



Peninsula
Community
Legal Centre

Submission to
Department of Justice and Community Safety

Remaking of fines regulations consultation

11 December 2025



Introduction

Peninsula Community Legal Centre (PCLC) welcomes the opportunity to provide feedback to the Department of Justice and Community Safety's *Remaking of fines regulations* consultation. PCLC is also a member of the Federation of Community Legal Centre's Infringements Working Group, and we endorse the Infringements Working Group submission.

Summary: Wrong direction

PCLC expresses deep concern about the approach outlined in *the Infringements Regulations 2026 and Fines Reform Regulations 2026 Regulatory Impact Statement* (RIS) in relation to proposed increases in fees related to fines.

The regulations inappropriately seek to recover the full costs incurred by the Victorian Government in collecting and enforcing fines. This approach shifts a financial burden from taxpayers to fine recipients, which will disproportionately affect those with limited financial means and other vulnerabilities that prevent them addressing their fines or paying fines promptly. Rather than ensuring "*fairness and efficiency in the fines system*"¹, the proposed fee increases will exacerbate inequality and will increase hardship and distress for many in our community who are already grappling with the concurrent cost-of-living and housing crises. We note the Victorian's Government's approach fails to consider the human impact of fee increases. It also fails to consider the impact on organisations in the legal assistance sector who will need to deal with an increasing number of people who cannot pay their fines. We know from our frontline work in Melbourne's outer southeast that **most people don't pay fines and related fees because they can't**.

Key points

- The Victorian fines system already has an adverse impact on vulnerable and low-income Victorians.
- The concurrent cost-of-living and housing crises means that fines debt is also beginning to have an adverse impact on people not ordinarily considered 'vulnerable', or 'disadvantaged', with an increasing number of people struggling to meet their basic needs in life.
- People experiencing disadvantage or vulnerability are less likely to have the money and/or legal knowledge to handle their fines problems at an early stage, which is why the proposed increases will impact and penalise these community members disproportionately.
- A **73% increase** in the Penalty Reminder Notice (PRN) fee (from \$29.20 to \$50.40) is particularly inequitable and will increase distress and harm in the community.
- In other civil debt matters, many people experiencing financial hardship would be considered judgment proof under section 12 of the *Judgment Debt Recovery Act 1984* (Vic). Similar protections should apply for fines debt.

¹ <https://engage.vic.gov.au/remaking-of-fines-regulations>

- We disagree with the statement in the RIS that “Care has been taken to avoid excessive burden on vulnerable and low-income Victorians”² Rather, an impersonal efficiency lens has been applied which ignores the impact on these groups.
- It is inappropriate for the Victorian Government to seek to recover 100% of the costs of fines enforcement – the “user pays” approach is oppressive and short-sighted.
- To use the language of the RIS, the extent of costs recovery proposed is inappropriate, and impinges on other principles such as vertical equity³
- The Victorian Government’s Pricing Principles do not appear to have been applied appropriately.
- The RIS points to the “social justice schemes” (non-financial pathways and support mechanisms) as solutions to issues facing people experiencing hardship. However, navigating using these schemes requires awareness, access to legal/financial support and administrative effort. They are not a panacea and not suitable for everyone.
- The impact on the legal assistance sector has not been considered or calculated. Our sector is already facing overwhelming demand for our services, which these proposals will exacerbate.
- It is a waste of government and legal assistance sector resources for the Victorian Government to pursue people for money they simply do not have.
- We support an infringements system that is fair and proportionate.
- There are several simple reforms the Victorian Government could implement instead of the proposed fee increases to deliver a fair and proportionate fines system.

Recommendations

1. Do not increase penalty and enforcement fees.
2. Extend the time for fine recipients to pay their original fine amount before receiving a Penalty Reminder Notice (PRN).
3. Implement permanent concessional exemptions for penalty and enforcement fees for low-income fine recipients.
4. Implement a (time-limited) amnesty on penalty and enforcement fees for toll fines to prevent debt escalation and allow realistic repayment of original fine amounts.

² RIS, page 42.

³ “Vertical equity suggests that in some situations different people should pay different amounts for the same service, to reflect factors such as ability to pay” (as quoted from page iv, footnote 2 of the RIS).

5. Update all infringement related correspondence in plain language to ensure people are aware of all the available options open to them to address their fines.
6. Increase funding to the legal assistance sector and financial counselling services to meet the increased demand from details for these services being included on all infringement correspondence.

Impact of fines in communities we serve

Our frontline work

As part of our legal services, PCLC provides advice and assistance regarding outstanding fines including those arising from driving on toll roads, parking fines and public transport fines. We are currently experiencing unprecedented demand for our fines services, which is already stretching our limited resources.

