



Credit review

CCCF Amendment Bill Exposure Draft

Responsible lending is being added to the Credit Contracts and Consumer Finance Act. The Credit Contracts and Consumer Finance Amendment Bill Exposure Draft details these proposed new responsible lending requirements. Further information can be found in the links below:

[CCCF Amendment Bill Exposure Draft](#)

[Credit Law and Consumer Protection Explanatory Information](#)

[Other matters relevant to the Exposure Draft](#)

[Consultation Questions and How to Make a Submission](#)

[Questions and Answers Credit Law and Consumer Protection](#)

[Tougher Laws for Loansharks](#) - Hon Chris Tremain

The Ministry of Consumer Affairs invites submissions on the Credit Contracts and Consumer Finance Amendment Bill Exposure Draft and the consultation questions. Submissions close Friday 25 May 2012 (note: the closing date has been extended). Please email your submission to ccfa@mca.govt.nz or send to:

Consumer Policy
Ministry of Consumer Affairs
PO BOX 1473
Wellington

Alternatively, if you only have a few points to raise you can make a quick submission by using the [quick submission form here](#).

Responsible lending

On 31 October 2011 Cabinet agreed to a package of reforms to the consumer credit law. You can read here the [Cabinet paper](#), [Regulatory Impact Statement](#) and [Cabinet minute](#). The reforms will introduce responsible lending requirements for consumer credit providers. The changes that Cabinet agreed were outlined in the following press release: [Government to Target Loan Sharks](#) - Hon Simon Power.

Background

The package of reforms was shaped by the Financial Summit hosted by Hon Simon Power, Minister of Consumer Affairs. This was held on 11 August 2011 in Auckland and was chaired by Sir John Anderson. The summit brought together 250 people from community groups, budgeting services, NGOs, banks, financial regulators, and credit providers to look at ways of tackling irresponsible lending. Financial summit participants called for legislation to require responsible lending and for greater penalties for lenders who are not registered on the Financial Service Providers Register.

[Read more about the Financial Summit.](#)

The reforms were also influenced by a review of the Credit Contracts and Consumer Finance Act carried out by the Ministry of Consumer Affairs in 2009 and by various research which has been carried out by the Ministry of Consumer Affairs and others on consumer credit in New Zealand.

Related Documents

Discussion documents

- [Credit Contracts and Consumer Finance Amendment Bill Exposure Draft: Consultation documents \(April 2012\)](#) [PDF version, 540KB]
- [Discussion Document: Review of the operation of the Credit Contracts and Consumer Finance Act 2003 \(September 2009\)](#) [HTML version]
- [Discussion Document: Review of the operation of the Credit Contracts and Consumer Finance Act 2003 \(September 2009\)](#) [PDF version, 1.3MB]

- [Summary of Submissions: Brief Summary of Submissions on the Review of the operation of the Credit Contracts and Consumer Finance Act 2003 \(January 2010\)](#)

Research on consumer credit

- [Using a third tier lender: experiences of NZ borrowers \(2011\)](#) [PDF format, 7.5MB]
- [Third-tier Lender Desk-based Research \(2011\)](#) [PDF format, 240KB]
- [Background Statistics for Considering Credit Issues \(2011\)](#) [PDF format, 1.7MB]
- [Pacific Consumers' Behaviour and Experience in Credit Markets, with Particular Reference to the "Fringe Lending" Market: Government Response Strategy \(August 2007\)](#)
- [Pacific Consumers' Behaviour and Experience in Credit Markets, with Particular Reference to the "Fringe Lending" Market: Research Findings \(July 2007\)](#)
- [Fringe Lenders in New Zealand: Desk Research Project \(July 2006\)](#)
- [ANZ-Retirement Commission Financial Knowledge Survey \(March 2006\)](#)

Media releases

- [Government to Target Loan Sharks – Hon Simon Power](#)
- [Sir John Anderson to Chair Financial Summit – Hon Simon Power](#)
- [Minister announces more details of Financial Summit – Hon Simon Power](#)
- [Worrying research highlights issues facing Financial Summit – Hon Simon Power](#)
- [Speech to Financial Summit – Hon Simon Power](#)
- [Tougher consumer credit laws target loan sharks – Hon Bill English](#)

Current legislation

- [The Credit Contracts and Consumer Finance Act 2003](#)
- [Credit \(Repossession\) Act 1997](#)
- [Credit and debt \(information for consumers\)](#)
- [Credit Contracts and Consumer Finance Act \(compliance advice for businesses\)](#)
- [Credit \(Repossession\) Act \(compliance advice for businesses\)](#)