

Media Release

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Consumer credit law should be well-targeted and enforced

The New Zealand Bankers' Association today welcomed the first reading of the Credit Contracts and Financial Services Law Reform Bill, and cautioned further work was needed to meet the Bill's aims.

"Quality regulation is well-targeted and properly enforced. That's the outcome we're looking for here," said New Zealand Bankers' Association chief executive Kirk Hope.

The Bill aims to reform the law around consumer credit contracts to encourage wider responsible lending and provide improved protection for vulnerable consumers.

"Banks are responsible lenders. We strongly support measures that target unscrupulous lenders and provide greater protection for vulnerable people. We're keen to see all lenders held to the same standards we already observe.

"The law needs to strike a balance between protecting vulnerable consumers and ensuring legitimate and well-regulated lenders do not incur substantial additional compliance costs.

"The Credit Contracts and Financial Services Law Reform Bill presents an opportunity to get this balance right. We look forward to engaging in the legislative process to achieve that balance, and we congratulate Minister Foss on progressing the Bill," Hope said.

ENDS

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