

Senate Community Affairs Legislation Committee

SUPPLEMENTARY BUDGET ESTIMATES – 22 OCTOBER 2015 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Rent to Buy

Question reference number: HS 105

Senator: Cameron

Type of question: Written

Date set by the committee for the return of answer: 11 December 2015

Number of pages: 1

Question:

Please provide details of new initiatives to educate citizens in relation to the onerous costs associated with rent to buy and similar business models.

Answer:

Starting in May 2015, the Department has promoted ASIC's Rent vs Buy calculator through:

- news carousel article on various Human Services webpages;
- social media posts; and
- weekly change update (cascaded to staff).

In July 2015, the Department released a Front Of House video (played as part of rotating programming on monitors in waiting areas of service centres) on information on consumer leasing demonstrating ASIC's Rent vs Buy calculator. The video includes information about the costs of consumer leases and alternatives to consumer leases, including the No Interest Loans Scheme. The video has also been published to the Department's YouTube channel.

On 17 September 2015, the former Minister for Human Services, Senator the Hon Marise Payne, launched a new online financial information hub to help Centrelink customers manage their finances. This suite of online tools and resources, available on the Department's website, includes information about budgeting, borrowing and credit, and managing debt. It also includes a range of existing resources from organisations such as ASIC's MoneySmart site, Financial Counselling Australia and Good Shepherd Microfinance, which have been combined with Departmental resources to link people with the services they need. The site includes information on the costs of consumer leasing and alternatives to consumer leases, including Advance payment, No Interest Loans Scheme (NILS) and StepUP, with links to external sites for a list of providers. In particular, ASIC's Rent vs Buy calculator has been made available on the Department's website along with cautions on the costs of renting household goods and information about alternatives to consumer leases.

Money management tools and links are promoted to customers on all customer payment webpages within the Department's website.