

## Privacy Commissioner launches review of credit reporting law

30 September 2016

Privacy Commissioner John Edwards today released a discussion paper inviting submissions on whether 'positive credit reporting', introduced to New Zealand following a law change five years ago, has been a success and whether the law was operating satisfactorily.

Positive credit reporting displays more complete information about an individual's credit commitments, including details of all their borrowings and whether he or she made the payments due each month.

Previously, the credit reporting system only showed when individuals had defaulted on their credit obligations.

While a positive reporting system intrudes more into individuals' private financial affairs than a negative reporting system, this trade-off was justified by claims that it would bring substantial benefits to the credit system, the economy and individuals.

"I am looking forward to receiving real evidence from the credit industry to support the claims that more intrusive positive credit reporting system brings benefits for all New Zealanders" Mr Edwards said.

Other significant changes made to the Code in 2010 and 2011 that are under review include:

- Permitting and regulating the use of driver licence numbers as identifiers
- Imposing new accountability requirements: annual compliance reviews involving an independent element and external reporting
- Enabling victims of fraud to have their credit information suppressed
- Permitting credit reporters to pre-screen credit providers' direct marketing lists
- Making credit scoring more transparent

The deadline for submissions to the review is **16 December 2016**.

ENDS

**Notes for Editors**

The Credit Reporting Privacy Code 2004 was issued by the Privacy Commissioner under the Privacy Act 1993. The Code has the force of law. Information about the [Code](#) and the [amendments](#) made in 2010 and 2011 is available at the Office of the Privacy Commissioner's website.

The discussion paper is [available here](#).

For more information, or to schedule an interview, call Sam Grover: 021 959 050.