



MEDIA RELEASE

Thursday June 9th, 2022

MFC welcomes proposed reform but says more is needed

Mallee Family Care has welcomed yesterday's announcement by the Victorian Government which will see ratepayers, facing financial hardship, supported by a fairer system for dealing with rate debt. The Organisation's Chief Executive Officer, Ms. Teresa Jayet, says that in light of increasing cost of living pressures the proposed legislation, which is expected to receive bi-partisan support, will alleviate some stress for many people struggling financially.

Prior to the pandemic, people who were unable to pay rates were met with debt collectors, high penalty interest and sometimes, costly litigation which compounded the complexities of their situation. When COVID-19 impacted Victoria, hardship policies were implemented by most councils to provide relief for residents facing difficulties and the new bill will ensure these policies are not wound back.

"Councils refer people who have rate arrears to our financial counselling service and they require a plan to manage the debt and rates ongoing, What we've been seeing is that over the last two years many people have focused on maintaining their mortgage but were unable to meet their rate payments and these debts have now become unmanageable, particularly as other living costs have escalated.

"More and more our financial counsellors are helping people who are in crisis, just trying to keep a roof over their family's head and food on the table," Ms. Jayet said.

While the rate reform bill is a positive step in recognising the hardship that is being encountered in the community, Ms. Jayet said there is a great deal more that all tiers of government need to do.

"The inability to meet living costs such as rates, rent and mortgage, causes pressures on mental and physical health and relationships. What we need is an integrated approach that addresses the problems and provides practical supports, measures and services."

Ms. Jayet congratulated the Victorian Government for its proposed legislation and said she looked forward to seeing further constructive, wrap-around solutions that support the most vulnerable members of our community.

"Sadly, for many, life is no longer about thriving, it's about surviving."

ENDS



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