

STANDING COMMITTEE OF OFFICIALS OF CONSUMER AFFAIRS

CONSUMER CREDIT CODE

STATEMENT OF ENFORCEMENT POLICY

GOVERNMENT FEES, CHARGES AND DUTIES

The *Consumer Credit (Queensland) Amendment Act 2002* inserts into the Consumer Credit Code a new Part 9A, which provides for the mandatory disclosure of comparison rates:

- in advertisements for fixed term credit which feature an annual percentage rate, and
- in comparison rate schedules which are to be made available to consumers.

Section 33F of the *Consumer Credit Amendment Regulation (No. 1) 2003*, which sets out the formula to be used to calculate comparison rates, provides that the comparison rate is to include all credit fees or charges that are ascertainable at the time the comparison rate is disclosed, other than government fees, charges or duties.

Questions have arisen regarding the status of service charges charged by service providers who are contracted by Government agencies to deal with the public on the agency's behalf.

The Standing Committee of Officials of Consumer Affairs(SCOCA) has endorsed the following enforcement approach by government consumer agencies in relation to this issue:

If a Government agency to which a fee or charge must be paid deals with the public only through a contracted service provider, any service charges paid to this service provider should be considered to be a government fee or charge for the purposes of the comparison rate formula.