

## Amendment No 9 to the Credit Reporting Privacy Code 2004

### Background Paper for Submitters on Changes to Notified Amendment

Proposed Amendment No 9 to the Credit Reporting Privacy Code 2004 was publicly notified by the Privacy Commissioner on 23 April 2014, with an invitation to make submissions.

Eight submissions were received. Views expressed were mixed. All submissions have been carefully considered by the Commissioner before issuing the amendment and are available at [www.privacy.org.nz](http://www.privacy.org.nz). Two submitters were heard in person.

Having considered the submissions, and after a public hearing, the Commissioner issued the amendment on 21 July 2014 with some changes. This paper briefly explains the changes.

The final amendment differs from the proposed amendment in the following ways:

1. *Consolidation* – the proposed maximum fee structure has been consolidated into a single fixed maximum sum.
2. *Quantum* – the fixed maximum sum is \$10.
3. *Commencement date* – the amendment will come into force on 1 September 2014.

#### Consolidation

The proposed amendment anticipated three possible charges, depending on the method of delivery used by the credit reporter. These three charges were as follows:

- a) \$7.90 where a credit report is delivered by email or collected by the individual;
- b) \$10.00 where a credit report is posted; or
- c) \$7.90 plus actual costs of courier delivery.

The amendment has settled on a single fixed maximum sum, which applies irrespective of the method of delivery used.

Two credit reporters supported a single figure, rather than a scheme that allowed for different amounts to be charged depending on delivery method.

A single figure will be easier to administer and conducive to efficiency. It will also be more useful for public communications purposes – the need for clearer communications about statutory entitlements is a point made in several submissions and is a matter of concern for the Commissioner.

### **Quantum**

The amendment has settled on a maximum charge of \$10. This is more than the amount the proposed amendment permitted for emailed reports, equal to the amount the proposed amendment permitted for reports delivered by post.

It is expected that email, and increasingly online access, will become the primary means for conveying credit information to individuals. Mail is used less often, and will likely decline as a delivery method. Courier delivery is seldom if ever used.

The \$10 maximum allowed for electronic delivery a significant increase on the \$7.90 originally notified. Accordingly, it is not anticipated that this sum will warrant any increase for a number of years.

To ensure that the \$10 figure can be clearly communicated in all public messages about consumer rights, the amendment expressly states that it is a GST inclusive figure.

### **Commencement date**

The amendment comes into force on 1 September 2014, nearly six weeks after being issued. The date is later than the earlier proposed commencement date of 1 July 2014.