



“Loans and Phones” Project

Final Report

31st August 2018

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1. Background

The Loans and Phones Project was a short-term educational programme, with the purpose of delivering financial literacy education in Anangu Pitjantjara Yankunytjatjara Lands (APY Lands). This project is the product of funding provided to MoneyMob Talkabout (MMT) by the Australian Securities and Investments Commission (ASIC) resulting from penalties paid by BMW Finance for breaches in responsible lending provisions of the National Consumer Credit Protection Act.

Over a nine-month period, the Loans and Phones Project delivered financial literacy education on the APY Lands to educate, raise awareness and develop skills in relation to the real cost and affordability of small amount credit contracts and mobile and landline telephone contracts.

This report aims to provide a comprehensive breakdown of the outcomes of the Loans and Phones Project, as well as the methodologies used to achieve these and future recommendations for continued results, should there be opportunities for continuation of the project.

2. Project Objectives

The objectives of the “Loans and Phones” project was to increase consumer awareness about payday loan and phone contracts, terminology and complaint mechanisms, provide people with basic tools to understand debt and contract affordability and increase awareness of consumer complaint and financial assistance avenues. In addition, an important aim of this project was to identify and train peer educators and/or community champions who could act as a source of information and knowledge for others about entering into these types of purchases.

The project aimed to empower vulnerable and disadvantaged members of the community with knowledge and education so people can gain independence in financial management, avoid debt and further hardship and protect themselves against predatory financial operators.

Outreach consisted of ten-day visits in seven communities throughout the APY Lands, where face-to-face outreach was conducted. The goal was to engage with Anangu through as many means possible; informal conversations, community gatherings, workshops and information sessions, working with other service providers and their client base, and accessing audiences through the relationships of the peer educator/community champion.

By the conclusion of this project, MoneyMob has delivered sixty-four information sessions in seven communities across the APY Lands. These information sessions, in addition to raising awareness about payday loan and phone contracts, terminology and complaint mechanisms, have resulted in the discovery of a concerning amount of bills and debts owed to Telstra through questionable and unethical sales practices. Advocating on behalf of those affected, as well as research into long term solutions to issues the project was uncovering, became a core part of the Loans and Phones Project.

As a result of the Loans and Phones Project, we now have a deeper understanding of why Small Amount Credit Contracts (payday loans) are used and under what circumstances. Overall, thirty-seven information sessions about payday loans were delivered across the APY Lands. It was far more complicated to engage Anangu about loans and this was often a sensitive topic. This could be due to the shame some people feel around needing help with these sorts of debts and/or the fact people see these loans as a positive and beneficial product. In total, seven debts to small amount credit lenders were

discovered, which total \$5,685, but only three of those were referred to financial counsellors for further assistance.

Sixty-four information sessions about 'phones' were delivered during the Loans and Phones Project, which aimed at building awareness about post-paid plans, contract terminology, technical language and data usage. As a result of these sessions, thirty-four people requested help with Telstra bills which currently total \$126,314.14. A majority of these bills are the result of multiple mobile devices sold on post-paid plans and/or high data usage. On investigating the circumstances under which these sales took place, a pattern began to quickly emerge in the treatment of Indigenous consumers in telco stores. Of the thirty-four debts uncovered, twenty four people have requested assistance and are currently being represented by MMT Financial Counsellors. MoneyMob are also currently collaborating with multiple organisations to build a database of evidence that proves the systemic nature of these issues and the need for changes in sales practices across the telco industry, particularly the implementation of affordability assessments.

a. Project Officer

The Loans and Phones Project, and my role as project officer, officially commenced on the 27th of November 2017 with a scheduled end date of 31st August 2018.

The responsibilities within this role consisted of the following:

- a. Engage with Anangu in each community through as many means possible - informal conversations, community gatherings, working with other service providers and their client groups/base, meetings with families. Interpreters should be used as much as possible, within budget.
- b. Identify at least one Anangu community champion in each community who can be trained as a source of knowledge/information about loans and phones, for other community members.
- c. Develop simple, plain English educational curriculum and visual tools which will teach Anangu about mobile phone and small amount credit contracts.
- d. Complete half yearly and final project reports to funder.
- e. Refer clients with loan or phone issues to MoneyMob Financial Counsellor for assistance.