Fines can often escalate from small amounts (e.g. \$10 unpaid toll) into thousands of dollars due to penalty and enforcement fees. This disproportionately affects people experiencing financial hardship, mental health issues, homelessness, family violence, or substance dependence (or a combination of these vulnerabilities) as these community members often don't have the money or legal capability to deal with their fines at an early stage. We are also increasingly seeing fines clients who would not ordinarily be considered 'vulnerable' or 'disadvantaged' but who are struggling to afford their basic needs in the current economic conditions and/or have experienced an unexpected life event such as a serious illness.

Many clients genuinely want to pay their fines debts but simply cannot afford to do so. Many feel burdened by their fine debts when they first come to see us, with impacts on their mental and physical health. In our view, there are certain people in the Victorian community on low-incomes and experiencing other vulnerabilities who should not be penalised with further fines fees on top of their original fine/s.

More information about our legal work in this area is included below under "**Existing support mechanisms**".

Toll fine debt is particularly harmful

As a subset of infringements, unpaid toll fines are particularly harmful, contributing significantly to financial and legal stress in the communities we serve. We note that toll fines already have disproportionate penalties attached given that toll fines are a civil penalty for road use and don't have criminal and/or public safety aspects such as speeding, drink or drug-driving or red-light offences. In 2023-2024, **\$32 million** worth of toll fines went to enforcement in our catchment area – a significant burden in a catchment that includes some of the most disadvantaged postcodes in Victoria. We are currently waiting to receive the equivalent 2024-2025 figures in response to a further Freedom of Information request but anticipate the data for our catchment will be similar to the previous financial year, or even higher.

In our view, the level of toll debt confirms the current fines system is clearly not working. The proposed regulations will only exacerbate the financial and social burden of fines debt in our community without any meaningful cost recovery for government. It is both wasteful and harmful

for the Victorian Government to pursue people for money they simply do not have, and much of the projected costs recovery will be illusory.

Victorian Government's Pricing Principles

We reject the finding from the review of current fines fees against the Victorian Government's Pricing Principles⁴ that *"fees should be set to recover all costs to government that arise as additional costs due to a fine recipient's inaction upon receiving an infringement notice or court fine collection statement, and subsequent inaction upon receiving a penalty reminder notice (PRN), notice of final demand (NFD), enforcement warrant, or seven-day notice"* (p.iv).

We note that the *Pricing for Value Guide* is intended, among other things, to *"assist departments and agencies to use pricing to recover the costs of regulating and delivering services. While cost recovery aims are important, it is only one principle among a broader range"* [our emphasis]⁵. The *Pricing for Value Guide* states:

- "The principles support different levels of cost recovery" (p.B.7).
- "in reality there is significant variation in the extent to which Victorian Government agencies recover their costs" (p.B.3); and
- "[s]ome principles support setting prices below cost recovery" (p.B.3).

We note generally that what may be envisaged as cost recovery or savings in the enforcement of fines context is short-sighted. This approach may increase costs for the Victorian Government in other contexts, such as funding health, housing and justice services due to the human impact of the proposed fee increases. We urge the Department to consider cost impacts of the proposed fee increases more broadly.

We make the following comments in relation to the fee review:

- The RIS states, *"The objective of setting fees for fines enforcement is to recover the costs that arise because of a fine's recipient's failure to pay or otherwise expiate their fine on time – to the extent that cost recovery is appropriate for the service provided – while ensuring other principles such as vertical equity⁶ and simplicity are also maintained"* (p.iv). We submit that the extent of costs recovery proposed is inappropriate and impinges on other principles such as vertical equity.
- The RIS also states that *"If the costs of providing these services are not recovered through fees, the cost would need to be met from taxpayers generally through the state budget"* (p.7). We submit it is more appropriate for the Victorian Government through state budget

⁴ Victoria State Government Treasury and Finance ("DTF"), *Pricing For Value – Pricing Principles*, <https://www.dtf.vic.gov.au/sites/default/files/2024-10/Pricing-for-Value-Guide-Pricing-Principles.pdf>

⁵ DTF, 'Pricing for value, Information on Pricing for Value Guide, Guidelines for Regulatory Fee Relief during Emergencies, and the Cost Recovery Guidelines', <https://www.dtf.vic.gov.au/pricing-value>, accessed 24 November 2025

⁶ "Vertical equity suggests that in some situations different people should pay different amounts for the same service, to reflect factors such as ability to pay" (as quoted from page iv, footnote 2 of the RIS).

to meet any shortfall rather than cost-shifting to the most vulnerable in our community.

- ‘Pricing for value’ appears to be more appropriate to pricing government goods or services such as issuing a birth certificate, a working with children check, or registration or licensing fees, rather than fines enforcement.
- Equity – “*the extent to which fees affect the ability to pay (or in other words, imposition of fees may cause financial barriers to some fee payers)*” - has not been given an appropriate weighting in the multi-criteria assessment used to assess the feasible fee options (see p.26).
- Principle 5⁷ and Principle 7⁸ of the Pricing Principles have been ignored in the RIS. Consideration of these principles may have resulted in a more equitable pricing structure.

