



A recovery for all Queenslanders

Join the campaign to fund the NILS Community Network



Community organisations have an important role to play in supporting the financial wellbeing of all Queenslanders. Ensuring that these organisations are properly funded to provide this support is crucial.

QCOSS is calling on the state government to fund the No Interest Loans Scheme (NILS) Community Network. We're asking the government to fund \$3 million per annum to deliver on-the-ground services and outreach to provide Queenslanders with better access to affordable and safe credit.

About No Interest Loans Scheme (NILS)

The No Interest Loans Scheme (NILS) offers people on low incomes access to an affordable and safe credit option to pay for important expenses.

As unemployment rises across the state due to the COVID-19 crisis, access to the scheme is vital to support the financial wellbeing of all Queenslanders.

NILS offers people on low incomes access to zero interest and zero fee loans for household goods (including fridges, washing machines, and furniture), education and medical expenses, car repairs and registration, and much more.

The scheme helps people access an affordable and safe credit option to pay for important expenses.

For many people on low incomes who may not have access to mainstream credit products the only alternatives are payday loans and consumer leases.

Vulnerable Queenslanders and rogue lenders

Accessing NILS means that people are less likely to get caught up in unsustainable debt when they are already struggling to pay for basic goods.

In 2019, Queensland residents entered into more than 300,000 payday loan agreements and approximately 15 per cent of these borrowers will fall into serious debt.¹

While payday loans and consumer leases may offer options to people without access to mainstream credit services, the current system enables unfair and harmful practices to go unchecked.

Many high-cost credit providers are exploiting people – by charging exorbitant fees, breaching responsible lending laws, and using predatory practices that target people at their most vulnerable.

The system is failing those who are most vulnerable by not protecting them and is instead pushing vulnerable Queenslanders into further financial stress.

¹ Consumer Action Law Centre (2019), *The Debt Trap: How payday lending is costing Australians*



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Queensland's community sector is best placed to provide NILS. Community organisations work with people experiencing vulnerability every day.

Providing access to NILS within a community organisation setting means that there is a gateway to other crucial supports like housing, early learning care, domestic and family violence prevention, and preventative services for those in financial difficulty.

Already in Queensland, there are 60 frontline community organisations that provide access to the NILS program, with most of these located in regional areas. These organisations make up the 'NILS Community Network'.

The NILS scheme has grown exponentially in Queensland, starting from just 330 loans issued in 2008, to more than 6,000 in 2019.

We know from conversations with QCOSS' member organisations and Good Shepherd Australia and New Zealand, that there is unmet need for access to NILS across Queensland communities.

Without adequate funding, organisations can't afford to dedicate more than a few hours a week to providing NILS services and many organisations have reported having to turn away clients that request assistance.

Queensland's community organisations should be funded to deliver on-the-ground service and outreach to provide Queenslanders with better access to NILS.

QCOSS is calling on the state government to fund the NILS Community Network \$3 million per annum to carry out this crucial work.

Join the campaign

You can join our campaign to increase funding for the NILS Community Network by signing up to the mailing list, using our pro-forma letters to lobby your local MP and the Premier, and promoting the campaign on social media.

Get involved

- Join the mailing list
- Use our pro-forma letters
- Promote the campaign on social media

Visit qcooss.org.au/nils