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PRESS RELEASE

Consumer Council to consult hire purchase providers

THE Consumer Council will be engaging in discussions and consultations with credit providers and relevant businesses in regards to the Council's research on consumers and hire purchase that commenced early this year.

The Council, through the kind assistance of the Australian Government Overseas Aid Program – AusAID – is in the process of finalizing a comprehensive report on the problems faced by the consumers when buying goods and services on hire purchase (HP). The study is being undertaken by economists from the Fiji National University (FNU).

The Council saw the need to critically study the HP sector to understand problems and grievances faced by consumers and whether there is adequate consumer protection under laws such as the Consumer Credit Act.

The research has been completed and the Council is organizing a closed-door consultation where the consultants will present their findings, together with the result of a nationwide consumer survey on hire purchase. The main aim of the consultation is give opportunity to the HP providers to give their input and provide their own recommendations with regards to the many problems faced by the industry and consumers alike. The consultation will also give the HP providers the opportunity to respond to some of the preliminary findings. It will provide the opportunity to other stakeholders such as policymakers and enforcement bodies to give their views.

Amongst other issues, the draft report will outline some of the shortcomings of the Consumer Credit Act and also highlight consumer protection provisions that are unclear, or not being complied with or strongly enforced..

This consultation will take place at **JJs on the Park on Wednesday 31st of August at 9.30am.**

HP has consistently featured in the top ten most recurring complaints received with the Council annually. Consumers use HP to access white goods, cars, furniture, computers and other items that most ordinary people would have difficulty in purchasing through cash. The Council is also aware of the impact of credit payments on household budgets and the problem of debt cycle afflicting many low-income consumers.

A handwritten signature in black ink, appearing to read 'Premila Kumar'.

PREMILA KUMAR
Chief Executive Officer