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Giving credit where it's due

MARIA TURNBULL, A SALVATION ARMY MONEYPARE FINANCIAL COUNSELLOR, EXPLAINS WHAT A CREDIT REPORT IS AND HOW TO USE IT.

What is a credit report?

If you have applied for a loan, signed up for utilities or a telephone service or if you have been at least 60 days late paying a bill during the past five years, a credit-reporting agency could have prepared and recorded a credit report or credit rating in your name.

Where is a credit report kept?

A private company called a credit-reporting agency holds your credit report. The two main consumer credit-reporting agencies in Australia are Veda Advantage and Dun & Bradstreet.

The Privacy Act 1988 and the Credit Reporting Code of Conduct regulate what type of information can be kept by credit-reporting agencies, how long it can be kept for and who can access the information. The Office of the Australian Information Commissioner has responsibility for ensuring that *the Privacy Act 1988* and the code of conduct are followed.

How do I get a free copy of my credit report?

Write to one or the other of the two credit-reporting agencies for a free copy and you should receive a copy after 10 working days. Credit-reporting agencies don't have to charge you for providing a copy of your credit report, however, if you ask for your report to be delivered sooner than 10 working days, fees will apply.

Contact Veda Advantage (www.mycreditfile.com.au/home/free-credit-file.dot), download the form, complete it and send it to Veda Advantage.

Go to the Dun & Bradstreet website (www.dnbcreditreport.com.au) and fill in the online form, or telephone Dun & Bradstreet on 13 23 33 and request an application form. Send the completed form to Dun & Bradstreet.

Is my credit report correct?

If you disagree with the accuracy of the information, you can ask the credit reporting agency to correct it.

What happens when I access my credit report?

If you request your credit report, your current contact details will be updated and will become available to any lenders, creditors or debt collectors who check your report.

The legislation regarding credit reporting in Australia has changed and includes the following additional information, which will begin to appear in March 2014:

1. When the account was opened
2. When the account was closed
3. What the current credit limit is
4. What type of credit was offered
5. Account repayment history over the previous two years, where a consumer is late making the minimum payment on credit cards or loans.

These changes will strengthen Australia's responsible lending laws by providing lenders with more detailed information about a person's credit record.

Other assistance

A financial counsellor provides free and confidential information and assistance if needed. To find your local financial counsellor look at www.moneysmart.gov.au/managing-your-money/managing-debts/financial-counselling.

Next month: *I can't pay my credit card. What can I do?*