

# Financial counselling has positive impact for those struggling with debt, study finds

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A new report commissioned by the Salvation Army and completed by a Swinburne University of Technology researcher has found that Australians under financial stress benefit from being able to access financial counselling.

The [I Wish I'd Known Sooner! The impact of financial counselling on debt resolution and client wellbeing](#) report, released in Anti-Poverty Week, was completed by Dr Nicola Brackertz, from The Swinburne Institute for Social Research.

Dr Brackertz surveyed 225 [Australians](#) under financial stress who were accessing financial counselling services.

"[Social factors](#) and wellbeing are highly interconnected with financial capability, and I examined the value of financial counselling to clients

and the importance of financial counselling," Dr Brackertz said.

"The research provides [clear evidence](#) that access to financial counselling has a significant impact in supporting disadvantaged Australians with resolution of debt issues and concurrently improving their health and well-being outcomes."

The survey found:

- 68 per cent of respondents felt their financial situation had improved after receiving financial counselling
- 75 per cent reported improved skills in prioritising debt
- 74 per cent felt better able to budget

The survey also found 68 per cent of those under financial stress said they were less stressed about the future after starting financial counselling, while 63 per cent reported their mental and emotional wellbeing had improved as a result of financial counselling.

Dr Brackertz said the research found that [early intervention](#) had a positive effect on those under [financial stress](#).

"The positive effects of financial counselling are more pronounced when help is sought sooner," Dr Brackertz said.

"The research highlights that financial counselling has a positive impact for clients accessing this service, however, it cannot resolve the underpinning reality of debt and financial problems experienced by many individuals and families on constrained incomes as a result of social and economic disadvantage."

The research was part of The Salvation Army's Doorways Project, which

provides a holistic, integrated and capacity building approach to delivery of emergency relief services.

Provided by Swinburne University of Technology

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