This report will provide a detailed breakdown in relation to each of the above project areas, as well as the methodologies adopted to achieve them.

My role within the MoneyMob team required a significant amount of teamwork with my co-workers, especially Financial Counsellors. Communication was key in this role. As I was uncovering information on outreach, it was necessary to relay this back to superiors and financial counsellors who better understand the process and legal framework for advocating on behalf of someone's financial wellbeing and identifying the required steps to move forward against lenders and telcos.

As project officer it was also my role to build relationships with other service providers and key members of community. I achieved this by collaborating with organisations such as TAFE, RASAC and Skill Hire on activities and information sessions. The establishment of mutually beneficial partnerships helped me to capitalise access community members and introduce myself. For example, by partnering with Skill

Hire I was able to run art activities where we painted illustrations that depict phone issues experienced by communities.

b. Peer Educators / 'Community Champions'

The initial goals in the training of peer educators/community champions were the following:

- a. How to refer Anangu to MMT.
- b. Knowing who to contact regarding the payment of a bill.
- c. Understanding how a mobile, landline and internet plan works, including key terms and conditions of these.
- d. Understanding data; extra data, data allowance, data usage.
- e. How to track data, check someone's data usage and change data settings to save data.
- f. Making a complaint.
- g. Understand the alternatives to small credit loans: NILS, Centrelink etc.

Community Champions, or peer educators, helped me to engage and communicate with Anangu as well as deliver information sessions and activities. This ensured vital information was translated and helped to fuel conversations and discussions. Community Champions were a great help in encouraging Anangu to attend sessions or to seek me out for a private appointment. Community Champions helped to translate complex concepts and increased participation in activities, but were less effective in encouraging Anangu to talk about their personal experiences. There is a level of shame that accompanies bills, debts and finances in community, so talking publicly among friends and community members was daunting and even embarrassing for some. Therefore, the knowledge that people could find me and engage with me privately was important.

Initially, we focused on looking for Anangu that had no other commitments or roles. However, attendance was a challenge. It was more successful to work with Anangu that were already employed or involved in some form of community role. If a Community Champion was employed in some other capacity, it was important to remain flexible and work with them outside the hours of their primary roles. Despite this, the project was able to spend more time with Community Champions using this approach than by recruiting unemployed persons. Due to the fact the Community Champion was experienced in the workplace, and the role did not disrupt any routine, this was the most effective way to fill the position of Community Champion.

4. Outreach

The below table contains a breakdown of the outreach conducted throughout the Loans and Phones project.

Table 1.

Community	Date	Duration
Ernabella (Pukatja)	15th - 25th January	10 days
Amata	26th February - 9th March	10 days
Indulkana	19th - 30th March	10 days
Mimili	19th - 20th April	10 days
Fregon	14th - 25th May	10 days

Kanpi/Pipalyatjara	25th June - 6th July	10 days
Kanpi/Pipalyatjara/Amata	13th - 24th August	10 days

5. Loans

Thirty-seven information sessions, comprising individuals and groups, were delivered about payday loans.

Considering the prevalence of low literacy and numeracy in communities, the content of this project was best delivered verbally through activities and conversations. Imagery was an effective tool in demonstrating the process in which lenders sell online and the dangers those processes pose to a customer's privacy. It was also effective in illustrating the real costs of small credit loans and how the added costs would affect people's budgets and 'money story'. We used whiteboards and pen and paper to create an average person's weekly budget - going through the daily living costs - and then adding the repayments and monthly fees required of these payday loans. This interactive activity helped fuel discussion in groups, especially around the topic of late fees and expensive monthly charges.

