

Dear Mr Callaghan AM PSM,

I represent Assembly Four, we are a collective of sex workers and technologists who build software for the Sex and Adult Industry, we are based out of Melbourne, Australia and were founded in 2017.

In this time, like many other organisations¹ and individuals² in our community, we have faced occupational discrimination and financial exclusion³ when trying to access the most basic of financial products and services, including but not limited to bank accounts, lines of credit and merchant facilities.

Small businesses and individuals who have managed to gain access to banking services live in constant fear that their services will be terminated without warning⁴ or recourse.

This is extremely problematic considering that the majority of financial institutions will not publicly disclose their policies related to sex work and adult industries.

Finding financial institutions that will accept our industry is time consuming and not guaranteed and as an industry, we are subjected to higher fee structures regardless of individual risk profile, process and compliance with law and regulations.

This makes it harder for individuals and businesses in our industry to fight for fairer and more equitable terms, and better and safer technologies due to the fact that the institutions are aware of the limited choices available and take advantage of this situation.

It's important when we are having these conversations, that we take into account that in Australia we have 5 states and territories have either legalised or decriminalised sex work; And the World Health Organisation supporting the decriminalisation of Sex Work to address the structural barriers and ensure the human rights for Sex Workers.

By refusing access to this industry, we as a nation will lose out. The growing sex tech industry is growing and estimated to be worth \$30 billion dollars in 2020⁵ and in October 2017 survey of business owners in the adult industry in Australia⁶ (including adults-only retailers and wholesalers) found that 66% reported a recent incident of discrimination by one of the 'Big Four' banks, including having merchant facilities withdrawn with little or no warning. How can we entice innovation within the free market without access to basic financial services?

¹ <https://www.crikey.com.au/2020/05/20/discrimination-against-brothels-banks-report/>

² <https://www.crikey.com.au/2019/12/11/financial-discrimination-banks-adult-industries/>

³ <https://www.abc.net.au/news/2018-01-04/sex-industry-businesses-face-financial-discrimination/9303376>

⁴ <https://www.investordaily.com.au/markets/46043-nab-treated-me-like-garbage-sex-worker-says>

⁵ <https://www.startupdaily.net/2020/02/sextech-hackathon-melbourne/>

⁶ <http://eros.org.au/wp-content/uploads/Financial-Discrimination-Report-October-2017.pdf>

Clause 3 of the ABA Banking Code of Practice independent review 2021 Terms of Reference,⁷ states that specific attention will be paid to *“The extent to which the Code contributes to banking services being inclusive, affordable and accessible for all customers, including: small business customers, Indigenous customers, customers with a disability, customers in remote, rural and regional areas, older customers and customers with limited English”* which sex workers and adjacent businesses belong to all of these demographics and are subjected to compounding marginalisation due to financial exclusion and this perpetuates the on-going disenfranchisement of an entire sector of the economic community.

In Chapter 13 of the Banking Code of Practice,⁸ the existing code of practice does not protect individuals or businesses who are in or adjacent to the sex and adult industry from exclusion, discrimination and the compounding stigma of losing access to financial services. As such, we believe that it's vital that the term 'small business' be included in the Code, namely Chapter 13.

Our recommendations are:

- As consumers of banking services, leading peer bodies of the sex and adult industry such as Scarlet Alliance should be invited to on-going stakeholder review meetings
- Institutions must disclose rejection or termination reasons to individuals or businesses and mandate the ability to appeal
- Institutions must publish their policies publicly so individuals and businesses can make educated and informed financial decisions
- Institutions must publish their guidelines on what categories an individual or business 'High Risk'

We want to end on a quote from Jules Kim, from Scarlet Alliance:

“What it really comes down to is discrimination, this kind of moral judgement which views sex work as inherently bad or immoral or criminal even when it's not criminalised in that jurisdiction”⁹

We welcome any further communication or ability to participate in industry stakeholder events.

Regards,
Assembly Four
Eliza Sorensen
Lola Hunt
Jack 'chendo' Chen

⁷

<https://bankingcodereview.blackbriar.com/wp-content/uploads/2021/06/2021-Code-Review-Terms-of-Reference.pdf>

⁸

<https://bankingcodereview.com.au/wp-content/uploads/2021/07/2021-Banking-Code-with-COVID-19-Special-Note.pdf>

⁹ <https://thequo.com.au/stories/250-sex-workers-face-financial-discrimination>