

# Financial services must evaluate products and overhaul joint accounts to combat financial abuse, report

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[/EINPresswire.com/](https://EINPresswire.com/) -- Financial institutions will need to evaluate all products for potential misuse and implement safeguards, under recommendations of a landmark Parliamentary report released today.

The proposal is one of 61 recommendations from the Parliamentary Joint Committee on Corporations and Financial Services following its inquiry into the financial services regulatory framework and financial abuse.

Social entrepreneur and Adjunct Associate Professor  
UNSW School of Social Sciences

Catherine Fitzpatrick said the report was a game changer.

“This report exposes the pervasive harm caused by perpetrators manipulating financial services, and interconnected systems such as tax, child support and the Family Court,” she said.

“The recommendations and proposed legislation represent a fundamental rethink of how we approach money management in Australia. They put the onus on government and financial institutions to stop the weaponisation of joint accounts, credit cards, personal loans, mortgages and insurance policies and provide greater protection to victim-survivors.”

Implications for financial services providers

Ms Fitzpatrick urged businesses to proactively implement the report’s recommendations, including:

- Consult victim-survivors: ensure services are protective, accessible and empowering



Catherine Fitzpatrick, social entrepreneur and Adjunct Associate Professor, UNSW School of Social Sciences

- Integrate financial safety by design: evaluate all products for potential misuse and implement safeguards
- Update terms and conditions: Make it clear financial abuse is unacceptable customer behaviour
- Improve staff training: Equip employees to recognise and address signs of financial abuse
- Adopt financial abuse guidelines: Engage in industry-wide efforts to standardise practices.

“We have a unique opportunity to set a global standard in tackling financial abuse. But we can’t afford delays – every day of inaction perpetuates harm,” Ms Fitzpatrick said.

“We know social media companies acted too late to address the harm on their platforms, and now regulators are catching up. In contrast, the finance sector can continue to lead the way with practical action to protect against financial abuse without waiting for some of this reform.”

### Greater transparency

The report highlights the need for greater transparency, including:

- Anonymous reporting mechanisms in for financial abuse.
- Enhanced accessibility of in-person banking services for vulnerable customers.
- Mandatory reporting on the number of customers identified as experiencing financial abuse.

### Joint accounts

The Committee recommends an overhaul of joint accounts, including legislation requiring financial institutions to:

- Ensure every joint account holder has independent access and control over their visibility settings.
- Confirm that no apprehended violence orders exist between joint account holders before approving applications.
- Prevent perpetrators from cancelling or altering insurance policies without the victim-survivor’s knowledge or consent.

“Joint accounts, which have traditionally symbolised partnership, were designed as if all relationships are healthy and equal. The reality is starkly different,” Ms Fitzpatrick said.

“If adopted, these changes will ensure victim-survivors are no longer disadvantaged by the deliberate and malicious acts of perpetrators.”

### Financial safety by design

A former bank executive, Ms Fitzpatrick pioneered the application of the eSafety Commissioner’s Safety by Design principles in financial services. Her [Designed to Disrupt™](#) reports, published by the Centre for Women’s Economic Safety, have provided framework that has already sparked industry-wide change.

For example, 45 businesses serving over 20 million customers across 10 sectors have adopted her recommendation to introduce terms and conditions or policies to ban the misuse of their products and services for financial abuse, including through [Flequity's](#) national [respect and protect](#) business initiative.

Today, the Committee has recommended that financial service and product providers ensure that financial abuse is explicitly referenced in the terms and conditions for all financial products.

"The Committee's recognition of financial safety by design as the right strategy is a significant step forward," Ms Fitzpatrick said.

Ms Fitzpatrick commended the Committee and the inquiry's instigator, Member for Swan Zaneta Mascarenhas MP, for producing a thorough report that centres victim-survivors' experiences and outlines a clear framework for change.

"This report not only acknowledges the devastating impacts of financial abuse but provides a pathway to address systemic barriers," Ms Fitzpatrick said.

"It's clear the committee expects financial service providers to take action and to move quickly to make these changes. When lives are at stake, there's not a moment to waste."

CA Fitzpatrick

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