Whilst people were interested in the information sessions that looked at Small Credit Loans, people were hesitant to seek out help regarding these debts. This could be for a number of reasons, including shame, but it is likely that the lack of alternative accessible financial products contributes to the popularity of these loans. This was communicated to me verbally when trying to assist people with bills to payday lenders or in group discussions about their prevalence in community. People were open about how often they are used, however, it was rare for someone to request and/or accept assistance with these debts. During consultations with people who were seeking information regarding referral to a financial counsellor, people would often express concern about lenders 'getting mad' at them for going to MoneyMob and/or being rejected in the future. Table 2 details the debts that were uncovered, including the amounts and the number of people who went forward with further assistance. Through conversations in group discussions, information sessions and interactions in communities - it is extremely likely that the below table is merely a snapshot of the reality.

Table 2.

Community	Lender	Amount
Amata	Cash Converters	\$1,500
Indulkana	Cash Converters	\$1,200
Indulkana	Money3 & Cash Converters	Unknown
Mimili	Money3	\$2,800
Mimili	Money3	Unknown
Fregon	Unknown	Unknown
Pipalyatjara	Cash Converters	\$185
Total Debts Found		\$5,685
Total Referrals		3

Moving forward, a key approach to battling the prevalence of Small Amount Credit Loans in the APY Lands would be to help provide competitive alternatives, such as easily accessible Christmas Club accounts which can only be accessed during limited periods. Currently, people's only real options are to plan and save ahead, which can be difficult considering the cultural obligations, living circumstances and demographics of the area; or to apply for an advance payment from Centrelink or request emergency relief. These alternatives, in reality, cannot compete with payday loans, which can be obtained quickly, easily and with very few questions asked. Many people apply for payday loans to help cover demanding costs over the Christmas period, especially travel to and from urban areas. By the end of the year, a lot of people have already made use of their option to advance on a Centrelink payment. While Christmas Club accounts exist in Alice Springs, and interest in these savings accounts on the lands was positive, the banks that are most easily accessible to people on the APY Lands (Commonwealth, and Westpac) do not offer this product. The bus that services the region does provide instalment payment options on tickets through Centrepay, however, there is a limit to how much someone can purchase using the centrepay option. This limit is \$600, which may seem substantial, but when you consider a return ticket costs approximately \$270 and average family sizes range from three - eight people - this takes on a different perspective. If people already have tickets being repaid through Centrepay come Christmas, they are unlikely to be approved for additional tickets due to the limit. Alternatively, people can set up advance payments to the transport company, so by the end of the year their account has a credit that can be used to purchase tickets. Advertising this solution could help reduce the amount of Payday Loans during the Christmas period.

People are becoming more aware of services like NILS (No-Interest Loans) and Step-Up Loans as alternatives to going to lenders for furniture and appliances. Seven people were referred to MoneyMob's NILS Officer during discussions about lending affordability and risks, which helped spread the word of it's availability.

6. Phones

A total of sixty-four information sessions and/or activities about mobile phone contracts, affordability and terminology were conducted throughout the duration of the Loans and Phone project. I created presentations, materials and activities that aimed to build awareness about the real costs of post-paid plans as well as an increase in understanding about data usage and management.

I used a variety of educational tools including videos, real Telstra bills and contracts, screenshots of Telstra's website and fun arts and crafts. The sessions that took place allowed for deeper conversations about people's opinions and views of these services, as well as experiences and stories. I was able to connect and build relationships with people which, in turn, allowed people to approach me for help in regard to their bills.

Prior to the Loans and Phones project a large portion of the community believed the internet was free. Information sessions focused on breaking down telco's sales processes, including the language used, to raise awareness about the true meanings of words. From conversations with clients, it appears there is confusion about terms like *'included'* *'data allowance'* and *'free games'* etc. Therefore, I made this terminology a key focus in my engagement with communities.

'Word of mouth' is an effective tool in spreading vital information and was a strategic and helpful method in my community engagement. It is also an effective tool in measuring the success and reception of

information. I came across multiple conversations in communities where the content of the Loans and Phones sessions, such as prepaid vs post-paid, was being discussed or passed on. Word of mouth was also extremely effective in leading me to discover other debts and bills in community and I would often have relatives and/or friends of clients seek me out as they had heard of how MMT had helped someone else.