Existing alternative supports for vulnerable people

Mechanisms require awareness, capability and are resource-intensive

The RIS points to the existence of mechanisms such as payment plans, review mechanisms and “social justice schemes” (the work and development permit scheme and the family violence scheme) as ways to soften the impact of the proposed fee increases on vulnerable and low-income Victorians.

PCLC acknowledges there are valuable avenues for some clients to have their fines debt resolved including through internal reviews, applications for special and exceptional circumstances, family violence scheme applications, applications under section 165 of the *Fines Reforms Act*, and the work and development permit scheme. We have recently successfully used the “long term circumstances” provision of the *Fines Reforms Act* on behalf of a client experiencing multiple and intersecting vulnerabilities (see first case study below). Many of the mechanisms have limited criteria and can be very difficult to navigate, requiring legal assistance.

We note that there are many barriers for vulnerable community members to access these mechanisms, including lack of awareness that they exist, inability to access legal services, and inability to engage with legal and other supports on an ongoing basis. Many clients only find our legal services through community supports such as case/support workers, mental health professionals and financial counsellors, or via PCLC’s assertive outreach programs. While we can obtain some excellent outcomes for our clients, this type of work is incredibly resource-intensive.

Work and development permit scheme

We have additional comments in relation to the availability of the work and development permit scheme as a mechanism for low-income and vulnerable Victorians to address their fines debt.

We recognise the work and development permit scheme has been an important and welcome reform allowing people experiencing poverty and disadvantage to “work off” their fines by engaging in activities such as financial counselling, psychological and medical treatment, education or youth

⁷ Principle 5 is “*The price of services should not limit access to those with a lower ability to pay*” (Pricing for Value Guide, p.B.12).

⁸ Principle 7 is “*The public should share in the value generated by pricing based on user differentiation*” (Pricing for Value Guide, p.B.14).

mentoring. While aimed at addressing the underlying drivers of attracting fines, we note that the work and development scheme is not suitable for all fines clients.

Additionally, the work and development scheme needs more investment in Victoria to expand its reach. PCLC has used a grant from the Victorian Legal Services Board + Commissioner to integrate the work and development permit (WDP) scheme across Melbourne's southern region, including to increase the number of accredited sponsors by working collaboratively with health and community service providers across multiple sectors. PCLC's commitment to increasing the use of the WDP scheme is now having a demonstrable impact regionally for vulnerable clients, but we need sustained funding and would like to see this replicated in other regions of Victoria. We note that the Work and Development Order (WDO) scheme in New South Wales has received greater government investment and is more effective than the Victorian equivalent.

There are limits to what the legal assistance sector can do

Due to the overwhelming demand for our services, PCLC needs to target our limited resources to assist the most vulnerable or at-risk community members, including people presenting with multiple complexities. In 2024-2025, we assisted over 230 clients with fines matters, with over 89 per cent of clients reporting financial disadvantage, 44 per cent presenting with a disability, and 38 per cent from a culturally and linguistically diverse (CALD) background. 5 per cent were experiencing or at risk of homelessness, and 4.5 per cent were First Nations people. We secured successful outcomes for clients with special circumstances, family violence, exceptional and other scheme applications at a monetary value of over **\$1.5 million**. However, there were many more people in our community who we were unable to assist. We fear for many of these people and the impact of fines debt on their lives.

Most of the fines matters we deal with are time-consuming and require specialist knowledge and persistence to resolve. In our view, it is a highly inefficient allocation of resources for governments to fund legal assistance services to work with low-income and vulnerable Victorians to have their fines debt revoked at a late stage, when the fines debt can never realistically be paid and should have been written off at an early stage. We suggest reforms that aim to both reduce the need for costly legal interventions and reduce trauma and stress for our clients. In the short term, however, increased and sustainable funding for our fines work is needed.

Client stories

Included here are snapshots of some of the difficult circumstances faced by our clients (names have been changed to protect client privacy). We note a recurring theme is that some of our clients had been placed on unrealistic and/or inappropriate payment plans by Fines Victoria, which don't allow the fines recipients to pay for their basic needs and lead to defaulting on the payment plans.

Edie's story: Edie is an almost 50-year-old woman from a culturally and linguistically diverse background who had several outstanding fines and no means to resolve them. She is an asylum seeker with an uncertain visa status, holding a bridging visa while awaiting hearing of a Federal Court appeal. She lives alone and, due to complex medical issues, has been unable to work for the last two years and is not eligible for Centrelink benefits. She is battling several debilitating illnesses, one of which is terminal and others which are physically incapacitating. Edie lives from day to day with the help of different services for all of her needs, including food, petrol, medical expenses, telephone, and rent. There is always uncertainty as to where the next assistance is coming from.

