

The logo for the Australian Retail Credit Association (ARCA) is displayed within an orange square. The text 'AUSTRALIAN RETAIL CREDIT ASSOCIATION' is written in white, uppercase letters, stacked vertically.

AUSTRALIAN
RETAIL
CREDIT
ASSOCIATION

Ms Kellie Fonseca
Director, Regulation and Strategy Branch
Office of the Australian Information Commissioner
GPO Box 5218
SYDNEY NSW 2001

BY EMAIL ONLY

18 April 2019

Dear Ms Fonseca,

DEVELOPMENT OF COMPLAINT HANDLING STANDARD – PARAGRAPH 21, CR CODE

I refer to our recent discussions concerning the complaint handling standard provisions contained in paragraph 21 of the CR Code.

As I have identified, through the CR Code variation process feedback has been provided about the inadequacy and inaccessibility of the current complaint handling standard (the ISO standard) which is applicable to credit reporting bodies and credit providers who aren't otherwise subject to a complaint handling standard.

This feedback has been accepted by most stakeholders. ARCA had proposed that the reference to the ISO standard within the CR Code be replaced with a reference to a 'complaint handling standard approved by the Commissioner'.

Your office has provided a preliminary indication that such a provision would be problematic, given the Commissioner has no clear authority to approve a complaint handling standard and, further, the replacement complaint handling standard is yet to be drafted.

Instead, and in the interests of not delaying the current CR Code variation application, it has been agreed that ARCA will:

- Limit the current variation to the updating of the ISO references within the CR Code
- Develop the complaint handling standard

- Once developed, lodge a further CR Code variation application seeking a change to paragraph 21 of the CR Code (which would replace the ISO standard with the new complaint handling standard).

Development of the complaint handling standard

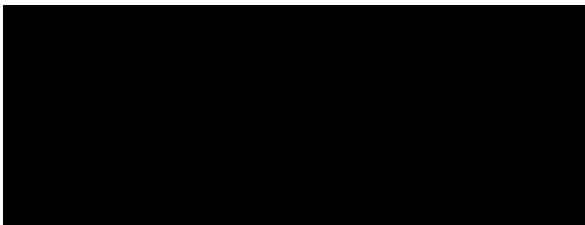
In light of the above approach, ARCA is proposing to develop a complaint handling standard in the following manner:

- Drafting the complaint handling standard using existing complaint handling standards (particularly RG165) as a guide, but updating the provisions to reflect the unique nature of the relationship between CRB and consumer (and also, as appropriate, between those CPs not otherwise covered by a complaint handling standard, and consumers).
- Consultation on the complaint handling standard with the impacted CRBs and CPs (either directly or through their respective industry associations), and other stakeholders (particularly consumer advocates, EDR schemes, the OAIC and any other relevant stakeholders).
- Provision of the final complaint handling standard to the Commissioner as an attachment to the further CR Code variation application, which will be supported by application material and a consultation statement.

The timeframe for development of the complaint handling standard and submission of the variation application will be six months. If this timeframe is delayed for any reason, ARCA also will ensure that impacted stakeholders are advised of this delay and the revised timeframe.

I would appreciate if you could confirm whether what I have set out above accords with the OAIC's expectations for the development of the complaint handling standard. My phone number is [REDACTED], although I would note I will be on leave from today until 29 April 2019.

Yours sincerely,



Elsa Markula

Legal & Regulatory Affairs Manager