

22<sup>nd</sup> March 2011

Standing Committee on Finance and Public Administration  
Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Sir/Madam

**Submission on Exposure Draft  
Section 132 (2) Disclosure of credit information to a credit reporting  
agency  
(Requirement for credit provider to be a member of a Dispute  
Resolution Scheme)**

Tasmanian Collection Service has provided credit reporting services to many credit providers operating in Tasmania for many decades. Many of our clients can be considered as small businesses.

In the past, the complex nature of the Privacy Act in relation to the definition of "credit provider" has created uncertainty for smaller credit providers and regulators alike.

On the one hand, it appears that the clear intention of the Exposure Draft is to better clarify access to the credit reporting system for smaller businesses who provide "credit" as a part of their activities (as distinct from traditional lenders, financiers or banks). This is obviously sensible and reasonable and permits these business not only to make better commercial decisions, but to compete on an equal footing in our economy.

On the other hand, while appreciating the clarified definition of "credit provider" in the Draft, we raise our serious objections to the requirement that participating credit providers need to be a member of a *recognized external dispute resolution scheme*. Please see section 132 (1) and (2a) of the Exposure Draft.

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**This requirement is of limited use, costly, and overly bureaucratic. It would effectively provide a significant barrier to many thousands of smaller credit providers to their continued participation in the credit reporting industry.**

We ask that this unnecessary requirement is removed.

Yours faithfully,

Peter N Cretan  
Managing Director  
Tasmanian Collection Service