Conversations that resulted from the loans and phones' information sessions led to a deeper insight into the circumstances of the sales of telco products to Indigenous consumers in the APY Lands. A common occurrence seemed to be clients entering Telstra stores to *purchase* a mobile, yet leaving the store with three post-paid devices despite being on a low income and/or welfare payment. A majority of clients struggled, or failed, to be able to recount what sort of device they purchased, whether it was post-paid or prepaid, what sort of plan and how much it was or even when the purchase took place.

What is even more disturbing about the sales we uncovered, is that a majority took place during a time in which the APY Lands had no mobile coverage. People were purchasing multiple devices during school holidays and/or the Christmas period whilst in urban areas, racking up huge amounts of usage and then returning to an area in which they could no longer use their purchases, yet they continued to be billed for them. The APY Lands began receiving coverage in December 2017, with the last of the communities being switched on in June of 2018. The debts uncovered, however, date back two years prior, some even up to seven - nine years prior. It is a requirement under the Telecommunications Consumer Protection Code that salespeople make known to customers coverage area for their service, including showing them a map if necessary to make this clear. The Loans and Phones project has clearly uncovered that this is not happening in many instances.

The data and information collected shows a pattern of unconscionable conduct and unethical behaviour towards Indigenous consumers. Education and awareness programmes are only part of the solution. Telcos needs to be more accountable for the treatment of Indigenous clients and become part of the solution to prevent the continued accrual of debt in the APY Lands. We have advocated in a submission to the review of the Telecommunications Consumer Protection Code that Telcos should be required to perform affordability assessments at the initial point of sale, which would assist in preventing people being sold products beyond their financial means.

Table 3 is a breakdown of the debts discovered throughout the delivery of the Loans and Phones Project.

Table 3.

Device	Amount	Referred	Community
Mobile	\$1,720	Y	Pukatja
Mobile	\$263	Y	Amata
Mobile	\$5,984.52	Y	Amata
Mobile	Unknown	Y	Amata
Mobile	Unknown	N	Amata
Internet	\$1,484	Y	Amata
Mobile	Unknown	N	Amata

Mobile	Unknown	N	Amata
Mobile	\$380	Y	Indulkana
Mobile	\$12,000	N	Indulkana
Mobile	\$3,000	N	Indulkana
Mobile	\$9,000 and \$3,000	Y	Indulkana
Mobile	\$5,000	Y	Indulkana
Mobile	Unsure	Y	Indulkana
Landline	\$4,000	Y	Indulkana
Mobile	Unknown	N	Mimili
Mobile	\$707.50	Y	Mimili
Mobile	Unknown	N	Mimili
Mobile	\$4,000	Y	Mimili
Mobile	\$709.76	Y	Mimili
Mobile	Unknown	Y	Mimili
Mobile	\$1,000	N	Fregon
Mobile	\$7,000	Y	Fregon
Mobile	\$6,760	Y	Fregon
Mobile	\$3,000	Y	Fregon
Mobile	\$3,641	Y	Fregon
Landline	\$8,000	Y	Fregon
Mobile	\$3,640.55	Y	Fregon
Mobile	\$8,000	Y	Pipalyatjara
Mobile	\$8,000	Y	Pipalyatjara
Landline	Unknown	Y	Kanpi
Landline	\$11,000	Y	Pipalyatjara
Mobile	\$6,000	N	Pipalyatjara
Mobile	\$9,024	Y	Kanpi
Totals	\$126,314.33	24	

7. Outputs

Over an eight-month period I conducted more than 64 information sessions, which included PowerPoint presentations, one on one appointments, community barbeques and craft activities. While I was able to reach a large portion of the community in most outreach visits, circumstances in the last two communities limited the extent of my engagement. Remote Indigenous communities experience various challenges that, at times, influences the presence and interaction of the community. Outreach visits to Kanpi and Pipalyatjara did not yield as many results, due to Sorry Camp and Women's Business being on at the time - as well as school holidays and the Alice Springs Show.

