

Response to the

Privacy Commissioner

on the

**Credit Reporting Privacy Code
Review**

16 December 2016

Strictly Confidential



1.0 INTRODUCTION

- 1.1 This submission has been prepared by Bank of New Zealand ('BNZ') in response to the Privacy Commissioner's discussion document, "Credit Reporting Privacy Code Review".
- 1.2 BNZ welcomes this opportunity to provide a response to the Privacy Commissioner discussion document and acknowledges the industry consultation undertaken on this matter. BNZ has only responded to the questions relevant to it in the consultation paper.
- 1.3 This submission contains commercially sensitive information and is provided on the basis of strict confidentiality. The contents may only be released by the Privacy Commissioner with BNZ's prior permission.

2.0 BNZ'S SUBMISSION

Are there any significant problems with the operation of the amendments that you would like to raise? The Commissioner would be interested in receiving any evidence that supports concerns raised in response to this question.

- 2.1 The remaining term of facilities would also help to provide more informed lending decisions and help to ensure borrowers are not placed in situations where they cannot meet their obligations.

Would allowing the reporting of account balance information deliver substantial benefits to the credit reporting system while appropriately respecting individual privacy?

- 2.2 The balance of credit account and/or associated limit utilisation would provide for a more informed lending decision and help to ensure borrowers are not placed in situations where they cannot meet their obligations. In addition, the remaining term of a facility would also provide helpful information for lenders when calculating affordability assessments.

Should credit reporters be permitted to include tax debt information in credit reports?

- 2.3 Tax debt is considered a liability in determining a customer's ability to service a loan application and should be factored into the credit risk assessment. If a customer is under an arrangement, history of instalments could be beneficial in determining a credit decision. This would also provide a better overall position of the customer's financial position.

How useful would the New Zealand Business number be the credit reporters reporting system?

- 2.4 BNZ submits that this would be useful as it could assist in the customer matching process.

Should the Code require credit reporters to respond more quickly to access requests than currently is the case?

2.5 Aligning to the ten day standard under the Australian Privacy Act would be a reasonable and fair timeframe for consumers to access their personal credit information.

3.0 CONCLUSION

3.1 BNZ is pleased to provide this submission and the information it contains. BNZ is available to discuss any issues raised.

3.2 Should the Privacy Commissioner have any questions in relation to this submission, please contact:

Paul Hay
Head of Regulatory Affairs

DDI: [REDACTED]
Mobile: [REDACTED]
Email: [REDACTED]