

FACTS SHEET

THE CREDIT (COMMONWEALTH POWERS) (TRANSITIONAL AND CONSEQUENTIAL PROVISIONS) BILL 2009

The *Credit (Commonwealth Powers) Bill 2009*, which refers to the Commonwealth powers to regulate consumer credit, passed through the Legislative Council on 29 October 2009.

The *Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Bill 2009* makes the necessary consequential and transitional amendments to give effect to the Credit (Commonwealth Powers) Bill (the Referral Bill).

The Referral Bill incorporated a 'text based' referral which includes the text of the current Uniform Consumer Credit Code and provides a limited amendment power to enable implementation of the scheme.

However, while the Referral Bill refers the power to regulate credit to the Commonwealth, the Bill did not incorporate the required consequential and transitional provisions necessary to give effect to the 'referral'. These provisions were not included at this time because of the need for Tasmania (as the 'lead jurisdiction') to pass the referral legislation, so as to allow the Commonwealth to enact the National Credit legislation.

The Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Bill 'gives effect' to the referral by repealing the *Consumer Credit (Tasmania) Act 1996* and making the necessary consequential amendments.

Passage of the Bill through the Tasmanian Parliament will allow passage of the Commonwealth's National Credit legislation through the Australian Parliament in late November.

The passage of the Credit (Commonwealth Powers) (Transitional and Consequential Provisions) Bill is required to allow the Referral Bill to have effect. This will allow Tasmania to meet its COAG commitments.