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**Press Release**

**Council Launches Debt Management and Consumer Advisory Services**

The Consumer Council of Fiji under the AusAID project titled “*Consumer Financial Protection and Building Credit Competency for Vulnerable Groups*” will launch its first ever pilot program on Debt Management and Consumer Credit Advisory Services on 13th **September 2011 at JJs on the Park**. It is envisaged that this new service offered by the Council will empower consumers to borrow and manage debt wisely. Consumers will also be made aware of how the Consumer Credit Act protects them when they purchase home loans, car loans, or other goods on hire purchase.

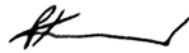
This program will be launched by the AusAID First Secretary, Mr. Timothy Gill. The aim of this initiative is to assist consumers who are in debt by giving advice on their current financial problems, help them to reorganize their finances so that they are in a better position to pay their debts without sinking deeper into financial crises. Since it is a pilot project, this service will only be available to the consumers residing in the central division.

After the launch, a workshop will be convened on Consumer Rights and Obligations under Consumer Credit Act with the aim to make leaders of the community aware of trader obligations and consumer obligation when accessing credit. Information such as how repossession should be conducted; how rebate should be calculated if loan is paid early; what information should be disclosed in writing prior to entering into hire purchase or taking home loan or buying a vehicle; receiving insurance policy on home loans and rebates if paid early; if vehicle or home is sold by the credit provider then what information must be disclosed after sale to the consumers.

From an analysis of complaints received by the Council, it has been noted that Hire Purchase complaints has continuously been listed on the "Top 10 Complaints" of the Council. As such there

was a real need to empower consumers with the knowledge of the Consumer Credit Act which not only protects the consumer from unfair tactics used by traders but also why consumers must pay up when credit is accessed. For example, the legislation by virtue of section 14 stipulates that all consumers entering into a credit contract worth more than \$5000.00 must be given a pre-contractual statement which outlines the borrower's statutory rights and obligations. However, it is yet to be seen how many credit companies actually provide this pre-contractual statement to their borrowers.

The Council hopes that through this workshop, consumers get a better understanding of this important piece of legislation and are more aware of their rights and responsibilities when dealing with financial institutions or Hire Purchase companies.



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**PREMILA KUMAR**  
**Chief Executive Officer**  
**Consumer Council of Fiji**