Despite there being only a small number of fines and the relative value of the fines being under \$1,000, Edie was distraught that she had no means of paying them and was worried about what would happen to her if she couldn't pay. She instructed that she felt lost and helpless. Her health was deteriorating, and she had no idea what to do. She was referred to us by a financial counsellor who had unsuccessfully applied for Edie's fines to be waived, and who also was at a loss as to how to help. We were able to make a successful application under the relatively under-used "long term circumstances" provisions of the *Fines Reform Act*. All fines were ultimately withdrawn, and Edie can concentrate on her health and daily survival without concern about Fines Victoria enforcement against her.

Maya's story: Maya came to PCLC for help with fines totalling almost \$95,000. The fines were linked to tolls and other infringements accumulated over several years. She had experienced four years of family violence, which contributed to significant stress, anxiety, PTSD, and suicidal thoughts. When we first saw Maya, she had received a 7-day notice from Fines Victoria after defaulting on a payment arrangement after losing her job just before Christmas. Maya needed assistance to demonstrate how her personal circumstances, including domestic violence and mental health issues, affected her ability to manage the fines. The outcome was that all eligible fines, totalling almost \$95,000 were withdrawn. Maya was relieved of the burden of her fines debt and can now focus on her recovery.

Louise's story: Louise is a sole parent of three children, two with disabilities. She lives on the Carers Benefit from Centrelink and is at risk of homelessness due to financial stress. Louise approached PCLC for help with a debt of just over \$22,500 relating to 49 outstanding fines covering a 7-year period. Louise had received a letter from Fines Victoria threatening sanctions if action was not taken in relation to her fines, including loss of licence and cancellation of car registration. The impact of not having her own transport to care for her children would have created significant disadvantage and distress for the whole family. We immediately assisted Louise to apply for a payment plan to halt the sanctions while we could explore a plan of action to assist her. With the value of fines owing, the minimum amount Fines Victoria would accept on a payment plan was \$55 per fortnight, which was a large amount for Louise as she struggled to meet medical and household expenses. We were ultimately able to reduce Louise's fines debt by over \$16,000 (via direct advocacy with toll companies) and reduce the fortnightly payment arrangement to a more affordable \$25 amount for the balance of the debt.

Better reforms

Recommendation: Extend the time for fine recipients to pay their original fine amount before receiving a Penalty Reminder Notice (PRN).

Many (although not all) of our clients would be able to pay their original fine amounts if they were given an extended period of time in which to do so. Extending the time before a fine recipient receives a Penalty Reminder Notice (PRN) would be a simple and meaningful reform in a cost-of-living crisis.

Recommendation: Implement permanent concessional exemptions for penalty and enforcement fees for low-income fine recipients.

We support the Infringement Working Group's recommendation that the Department introduce into the Regulations an exemption from liability for all fees for low-income recipients, similar to the Covid-19 Concessional Scheme. We note this proposal would mean fine recipients who provide evidence of a Services Australia Health Care Card, Pension Concession Card, Department of Veteran's Affairs Health Care Card (Gold Card) or protection related visa would be exempt from all penalty and enforcement fees (and only need to pay the original fine amount).

Recommendation: Implement a (time-limited) amnesty on penalty and enforcement fees for toll fines to prevent debt escalation and allow realistic repayment of original fine amounts.

We have seen clients with debts as large as \$200,000 to \$300,000 due to the penalty and enforcement fees imposed on tolls that are unpaid, with the overall debt compounding in seriousness and size. Most people have no hope of ever paying this kind of debt. There is an urgent need for the Victorian Government to help these people pay off their fines in other ways, rather than saddling them with life-long debt and the threat of criminal sanctions.

A time-limited amnesty would be an opportunity for many people in the community to have a "reset" and a fresh start, and to concentrate on paying off original fine amounts. We propose that the amnesty would run for a 6 or 9 month period.

Recommendation: Update all infringement related correspondence in plain language to ensure people are aware of all the available options open to them to address their fines.

We support the Infringement Working Group's recommendation to update all infringements correspondence (i.e. infringement notices, penalty reminder notices, notices of final demand, enforcement warrants and seven-day notices) to include all possible options available to address fines in plain language.

Recommendation: Increase funding to the legal assistance sector and financial counselling services to meet the increased demand from details for these services being included on all infringement correspondence.

We agree that it is imperative that community legal centres and financial counselling services be funded adequately to meet the increased demand arising from details for these services being included on all infringement correspondence.

Further information

We urge the Department to fundamentally reconsider their proposed fee increases as a matter of urgency. For further information, please contact:

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