

## MEDIA RELEASE

### **After SIX years legislation to rein in Pay Day Lenders and Rent to Buy schemes has been passed Federal Parliament**

NILS Tasmania congratulates the Labor Federal Government for tabling The Financial Sector Reform Bill 20200 which contains long awaited measures to limit the harm that payday lenders and rent to buy schemes can have on consumers.

SIX years ago, a Senate Committee considered an independent review that recommended a series of key reforms. NILS Tasmania was then part of at least two further Senate Committees and the legislation, just stalled and stalled. No action for years.

Our frustration as NILS Tasmania, and consumer & financial advocates across Australia, saw the excesses of this lending industry in the debts accrued in the bank statements of clients, and in their stories.

CEO of NILS Tasmania, John Hooper said this afternoon "We have always referred to this sector as predatory lenders because people in financially vulnerable positions are exploited as they turn to any solution in desperation, not realising the long term debt spiral that they were being sucked into."

"It is an incredible relief the legislation has passed, and we thank the Federal Government for seeing through their commitment made in opposition to bring forward this legislation if in Government.

NILS Tasmania was part of a national coalition, including Tasmanian organisations Anglicare Tasmania, TasCOSS, Salvation Army and Neighbourhood Houses Tasmania, that long lobbied for action.

"We are so tired and frustrated of hearing and seeing the damage the lack of better regulation on Small Amount Credit Contracts was having on vulnerable people." John Hooper continued.

"The predatory lending industry fought for years to delay legislation but finally Tasmanians will have some protection from the practices of these predatory lenders thanks to the Federal Government and the cross bench senators and parliamentarians that championed this action through the years."

**END**

**For further comment or details contact John Hooper CEO**

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The national media release from the Stop the Debt Trap coalition can be [found here](#)