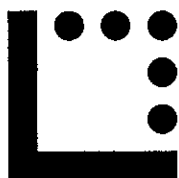


23 February 2018



Latitude
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Manager
Financial Services Unit
Financial System Division
Treasury Department
Langton Crescent
PARKES ACT 2600

Cc: Australasian Retail Credit Association (ARCA), Mike Laing, Executive Chairman

Dear Sir / Madam,

RE: National Consumer Credit Protection Amendment (Mandatory Comprehensive Credit Reporting) Bill 2018

Latitude Financial Services (**Latitude**) appreciates the opportunity to make this submission on the National Consumer Credit Protection Amendment (Mandatory Comprehensive Credit Reporting) Bill 2018 (the **Bill**).

Whilst we are supportive of the Bill and its legislative intent we hold concerns about certain aspects; this concern is also shared by ARCA and its members.

Our concern is centred on section 113CV of the Bill which gives the ability for non Principles of Reciprocity and Data Exchange (**PRDE**) signatory credit providers to access the comprehensive data of any of the big 4 banks (who are signatories of the PRDE) under a different agreement outside the PRDE. These additional agreements result in a fundamental undermining of the PRDE and the risk of data fragmentation across the credit reporting bureaux. The industry has developed the PRDE to ensure data is shared via a framework which has strong governance, consistency, data quality and reciprocity.

In our view the PRDE provides the necessary framework, data standards and governance with regards to the exchange of comprehensive credit information. Whilst we understand that there is a need for arrangements outside of the PRDE framework, however, to ensure consistency these arrangements should be limited to a subset of credit information such as negative data.

Finally, the regime which section 133CV creates will have no independent oversight, limited agreed processes, no mechanisms to escalate and redress issues and data inconsistency across the industry when accessing comprehensive credit information. This has an overall impact on the integrity of the comprehensive credit reporting regime and outcomes for both credit providers and consumers.

We would be happy to further discuss any aspect of our submission with you, including, discussions in person with you. Should you have any queries, please contact myself on (03) 8807 5854 or tim.brinkler@latitudefinancial.com in the first instance.

Yours sincerely



Tim Brinkler
Chief Risk Officer

