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PERC HELPS CHANGE AUSTRALIAN CONSUMER CREDIT REPORTING REGIME *Years of work culminate in a win for consumers and PERC's proposed reforms*

AUSTRALIA – The Australian government has announced it will soon be introducing new bills permitting positive payment and other data to be included in consumer credit reports. Currently, credit files are more of a black list, with only late payments, defaults, and other negatives reported. "The current system is just crazy," said PERC President Dr. Michael Turner. "It is bad for the borrower, bad for lenders, and bad for the economy. Negative-only systems are less forgiving and make it harder for everyone to access affordable sources of credit. Lenders ration credit because they don't know how much debt a borrower has. This change is much needed and long overdue," said Turner.

"The decision by the Commonwealth Government represents a watershed in the history of the Australian consumer credit market," said Christine Christian, CEO of Dun & Bradstreet Australasia. "The D&B model and PERC's research and advocacy provided stakeholders with a sense that reform could be achieved in a way that met the many competing concerns and ultimately provided government with a roadmap to reform."

After more than 20 years of failed reform efforts, the Australian comprehensive credit reporting campaign was launched in 2004, with Dun & Bradstreet Australasia playing a key leadership role. The first major victory came with an inquiry into reform by the Australian Law Reform Commission (ALRC) recommending positive credit reporting in 2008. The October 14, 2009 acceptance of this recommendation will now allow reporting of credit accounts and repayment data for a rolling 24-month period. Draft legislation is expected early next year, and rules in place by January 2011.

"Given the significance of regional banking, and the considerable overlap of lenders, we hope that the New Zealand government will soon take similar steps to help its citizens access affordable credit and build assets," Dr. Turner added. PERC has undertaken outreach in New Zealand as recently as March of 2009, and continues to work with the Asia-Pacific Credit Coalition (APCC at www.apeccredit.org) to promote an APEC-wide standard for consumer credit reporting.

About PERC:

The Policy and Economic Research Council (PERC) is a 501(c)3 non-profit organization dedicated to information solutions for development challenges. PERC's vision is to measurably and positively impact more people globally than any other single institution through sustainable, market-based information solutions.

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