

Dr Ron Ben-David: What can an economic regulator do about family violence?

30 August 2018

Corporate

Speech by Dr Ron Ben-David, Essential Services Commission Chairperson, to the family violence resources review forum on 30 August 2018.

In 2014, the former Consumer Utility Advocacy Centre (CAUC) released a report on the need for utilities to take action on assisting customers facing family violence.

At around the same time, my wife, Lauren, who works in the community sector, started getting on my back about why we (the Essential Services Commission) weren't doing anything about family violence.

My response was simple. "We're economists. What do we know about family violence? We're just one small regulator in just one small state. What do you want me to do about an issue as pervasive and complicated as family violence? It's something that spreads way beyond the energy and water businesses we regulate. It needs a bigger response than anything we can provide."

And there, I left the matter — that is, until the Royal Commission handed down its findings and recommended that the ESC do its part to respond to family violence by amending its codes and guidelines.

What the Royal Commission into Family Violence did, and the subsequent government response, with just one recommendation, was to take away my luxury of thinking it wasn't up to us. It took the option out of our hands, and made us confront this issue head on. And, I am very grateful for the Royal

Commission.

I have learnt so much in the past year — but I know that I have only taken baby steps.

The most important thing I have learned, the lesson above all others, the one I will never forget, is that when it comes to something as catastrophic as family violence, we all have a responsibility to act. We all have a responsibility to do whatever we can; to do whatever we can, within whatever spheres of influence we have.

One of the biggest lessons has been that family violence is not just about physical violence

For me, and I'm sure for many other people, the Royal Commission was a pivotal moment in Victoria's history. It marked a line in the sand. It taught us that we all must do what we can — no matter how big or small our positions of influence might be. That's a lesson that once learnt, cannot be forgotten; must not be forgotten.

As I have progressed on my journey of 'doing whatever I can', I have come to realise family violence is not just about physical violence. Sometimes, it's not about physical violence at all. But it is always about emotional violence, and it is always about power and control. And that power and control is often exercised through the financial and economic abuse of other people — most often a woman, and too often children.

There aren't always obvious signs and more often than not, it's hard, if not impossible, for an outsider to see. And what an indictment on our society that people, typically women, are ashamed of being the victims of family violence and economic abuse.

Economic abuse might involve arranging household finances so that one person is entirely reliant on the other. Or it might include putting accounts and debts into one person's name with the deliberate intention of damaging their ability to access credit or take out loans.

The result of both these things is that the victim's choices — their ability to participate freely in everyday life — is taken away from them. It is the deprivation of that basic human right — the right to

be able to participate freely in everyday life — it is that right that we are here to discuss today.

I must admit, it had never occurred to me that you, as energy companies or water suppliers, could be weaponised by one person to do such great harm to another person. But that is the awful reality we face.

Working together

Since the Royal Commission, perhaps the most challenging aspect of our work has been to get our heads around how our work in regulating essential services can become a part of the solution.

As some of you will know, I have recently been exploring the interface between economics, regulation and morality — and how that affects our work as a regulator.

When it comes to family violence and economic abuse, the usual tools of our trade — thinking about markets and competition, incentives and resource allocation — those tools don't guide us forward. Instead, as regulators, we must act simply, and only, because it is the right thing to do.

We were aware of the link between family violence and economic abuse when we were developing our new payment difficulty framework in 2016 and 2017 — and you'll notice there is a reference to family violence in that part of the code.

Since then, as we've started to better understand the realities of family violence, we've come to realise it's not just about paying a bill. The regulatory and business response needs to extend across the entirety of the relationship between service providers and their customers. For example, it's also about privacy and information security.

And perhaps most importantly, it's about ensuring customer support systems extend beyond the traditional reach of the hardship team. Don't make the mistake I made. It's far too simplistic to assume that family violence and economic abuse are simply matters of financial hardship.

Over the coming months, you have my absolute commitment, that we will work hand-in-hand with the retail energy sector to understand how your systems, policies and processes might affect people facing family violence and economic abuse.

As we learned when working with the water sector, the best way to understand the real face of family violence is to work together and engage openly and honestly with each other, with specialist family violence services, and indeed, your own front-line staff.

Last night, I posted a short message on LinkedIn:

"When we work together — energy companies, customer groups, support services and the industry regulator — we can make a real difference to the lives of people suffering under the scourge of family violence. I am incredibly proud of what we're working together to achieve."

I absolutely believe those words.

If, by working together, we can make just one person — and let's face it, it will probably be a woman — if we can work together to make just one person feel safer and more secure, then [God Almighty] what choice do we really have !?

Thank you all for being here today.

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