The project needed to be flexible and adaptable enough to meet the varying learning needs, and environment, of each community. By experimenting with different methods of engagement, I found the most effective means was the use of a MoneyMob information stall. It allowed people to approach me and discuss their issues in a safe, private space but was also a means to engage with groups and communicate with all members of the community. It is through this approach of community engagement that led to the discovery of over \$100,000 in Telstra debts, and the means in which these debts were accrued. The discovery of these debts helped me to identify key issues that needed to be addressed. It became clear people had little understanding around sales terminology, their rights as a customer and data usage. Therefore, I made sure to focus on these topics, not only in my materials, but also my conversations with people in community.

Key outputs of the community engagement undertaken throughout the Loans and Phones Project are as follows:

- Community Champions

Six Community Champions were identified during outreach and varying levels of education and training were achieved. Three of the six identified Community Champions went on to be perform paid work during outreach visits, while two chose not to continue. Two communities were participating in Sorry Business on both occasions and it was not possible to locate someone in town that could be present for a beneficial period of time.

- Lesson Plans

Lesson plans aimed at middle school children were developed, due to feedback from families that a key reason for large data bills were children playing games on devices. An example of a lesson plan is included at Attachment 1. This lesson plan was delivered in Mimili at the local Anangu school, where children created comic stories depicting the information learnt in the lesson. Older students were better able to grasp the concepts, as the stories produced from those students clearly illustrated the issues around high data usage resulting in large bills for their family. However, younger students struggled to understand. Younger children not only lack the capacity to understand, but the maturity and willpower to avoid games to save money. Although numerous attempts were made to engage with the local schools to try and turn this into a family activity where parents and relatives could be part of this learning experience very few sessions actually eventuated by the conclusion of the project. The schools on the whole proved unable to facilitate or follow through with planned sessions.

Comic strip produced by Mimili school students during a Loans and Phones activity session.



- Project Materials

A variety of educational materials were produced, tested and trialled throughout the Loans and Phones Project.

I spent time user-testing different avenues of communications with the Tangentyere Women's Council, Community Champions and local community members to determine what would be best received in communities. These included posters, audio posters, videos and brochures.

I produced three informational brochures, however, received feedback that there was too much writing and the print was too small. I then produced more user-friendly information booklets that distribute the information more evenly. There was a mix of people who preferred visual, illustrations as a means to receive information and those who wanted something written. I have therefore created two educational booklets that include infographics and written information on how to manage the data settings for different devices so the materials produced cater to all. I have also produced three posters about assistance avenues for clients with phone problems and important information regarding how to get help with financial issues. These materials will be placed in communities where they are visually accessible to community members.

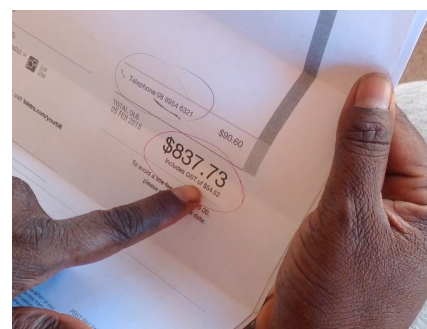
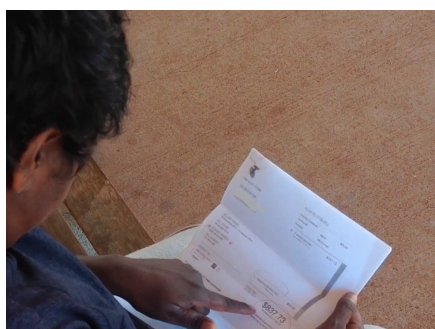
Use of first language is a huge part of the success of community work and, as I've mentioned previously, the best means to deliver and spread information. Audio posters are currently being produced that deliver vital information through a conversation in Pitjantjara language. These will also be placed in accessible locations.

