

Proposed Changes to Credit Reporting Before Senate: Will it impact debt recovery?

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The Commonwealth government has introduced the National Consumer Credit Protection Amendment (Mandatory Comprehensive Credit Reporting) Bill 2018 ("**the Bill**"), which is currently before the Senate.

If passed, the Bill will require the four major banks (Westpac, Commonwealth Bank of Australia, National Australia Bank and Australia and New Zealand Banking Group) to supply their comprehensive credit information to credit reporting agencies, which will include information regarding customers that have been involved in a debt recovery process. The banks will also be required to keep the information they supply, accurate, complete and up to date, on all existing and new accounts.

How will the bill impact credit providers and debt recovery?

It is expected that these new credit reporting requirements will assist credit providers to make more informed assessments, when determining whether to approve credit applications. Further, it is anticipated that these reforms will assist credit providers to identify which applications may require future debt recovery, if approved.

When will the new credit reporting requirements commence?

The new reporting requirements in the Bill were intended to commence on 1 July 2018, however, as the Bill has not yet passed the Senate, it is likely that the requirements will not come into effect until the end of 2018 and that the impact of the new reporting requirements and whether they will help reduce the need for debt recovery, will not be seen until early 2019.

Find more information on the Bill and the impact it will have on debt recovery [here](#)

If you would like more information or advice in relation to insolvency, restructuring or debt recovery law, contact Bonnie McMahon at bonniem@matthewsfolbigg.com.au or a Principal of the Matthews Folbigg Insolvency, Restructuring & Debt Recovery Group:

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