



## In doubt about debt?

Standover tactics, inappropriate demands and harassment have no place in debt collection. Both the ACCC and the Australian Securities and Investments Commission (ASIC) have legislation which protects consumers from inappropriate behaviour by a debt collector.

If a consumer owes money, debt collectors may take reasonable steps to make contact by letter, fax, email, phone or in person. A collector has the right to contact a consumer at work or through family and friends—but only if they have been unable to make contact in any other way. However, a collector should not discuss the debt with others or do or say anything that would let others know about the debt.

A collector does not have the right to mislead or deceive consumers about:

- » who they are and who they represent
- » the amount of money you owe
- » their legal right to collect the debt
- » what will happen if you don't pay the debt.

### If you are being harassed who do you turn to?

The answer to this question depends on the type of purchase or transaction the debt recovery agency is chasing you for. A transaction can involve the direct purchase of a **good** or **service**, for example, telephone services, a television or a gym membership. Or, it can involve the purchase of a **financial service** such as taking out a loan, or using a credit card.

First make sure that you **do** owe money and that you are not the victim of a mistake or the target of a scam.

Next, ask this question:

Is the debt the result of taking out a loan or using a credit card? Or is the debt owed to a financial service provider?

If the answer is yes and you believe you are being unduly harassed, contact the ASIC Infoline on 1300 300 630.

If the answer is no and you believe you are being unduly harassed, contact the ACCC Infocentre on 1300 302 502.

If you are physically hurt or threatened, contact the police.

If unsure who to contact, either the ACCC Infocentre or ASIC Infoline will be able to help you identify the appropriate body.

### Your credit rating

Unpaid debts that appear on your credit rating can seriously affect your capacity to obtain credit in the future. Sometimes a debt collector may threaten to register a debt against a consumer's name on a credit reporting database. Other times this is done without notice and consumers only find out about an alleged debt after trying to obtain credit and being refused.

It's a good idea for consumers to obtain copies of their credit report regularly to ensure it remains accurate.

A copy of a consumer's credit file and a report of credit status can be obtained from Baycorp Ltd, phone toll free 13 31 24. If you disagree with the information on file, write a letter to Baycorp Ltd. They should investigate and report back to you. If you are dissatisfied with the response or do not receive a response, a complaint may be lodged with the Office of the Federal Privacy Commissioner.