Three scripts, with the aim to be used in short instructional films were also developed. The scripts are multifunctional, and can be used in activities such as skits and role play as well as audio and visual recordings that can be played throughout community. The scripts are about three key issues identified throughout the project:

- A lack of knowledge about the real costs of payday loans
- Data usage and the real costs of using the internet
- The differences between prepaid and post-paid phones

One short film about data usage has been made through collaborating with TAFE SA. This was a fun activity for people to engage in and helped to reach additional people who did not attend information sessions.

See Attachment 2 for an example of scripts produced.




Images from the small film that was made with local community members about data usage and bill shock - using one of the three scripts written.

Posters that promote assistance avenues have been translated into Pitjantjara language and will be distributed throughout the community. Visual PowerPoint presentations, which have also been partly translated, will continue to be accessible to Financial counsellors and other organizations who can deliver these to clients.

- **Information Sessions**

Information sessions, which contained visual information about data management, data usage and telecommunications plans as well as payday loan contracts and budget calculators, were used in all communities. These were designed for group settings, however were often also delivered one on one at the request of individuals. A lot of people preferred privacy and anonymity when discussing money issues. These information sessions were most effective in communities where we were able to work collaboratively with other service providers, such as


TAFE and Skill Hire, as it allowed access to a captive audience. See **Attachment 3** for an example of one an interactive activity used during information sessions.



CASH LOANS

THE TRUTH ABOUT CASH LOANS

PANYA NYANGATJA MULAPA CASH LOANS




DOES A PLAN SUIT YOU?

Monthly Limits & Data Allowances

Look at the data allowance – is it big enough?
 Think about everything you would like to do – music, movies, etc
 How much will they charge for extra data if I go over my limit?
 How many people will be using the internet?

Payments & Extra Charges

How and when will I get my bills?
 What happens if I miss a payment? Will they charge a late fee?
 What happens if I don't want the contract anymore?



IMPORTANT TERMS & WHAT THEY MEAN

'GONE OVER'
 This means you have used all of your data allowance and are starting to use internet you will have to pay EXTRA for.

EXTRA DATA
 If you use more more data than what is written in your plan, Telstra will add extra data to your bill without asking.

Every time you run out of data, Telstra will add 1GB for \$10.

Examples of slides ***included in the visual presentations delivered throughout the project.***

- Information Stall

Sessions organised with TAFE and Skill Hire could be unpredictable and sometimes resulted in a zero attendance. To combat this, a MoneyMob Talkabout information stall was created, which could be placed throughout the community at key locations. This stall was used frequently and it soon became the main way to introduce the project to the community and determine its specific needs. It created a space for conversations and one on one information sessions to take place, where I was able to communicate vital information and increase awareness about contract affordability and terminology. It also enabled connection with the community and built relationships in a way that allowed people to approach MoneyMob for help. Through this means of engagement extensive information was uncovered regarding telecommunications sales practices and patterns of unconscionable conduct identified in sales to Indigenous consumers.

- Other Community Engagement Activities

I also used activities to increase engagement and reach as many people as possible. I held community barbeques, afternoon teas and activities such as movie making and painting. Attendance varied greatly, and I soon determined the most effective methods of delivery was the

MoneyMob stall and word of mouth in community. I came to this conclusion by comparing the engagement experienced, and the data gained, on days I ran activities and information sessions against the days I ran the MMT stall. In a majority of instances, more sessions and conversations took place when I allowed people to approach me than when I attempted to run organised workshops and activities.

7.1 Outcomes

For the period of January to August of 2018 during the seven outreach visits conducted to communities throughout the APY lands, the following outcomes were achieved:

- Community Champions

Six Community Champions trained to varying degrees in five communities, and located within three workplaces. Younger Champions grasped the technical and financial language easier than older Champions, however reliability and attendance were more of an issue. Champions who were already employed were able to understand and fulfil the requirements around referrals and complaints, however all Champions struggled with navigating Payday Lender and Telco websites. This could be due to a variety of reasons around low literacy and numeracy and/or exposure and education in IT.

