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## Media release

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3 October 2019

### EWON welcomes the Sylvan Review's call for industry to support the financial counselling sector

The Energy & Water Ombudsman NSW (EWON) welcomes the release 'The Countervailing Power: Review of the coordination and funding for financial counselling services across Australia' report conducted by Louise Sylvan AM.

"We are very pleased to see recommendations to establish a body to oversee the sector and stable funding arrangements – both of which we called for in our submission to the Review," Energy & Water Ombudsman NSW, Janine Young said.

In EWON's experience, funding for financial counselling services is sporadic and haphazard, with community groups that offer services having to go 'cap in hand' to governments or industry for funding. EWON strongly supports the Sylvan Review's recommendations that industry contributes to funding for financial counsellors, in order to provide funding stability and to improve its response to customers experiencing affordability issues.

"Being industry-funded provides a financial incentive for businesses which contribute to the demand for financial counselling services, including energy and water companies, to change their practices in order to reduce that demand," Ms Young said.

Other industries that should contribute to the financial counselling sector's funding include banks, telephone/ISP service providers, debt collection agencies and other financial service providers including pay day lenders and credit repair agents.

Payment difficulties, disconnection/restriction of supply and debt collection were present in 21% of EWON's complaints in 2018/2019. EWON works with financial counsellors to help customers find longer-terms solutions to these problems.

"When customers contact us with affordability issues, we work with the energy or water provider to ensure their supply is not disconnected and we very often also refer these customers to financial counsellors for further assistance. As a result, they receive holistic advice and support which assist the customer, but in many cases also benefits the organisations they are in debt to." Ms Young explained.

The demand for financial counselling services is increasing. In 2018/2019, EWON made 919 such referrals up from 674 2017/2018 and 567 in 2016/2017.

"We are also often contacted by financial counsellors acting on behalf of their clients and we partner with financial counsellors on our Bring Your Bills Days – part of our extensive outreach program," said Ms Young.

[View EWON's submission to the Sylvan Review.](#)

**To request an interview with the Ombudsman, contact:** Jacqui Heywood, Communications Officer, EWON, 0426 822 341 / [jacquelineh@ewon.com.au](mailto:jacquelineh@ewon.com.au).

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