



Code Compliance Monitoring Committee

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New Staff Member

Catriona Lowe has joined the CCMC as a part time case manager. Catriona has previously worked at the Australian Competition and Consumer Commission and the Consumer Law Centre in Melbourne. Catriona will be working on Monday and Wednesday and can be contacted via email at: clowe@bankcodecompliance.org or by telephone on 03 9613 7377.

Debt Collection Guidelines

Under clause 29 of the Code, banks and their agents are required to comply with the ACCC's guideline "Debt Collection and the Trade Practices Act" dated June 1999 (1999 guideline).

In October 2005 the ACCC and ASIC published "Debt collection guideline: for collectors and creditors" (2005 guideline) which replaces the 1999 guideline. The 2005 guideline generally sets a higher standard of conduct for collectors and creditors.

The Committee has spent some time considering the question of what this means for the Code, and whether subscribing banks need only meet the 1999 benchmark.

Subscribing banks are required, under clause 3 of the Code, to comply with all relevant laws relating to banking services. Although the 2005 guideline is not

law, it is the most recent statement from the regulators to help industry comply with the law.

The Committee is of the view that best practice invites compliance with the 2005 guideline – not doing so self evidently raises the possibility that the law has not been complied with in accordance with clause 3 of the Code.

The Committee expects that the next review of the Code of Banking Practice will address the issue of the two guidelines under the Code.

Annual Reports

The first two annual reports of the Code Compliance Monitoring Committee will be published shortly. The reports, which are bound together in one cover, will be sent to all subscribing banks and major stakeholders. The reports will also be made available on the Committee's website.

If you would like to receive a copy of the annual report, please email your details to: bschade@bankcodecompliance.org.

Next Bulletin

The next bulletin is due to be released in August 2006.

Enquiries

If you have any enquiries about this bulletin or the Committee more generally, contact Barbara Schade on 03 9613 7353 or bschade@bankcodecompliance.org