- Stakeholder Relationships

New and existing service provider relationships were cemented throughout the project. Approximately seven key stakeholders have become more aware of key Loans and Phones information, three of which (TAFE, Schools and NPY Women's Council) referred clients and/or encouraged people to seek assistance. I teamed up with four organisations (TAFE, Skill Hire, Anangu Schools and NPY Youth) to run activities, community sessions and/or community bbqs. I have also received support from the local stores group Mai Wiru to show films and display posters. The employment services provider Skill hire assisted with the project by providing transport, accommodation and access to jobseekers for sessions, and the Tangentyere Women's Family Safety Group assisted with user testing materials on two occasions. Connections have also been established with council members, not only out of respect but to help spread information. Council members are extremely well respected and listened to in community, therefore, they are a useful means in the dissemination of information.

- Increased Awareness within Telstra

Telstra now has a much greater understanding of the struggles Anangu experience due to the lack of appropriate services to the area. I worked with Anangu in contacting and communicating with Telstra regarding their situations using the indigenous hotline during outreach visits. As a result of this, I became aware of some key issues in Telstra's customer service to Indigenous regions. The staff answering calls on the Indigenous Hotline work as a 'spill over' - meaning whichever department is the least busy, receives the call. This means each person is from a different background within Telstra and has no knowledge or understanding around Indigenous consumer's specific needs. A majority of Telstra staff had no concept of people's remote locations and/or living circumstances and resolutions at first point of contact were rarely reached due to minor obstacles such as confirming an address. To tackle this issue, we have proposed to develop a script that can be used by Telstra's customer service staff and began discussing language that would be best suited to the demographic of the area, especially considering a large majority of the population speak English as a second language and have low levels of education around technical language. MoneyMob also spent time trying to demonstrate the

remoteness experienced by customers in the APY Lands and how many do not have the means to travel long distances into Telstra stores or banks to repair devices and/or address bill issues. Many consumer's services are disconnected due to the large amounts of debt owed, and they then have no means of communication to contact Telstra and/or other assistance avenues. Telstra are now aware of this and are revising their advice to consumers via the indigenous hotline. They are also intending to promote the hotline throughout the APY Lands so more people are aware of this service.

As a result of this project, Telstra is more that their staff require training and upskilling to work with Indigenous consumers, and that they need to develop more appropriate materials and provide more education and awareness programmes to meet the needs of indigenous communities.

- *Increased knowledge and capacity of MMT financial counsellors*

The intensive focus brought by the Loans and Phones project has resulted in MMT's financial counsellors having greater expertise in dealing with telco issues, and the arguments which can be successfully deployed to challenge these debts.

- *Commencement of broad-based Advocacy*

The discovery of debts and unconscionable conduct in telco sales with APY Lands clients led to the Loans and Phones Project expanding its exploration of the issue beyond MMT's service area, and commencing advocacy on a number of fronts in relation to affected consumers.

An inter-agency forum with five other agencies from Western Australia, Arnhem Land, Darwin and Alice Springs was established to start to ascertain the extent of the problem in remote Indigenous communities. From this, a joint submission was made with Broome Circle into ACMA's review of the Telecommunications Consumer Protection Code in August 2018 (see **Attachment 4**), and the issue has been picked up by the media. (See for example <https://www.smh.com.au/business/companies/telstra-slammed-after-21-indigenous-australians-left-90-000-in-debt-20180828-p500bi.html#comments>) Discussions have commenced with ACCAN and the South Australian Financial Counselling Association, to explore action against Telstra on behalf of Indigenous consumers to change telco sales practices and prevent further disadvantage/hardship.

- *Referrals and Debt Waivers*

24 APY Lands clients are currently being followed up by financial counsellors and \$13,870.81 worth of debt has already been waived to date as a result of referrals made through the Loans and Phones project. A further \$14,000 is awaiting client action, in order to progress debt waiver discussions.

