

MEDIA STATEMENT



Tony Simpson MLA

Shadow Minister for Consumer Protection; Forestry; Volunteers; IT & Communications

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McHale misses chance to protect consumers

Thousands of Western Australians have been left out in the cold when financing a new purchase as Ministerial seat warmer Sheila McHale wasted another opportunity to use her office to improve the lot of average West Australians.

With the revised Finance Brokers Code of Conduct due to come into effect on Saturday, the Minister McHale failed to use this opportunity to increase the coverage of the code to include all types of finance.

Opposition Consumer Protection Minister Tony Simpson has stated that it is an outrage that the Minister has wasted this opportunity to protect WA consumers.

“Under the new code of conduct many people will not be protected when taking finance on new purchases,” Mr Simpson said.

“Someone borrowing money through a broker or a bank is covered by the code but if you buy a new TV and finance interest free through the store, you aren’t covered.

“There are many hidden traps in these interest free deals and other types of finance, such as in store leases and the consumer often doesn’t know what they’re getting themselves into.

“Small businesses are also treated differently, with the credit code assuming that they are experts in finance.

“I’m sure many small business owners are not financial experts and many of them probably could not afford to engage an accountant.

“This can cause many people, including young families, to get into a lot of financial trouble.

“Some may go as far as losing their homes or businesses.

“The current and revised codes are arbitrary and bad for average Western Australians because they don’t protect people from tricky deals and they don’t make sense.

“The Minister should have used this opportunity to broaden the scope of the code to protect Western Australian consumers.”

Media Contact: Tony Simpson – 0400 254 666