



Speech by

**JOHN ENGLISH**

**MEMBER FOR REDLANDS**

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Hansard 9 August 2001

**CONSUMER CREDIT [QUEENSLAND] AMENDMENT BILL**

**Mr ENGLISH** (Redlands—ALP) (2.35 p.m.): Today is a great day for Queensland. However, I would like to highlight that every day is a great day in the Redlands. As a former member of the Queensland Police Service who has served in the Fraud Squad, I have seen how some operators try to exploit people in financial hardship. I have had first-hand experience of organisations preying on less fortunate members of the community. I am well aware, as is the Queensland Police Service, that there are companies out there educating people on how to avoid consumer credit regulations. Without providing specific details, I was involved in an investigation into companies advertising to attract people through offers of easy money. They would take in those people and, for a fee, prepare false documentation and teach them how to lie on application forms to enable them to obtain credit.

**Ms Male:** Disgusting.

**Mr ENGLISH:** It is absolutely disgusting. They would get their money up front and counsel these people into committing acts of fraud, knowing that eventually these people would default on the loans and be found out. However, by that time these businesses would have closed up shop and run for cover.

It is important for the House and the people of Queensland to recognise that there are organisations out there that target the most vulnerable people in our community. The Labor Party and this government have developed an ethos of protecting those who are not protected by other means. This bill is another example of that. I acknowledge that the businesses I have spoken about so far are different in function to the organisations that are subject to this bill. However, it is important to highlight that there are financial benefits for targeting those in financial difficulty.

Many honourable members have credit cards and bank loans. At certain points in our life all of us could use a bit of extra money. It is unfortunate that there are vultures in the community waiting to swoop on those experiencing financial hardship for no other reason than to gain financial benefit.

Today many honourable members have referred to complaints about a range of companies conducting this sort of business. It is important to understand that this bill will regulate, not stop, payday lending. It should be acknowledged that many companies are operating honourably. I do not believe there will be a negative impact on those businesses under this bill.

This bill just seeks to regulate and to apply clarity and openness to what are quite often verbal agreements possibly made in stressful circumstances. This bill is designed to ensure that there is a little bit of documentation, a little bit of accountability. The Beattie government has proven itself to be an accountable government. I think it is fair enough that we expect other groups in society to have a certain level of accountability also. That is what this bill is about. Payday lending can still operate. It simply must work within a certain regulatory framework. Many members have highlighted the specifics of that regulatory framework, so I will not repeat them.

I have said—and I will reiterate it—that this bill will not stop payday lending; it just provides a clear and accountable process to protect consumers. The minister has done a fantastic job in preparing and presenting this legislation to parliament. All members of the House who really have the best interests of consumers at heart should support this bill, as I do.

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