

**ARCA Consultation – Privacy
(Credit Reporting) Code (CR
Code) Variation to paragraph 12**
Submission by Legal Aid Queensland

ARCA Consultation – Privacy (Credit Reporting) Code (CR Code) Variation to paragraph 12 (serious Credit infringement)

Legal Aid Queensland (LAQ) welcomes the opportunity to provide a submission in response to the Australian Retail Credit Association’s Consultation concerning variations to the Privacy (Credit Reporting) Code (CR Code).

LAQ provides input into State and Commonwealth policy development and law reform processes to advance its organisational objectives. LAQ always seeks to offer policy input that is constructive and is based on the extensive experience of LAQ’s lawyers in the day to day application of the law in courts and tribunals.

LAQ’s Civil Justice Services Unit lawyers provide advice and representation in banking and finance, credit and debt, credit reporting and default listings, insurance law and consumer law. The unit regularly assists and represents clients who have issues with their credit reports.

LAQ supports the proposed variation to the Privacy (Credit Reporting) Code paragraph 12 and to the circumstances in which a serious credit infringement should be removed from a consumer’s credit file.

The proposed variation in paragraph 12.2 is:

*12.2 If a CP discloses payment information or **new arrangement information** to a CRB that relates to an overdue amount that is the subject of a serious credit infringement disclosure (based on paragraph(c) of the Section 6(1) definition of that term), the CRB must destroy the information relating to the serious credit infringement.”*

We agree that the addition of “new arrangement information” to paragraph 12.2 makes it appropriate that where a new arrangement is entered into, serious credit infringement removed from a person’s credit file.

Given that a serious credit infringement is defined on a credit report as indicating to a reasonable person that the individual has an intention to no longer comply with that individual's obligations in relation to consumer credit provided by a credit provider, making a new arrangement with the credit provider would mean that any reasonable person could no longer hold the view that the individual intended not to comply with their obligations to the credit provider.