

Debt relief a life changing outcome for Annie

Annie has been given a fresh start in life through the legal help that resulted in almost \$20,000 of debt being wiped clean, and a large compensation payment. “It has given me a fresh start, I feel so empowered and it has changed my life,” Annie said. “I am now employed and it has helped a lot with my mental health.”

It wasn't only the financial stress hanging over her that was a huge burden, but the emotional attachment to the things behind the debt causing her grief. “It was a constant reminder of those times and the stuff I had been through,” Annie said. “There was a lot of shame I was hanging on to and that has lifted now.”

Annie was aware of the Hume Riverina Community Legal Service through working at a local support organisation years earlier. “I knew about the service because I used to refer clients for legal advice,” Annie said. “But I was really hesitant to connect with them myself. I wasn't sure about the eligibility and whether I could get help.”

Eventually the legal service helped get \$18,830 of debt waived, and \$12,300 paid in compensation. Annie used the compensation to pay off some remaining debt, money she owed to family members who had supported her, and also pay rent in advance.

Annie said the payout was incredibly timely, given where she was in life, at the tail end of completing a degree. “When I got told the news, I just cried, and was in shock, I didn't believe it,” she said. “I had just finished my university study, so it couldn't have come at a better time and I am so thankful.”

Debt tips Annie over the edge

After going through a tumultuous few years, experiencing domestic violence in a toxic relationship, and then dealing with significant mental health issues, Annie reached a tipping point. In 2020, a \$3000 telco debt appeared out of the blue. After a few months putting it off, she made the call to book an appointment, and tell her story to a HRCLS lawyer. She also had a number of other debts and loans to get on top off. But the \$3000 bill sent her over the edge. “It hit me really hard...I hadn't received any letters and I had no idea it existed,” she said. “I just wanted it go away and pretended it didn't exist.”

Legal advice a saviour

The first appointment with a lawyer was the path to getting Annie back on track. “As we talked, the lawyer asked me what else was going on,” she said. “I told her I had fines on both sides of the border, there was credit card debt and a car loan for a crashed car – I was essentially paying for a car I didn't have. But my only goal was to get rid of the Telstra debt.”

Annie felt responsible for the other debts that had mounted up. However she was really confused about the contract for the iPhone and internet plan which she entered into in 2018.

Violence leads to more unexpected debt

“I was in a really, really bad place at that time I got the phone,” she said. During an incident involving her ex, the phone was smashed, and she couldn't use it. This was at a real lowpoint in her life while Annie was in hospital. She assumed her family and social worker

had taken care of all her bills, including the telco bill. Once Annie explained her situation, the lawyer told Annie she was confident the debt could be disputed.

“This made me feel like I had a good leg to stand on and that disputing it was an option,” she said.

The lawyer also told Annie there were ways to deal with the debts, which had been accrued with three lending agencies. Annie thought she was signing up for an interest-free plan, but was given a card which had an excess amount. This allowed Annie’s ex-partner, who was perpetrating family violence at the time, to spend more than \$2000 on himself.

Legal assistance supportive and reassuring

Annie said the lawyer was “amazing” and always explained the options, but it was always Annie’s decision on how to proceed. “She would gently remind me I had a lot of support behind me, and evidence to show the organisations and companies had essentially taken advantage of me,” Annie said.

Now with everything cleared and a clean slate to work from, Annie looks back knowing she was holding on to her pride while trying to push everything aside. “It still feels weird that I don’t have all the debt,” she said.

Safe environment makes a difference

As an Indigenous woman, Annie appreciated the effort the services went to in making her welcome. “I always felt safe in every way, including culturally,” she said. “I noticed the artwork when I visited the services and that helped. It makes a difference.”

Understanding helps Annie heal

The lawyer’s supportive and delicate approach was an important factor, as Annie was going through her own healing journey. From day one, she felt safe to tell her story.

“I felt so comfortable and never felt embarrassed or judged, although it was hard to talk about,” she said. “She also held space for me, gently and respectfully, to make the reports to police about the domestic violence and the abuse,” she said. “If I changed my mind about something, she never got frustrated, and never projected her stuff on to me, which has happened before.”

Collaborative approach increases support

Annie also praised the UMFC financial counsellor who was extremely accommodating with their assistance. “They went above and beyond and helped with my budget,” she said.

CLCs empower and change lives

And for anyone in a similar situation, Annie encourages them to take the leap and pick up the phone to get help. They may be surprised with the avenues available.

“Make the call and trust the process,” she said. “I know it can be hard, I’ve lived that, but the alternative is worth it and empowering. I was scared of being told I was in the wrong, but my life would be completely different if I hadn’t have made the call.”