support generalist and specialist financial counsellors who are assisting community members dealing with family and domestic violence, responding to natural disasters or helping those affected by gambling. Also, directed at cohorts who are in need of more support such as young people, First Nations those with mental health and alcohol and other drug challenges and older West Australians.

Budget Ask: \$3 million per annum over and above current funding agreements which corresponds to the funding given during COVID 19 (approximately 20 generalist and specialist financial counselling positions).



Recommendation 2: Supporting Small Business Owners to Prevent Financial Crisis

Small business owners contribute significantly to WA's local economies, community fabric and employment base. When small businesses experience financial stress, the impacts extend beyond owners to contractors, employees and local communities.

Currently there is no sustained, funded pathway for small business owners in hardship to access specialist financial counselling. Many delay seeking support until crisis point due to stigma, lack of awareness or not recognising that financial counselling is relevant to them.

FCAWA proposes establishing a specialist Small Business Financial Counselling Network, delivered in partnership with the Small Business Development Corporation (SBDC) and Chambers of Commerce, embedding counsellors where small business owners already seek advice and support.

Recommendation

Establish a network of specialist small business financial counsellors embedded across metropolitan and regional hubs.

This model:

- Provides early intervention and crisis navigation
- Preserves business viability where possible
- Supports orderly business closure where needed
- Protects employment and local economic activity
- Reduces mental health, family stress, and risk of self-harm associated with unmanageable financial pressure

This is high return, low-cost, high-impact economic prevention work.

Budget Ask: \$1 million per annum

(approximately 7 specialist small business financial counsellors embedded across metropolitan and regional hubs).

Recommendations Detail

Recommendation 3: Building a Sustainable and Culturally Safe Workforce

To ensure Western Australians from all communities can access financial counselling, we must grow a workforce that reflects the people we serve.

During COVID-19, the Department of Communities trialled a Financial Counselling Traineeship Program, resulting in seven new financial counsellors entering the profession, including two First Nations counsellors. The model was successful because it provided:

- Paid training and mentoring
- On-the-job learning within community organisations
- Cultural safety and supervisory support

The trial also demonstrated that a structured traineeship is both viable and effective. This structure must now be embedded as a sustained workforce pipeline.

A key strength of the traineeship model is that it allows regional and remote services to grow their own workforce on Country, rather than relying on recruiting practitioners from metropolitan areas. At present, services in regional WA struggle to attract financial counsellors due to limited housing availability, high rental costs, and the disruption of relocating away from metropolitan areas. By supporting trainees to learn and work within their own communities, the traineeship model builds local capability, strengthens continuity of service, and ensures financial counselling roles remain culturally and geographically grounded where they are most needed.

Recommendation

The development of a culturally appropriate traineeship program that empowers more First Nations people to study financial counselling.

The traineeship would enable regional services to train local people on Country, avoiding the need to relocate workers into areas with severe housing shortages. In turn, this will create stable, local employment and strengthens culturally safe access to financial counselling.

Recommendations Detail

Traineeship detail:

- Qualification Level and Complexity
 - Financial counselling is a Diploma-level qualification, which includes intensive study and professional development.
- Target Cohort and Support Needs
 - These traineeships would focus on First Nations participants, and provide culturally appropriate mentoring, wraparound support, and flexible arrangements. We anticipate this program will attract mature participants with life experience.
- Full-Time Equivalent Role and Employment Conditions
 - The budget assumes one FTE at SCHADS award ensuring fair remuneration aligned with sector standards.

Additional costs factored into the budget:

- Membership fees for professional association
- Attendance at sector conferences
- Supervision and mentoring
- Equipment (e.g., laptop purchase in Year 1)
- Travel expenses for training and community engagement

FCAWA acknowledges this recommendation in traineeship investment is significant. We assert that the long-term impact of this program will be transformative. More qualified First Nations Financial Counsellors could strengthen community resilience by helping families avoid financial crises and access support earlier. They will bring cultural insight, deliver tailored strategies, and would mentor future trainees into the future creating a sustainable workforce and ultimately amplifying impact across communities.

Budget Ask: \$500,000 per annum*
(3-5 traineeships per year, with structured mentoring, cultural supervision and supported placement).

*Figure based on the Financial Counselling Industry Fund model, which allocated approximately \$150k per FTE for regional or rural WA roles. The proposed amount also includes resourcing for FCAWA to support agencies hosting traineeships, as was provided during COVID.

Recommendation 4: Increased FCAWA Core Funding

FCAWA carries statutory responsibilities for accreditation, professional standards, supervision oversight, and practitioner support but is **not funded** to deliver these obligations. Sustainable funding is required to ensure sector quality, coordinate systemic advocacy, and maintain professional standards in line with legislative exemptions.