- *Increased awareness in communities*

Approximately one hundred people were engaged through community barbeques, information sessions, educational activities and one on one conversations, as described above. Anangu that participated in these sessions displayed varying levels of understanding of the content surrounding contract terminology and affordability, data usage and management and financial assistance avenues.

Before beginning information sessions, activities or conversations, I would often ask about people's experiences so far, e.g. 'have you got a mobile phone?' 'have you had a payday loan before'. This helped provide an idea of the group's and/or persons knowledge and understanding before beginning the session and also allowed comparison to be made against people's answers at the end of the session, i.e. 'if you were going to get a mobile phone now, would you get a prepaid or a post-paid?' or 'so, what are some of the things you can do instead of getting a payday loan?'.

Participants could, at times, be shy and hesitant to express opinions, ask questions or discuss personal situations in group settings. However, through word of mouth in community and via service providers such as TAFE, positive feedback regarding people's choice to try and avoid post-paid plans or at least 'free games' and movies made its way back to me. The information stall where community members could find me to talk privately was also a great way to receive feedback and talk to people about their problems in more detail.

One example in particular is of a young woman who asked me to help her apply for a payday loan with small amount credit provider. Together, we completed an information session and discussed her options. She refused assistance from a Financial Counsellor to set up a monthly budget that she could follow to help with her savings and left the office. I thought she may be going to try and find someone else to help her apply for a fast cash loan. However, the next day she and her mother approached me for help to communicate with Centrelink to request an advance payment instead of proceeding to apply for the small amount credit loan.

A key indicator that the Loans and Phones project has increased knowledge and awareness in the project content areas is the high volume of participants who joined information sessions and activities, as well as those that sought out additional consultations and referrals.

8. Lessons Learned

Key lessons learned through the community engagement and educational activities undertaken in this project are:

- Indigenous customers are entering into long term plans with little understanding and/or the wrong perception of the meaning behind contract terms such as *'free'*, *'bundle'*, *'shared data'* *'Gigabyte'* etc. Substantial financial hardship is occurring as a result, and there is a significant workload for financial counselling agencies in assisting these consumers to challenge unfair contracts.
- Telco staff need to greatly adapt and improve their staff training, sales and customer service practices to better suit non-English speaking customers.
- Indigenous communities could benefit from further widespread and practical consumer education about what they are likely to encounter in stores, how best to respond to high pressure sales tactics and interpret sales jargon. In the APY Lands this could be achieved through the production of additional films in Pitjantjara language that could be distributed and played in public places and offices.
- The issue of payday loans needs a different engagement strategy, which better acknowledges the underlying reasons Anangu use these products and provides

meaningful, accessible alternatives for them. The lack of access to financial services on the APY Lands is a significant contributor to people accessing small amount credit contracts.

- Even with knowledge of the educational and financial capability gaps on the Lands, the project revealed that these were greater than anticipated. The role of a community champion is valuable, but outcomes could be improved with opportunities for repeated practice of newly acquired skills and scaffolded learning of content.
- Focussing intensively on one area of financial capability over an extended period of time is a very successful community education/engagement strategy for financial counselling and capability services.

9. Conclusion

The Loans and Phones Project has been an extremely positive use of the community benefit payment made by ASIC to MoneyMob. It has succeeded in increasing consumer awareness about payday loan and phone contracts, terminology and complaint mechanisms, providing people with basic tools to understand debt and contract affordability and increasing awareness of consumer assistance avenues in the APY region. These objectives were achieved through community engagement, information sessions and educational activities. It has also successfully identified key issues regarding loans and phones, and informed longer-term strategies that can be applied to these issues. Expertise within MoneyMob - particularly in relation to dealing with telco financial issues - has been significantly increased as a result of the intensive focus brought by this project. Pending results of the advocacy commenced, the impact of the project is likely to spread well beyond the APY Lands. We thank ASIC for the opportunity to use this community benefit payment to assist MoneyMob and other Indigenous consumers.