

# MONEY MATTERS

## The Dynamics of Debt

This fact sheet is part of the *Money Matters Series* from Women's Health East. Find out more about the project at <https://whe.org.au/money-matters>

### Types of debt

#### 'Good' debt

- Mortgages – A mortgage allows you to buy a house, which generally increases in value over time. It is crucial not to overstretch what you can afford in repayments.
- Student Loans – Education is a long-term investment in your future.

#### 'Bad' debt

- PayDay Loans are only a short-term solution that come with high interest rates.
- Credit card debt – If not paid off on time, can be subject to a huge annual interest rate.
- Personal loans come with high interest rates.
- Buy-now Pay-later services have account fees and late payment fees.

### Credit files and credit scores

To find out more about credit scores, including how hardship impacts your credit score, visit [www.creditsmart.org.au](http://www.creditsmart.org.au)

**You can access your credit reports and scores online.** Ensure you can get a free copy.

Visit: [www.equifax.com.au](http://www.equifax.com.au) or [www.illion.com.au](http://www.illion.com.au)

### Who can I contact for support for problem gambling?

Gamblers Help Eastern offers support, advice and information to people affected by gambling (both the gamblers and non-gamblers), including financial counselling and therapeutic counselling.

Visit: [www.each.com.au/service/gamblers-help-eastern/](http://www.each.com.au/service/gamblers-help-eastern/) or phone 1300 131 973

### What assistance is available for financial hardship?

If you are experiencing financial hardship, speak to the 'Hardship Team' of your credit or utility provider or talk to a financial counsellor.

Support is available, including:

- Utility Relief Grants Scheme for Electricity, Gas and Water for eligible customers.
- Flexible Support Packages are provided by local community agencies for victims of Family Violence.
  - Contact the The Orange Door EMR network (contact details below)
  - Some banks provide support in the form of funds/services to assist their customers experiencing Family Violence.

### **Why would I go to see a financial counsellor?**

Financial counsellors provide assistance, advocacy and information to those who are experiencing financial difficulty or who have problems with debt.

### **How do I find a financial counsellor near me?**

National Debt Helpline offers free and confidential advice from professional financial counsellors as well as referral to a financial counsellor near you.

Visit: [www.ndh.org.au](http://www.ndh.org.au) or phone 1800 007 007 (9.30am to 4.30pm, Monday to Friday).

### **Where can I go to get help for Family Violence or Elder Abuse (including financial abuse)?**

If you or someone you know is at immediate risk of physical harm or property damage, call Victoria Police on 000.

Other free services include:

- Safe Steps on 1800 015 188 or [safesteps@safesteps.org.au](mailto:safesteps@safesteps.org.au) - 24/7 family violence response (crisis phone line and planning for your safety)
- 1800 RESPECT on 1800 737 732 (family violence) or 1800 ELDERHELP on 1800 353 374 (elder abuse) - confidential information, phone counselling and support services.
- If you live in Melbourne's Outer East (Knox, Yarra Ranges, Maroondah) contact The Outer East Melbourne Area (OEMA) Orange Door on 1800 271 150 or [OEMA@orangedoor.vic.gov.au](mailto:OEMA@orangedoor.vic.gov.au)
- If you live in Melbourne's Inner East (Boroondara, Manningham, Whitehorse and Monash) contact The Inner East Melbourne Area (IEMA) Orange Door on 1800 354 322 or [IEMA@orangedoor.vic.gov.au](mailto:IEMA@orangedoor.vic.gov.au)
- Eastern Community Legal Centre on 1300 32 52 00 or <https://eclc.org.au/> – confidential legal, social and financial counselling support for people experiencing or at risk of family violence and elder abuse.
- 13 YARN on 13 92 76 - Aboriginal & Torres Strait Islanders crisis support line (24/7)
- Rainbow Door on 1800 729 367 - advice, referral and support for LGBTIQ+ Victorians

**For more information please contact:**

**Women's Health East** - 9851 3700 or [www.whe.org.au](http://www.whe.org.au)