



Supporting Communities

Budget 2022-23

The Australian Government recognises the value of investment in services to support communities across Australia.

What was announced in Budget 2022-23?

The Australian Government has committed up to \$2.6 million (including indexation) over two years to work towards establishing a National Centre for Place-Based Collaboration and \$10.5 million over four years to support a new voluntary industry funding model to deliver more financial counselling for Australians in financial stress.

National Centre for Place-Based Collaboration

The National Centre for Place-Based Collaboration (Nexus Centre) will be an independent, non-government entity that will work with communities and other stakeholders to amplify the many benefits of community-led place-based initiatives and help realise meaningful change.

Key facts

- Place-based initiatives bring the community together to improve the conditions in which families and communities live, work and raise

children, using local knowledge and skills.

- The first phase of work will involve consultations with communities, experts, service providers and investors to help build a shared understanding of the role of a Nexus Centre and inform how it will work from 2024.
- This funding is an investment in place-based initiatives in Australia.

Building the long-term viability of the financial counselling sector

The Australian Government is partnering with various industries and the financial counselling sector on a new voluntary industry funding model to deliver more frontline services for Australians in financial stress and difficulty, from 1 July 2022.

Several industries, including the financial services, insurance, telecommunications, energy and online gambling sectors, are supporting the voluntary model, recognising financial counsellors provide a valuable and vital service for their customers.

The Government is investing \$10.5 million over four years from 2021-22 to support

the voluntary model and the financial counselling sector.

This includes \$1.5 million in 2022-23 seed funding to establish a new, not-for-profit body to collect and distribute industry funding, and \$9 million for a range of complementary initiatives to improve data collection and capability, national coordination and innovative service delivery in the financial counselling sector.

Key facts

- The industry-funding model will focus on supporting financially vulnerable people, which could include women experiencing domestic or family violence and/or financial abuse, people who are unemployed, Aboriginal and Torres Strait Islanders, and Australians experiencing gambling related harms.
- The new measure will support employment of additional financial counsellors. Currently, women fill around 80 per cent of these roles.
- Most importantly, these additional investments will improve access to financial counselling services for many Australians in financial distress, including women, who represent up to 60 per cent of financial counselling clients.
- Industry contributions will be on top of existing Government investments for financial counselling – currently around \$43 million annually for face-to-face financial counselling services, the National Debt Helpline, Money Support Hubs, and Problem Gambling Financial Counselling.
- Throughout its first two years, the Government will evaluate the voluntary model to inform a long-term approach and ensure the viability of the financial counselling sector.
- The voluntary industry funding model will provide more funding for financial counselling to better meet demand for services, a key recommendation from the 2019 *Countervailing Power: Review of the coordination and funding for financial counselling services across Australia* (the Sylvan Review).
- These initiatives deliver on Government commitments in response to the Sylvan Review and support the Government's economic recovery efforts from the COVID-19 pandemic and natural disasters.