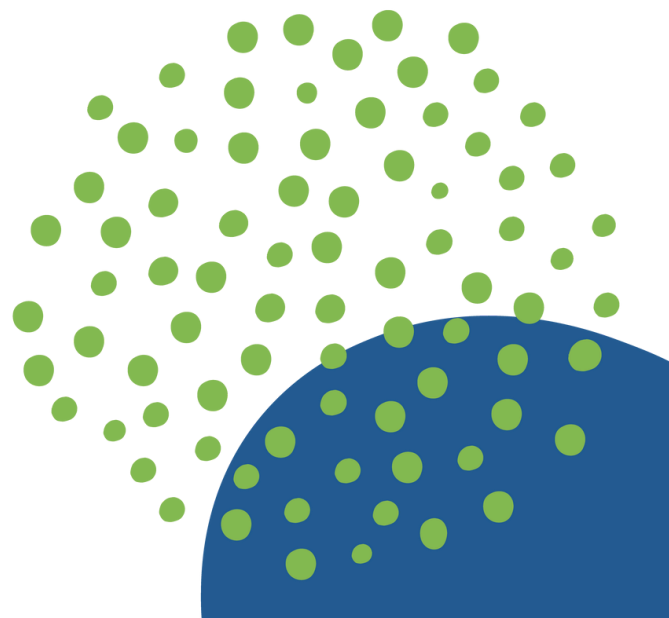
To support this recommendation, we have identified an urgent need to provide casework support to remote and isolated financial counsellors, build our stakeholder engagement efforts with regional and remote financial counsellors and communities, and to assist the FCAWA Executive with policy and law reform at both State and National levels. The peak also requests sustainable funding of a Communications Officer at FCAWA to continue to raise awareness of this important profession.

Recommendation

Recognition, of the role FCAWA plays in raising awareness of the profession for the benefit of the community, and in providing support to and accreditation of financial counsellors across the State.

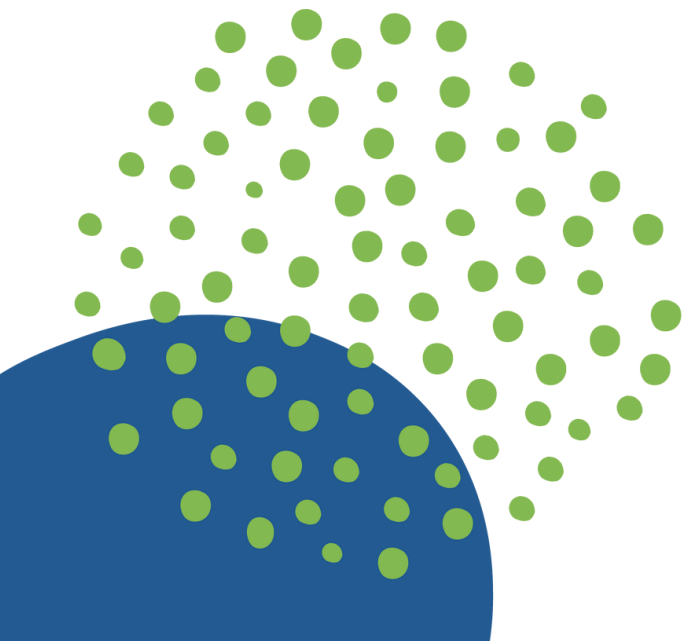
Budget Ask: Increased core funding for FCAWA

Budget ask \$200,000 per annum (1.5 FTE) to FCAWA current core funding of \$420,000.



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Further Information

For more information or discussion on the content of this submission please contact:

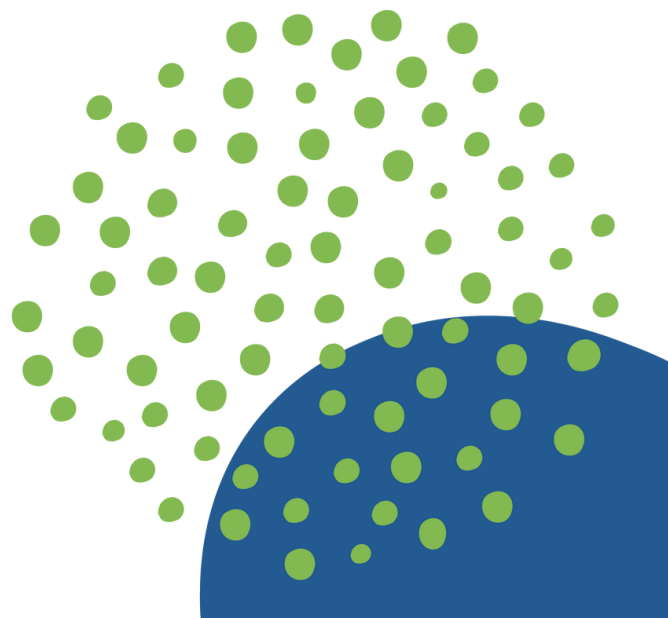
Melanie Hopkinson
Chief Executive Officer

melanie.hopkinson@fcawa.org

Mobile: 0406 740 197

Acknowledgements

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FINANCIAL COUNSELLORS' ASSOCIATION
OF WESTERN AUSTRALIA

45 Duncan Street, Victoria Park

Phone: 08 9325 1617

Email: enquiries@fcawa.org

www.fcawa.org

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