



**Equifax Australia Information
Services & Solutions Pty
Limited**

**2018/2019 Credit Reporting
Annual Report**

August 2019

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1. Introduction

Equifax Australia Information Services and Solutions Pty Limited ABN 26 000 602 862 (**Equifax**) is a wholly owned subsidiary of Equifax Inc. Equifax operates a data analytics business and is a leading credit reporting body (**CRB**) in Australia and New Zealand. Its core product offering includes the provision of credit reports in relation to individuals and businesses. Equifax's data includes credit information on over 19.9 million individuals and 6.1 million commercial entities in Australia and New Zealand.

Clause 23.11 of the Privacy (Credit Reporting) Code 2014 (**CR Code**) requires Equifax to publish on its website an annual report (**Annual Report**) that includes the following information:

- Statistics relating to access requests, corrections, complaints and serious credit infringements;
- A summary of our monitoring and auditing activities;
- Statistics relating to comprehensive credit reporting, namely the disclosure to Equifax of consumer credit liability information (**CCLI**) and repayment history information (RHI); and
- Any other information requested by the Office of the Australian Information Commissioner from time to time.

This Annual Report has been prepared in accordance with the requirements of clause 23.11 of the CR Code for the period 1 July 2018 to 30 June 2019 and contains information relating to the Australian Consumer Credit Bureau of Equifax.

2. Access to Credit Reporting Information

The below table provides statistics in relation to the number of individuals who accessed their credit reporting information during the period 1 July 2018 to 30 June 2019.

CR CODE CLAUSE	DESCRIPTION	RESULT
23.11 (a)	<p>The percentage of individuals who were provided their credit reporting information free of charge.</p> <p>To calculate this percentage, the applicable formula was:</p> $\% = \text{AI(WC)} / \text{IND} \times 100$ <p>In this formula:</p> <p>AI (WC) is the number of individuals given access to their credit reporting information (without charge) by the CRB during the reporting period.</p>	1.47%

<p>23.11 (b)</p>	<p>The percentage of individuals who were provided access to credit reporting information with a charge.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = AI(C)/ IND x 100</p> <p>In this formula:</p> <p>AI(C) is the number of individuals given access to their credit reporting information by the CRB during the reporting period where the individual used a fee-based service.</p> <p>IND is the number of individuals about whom credit information is held at the end of the reporting period.</p>	<p>0.66%</p>
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3. Corrections

Part IIIA of the Privacy Act 1988 (Cth) (**Privacy Act**) provides an individual with a right to request Equifax to correct their personal information which is credit information, CRB derived information or CP derived information about the individual if at least one kind of the personal information is held by Equifax. Equifax must take reasonable steps in the circumstances to correct the personal information within specific timeframes where it is satisfied it is inaccurate, out-of- date, incomplete, irrelevant or misleading.

The below table provides statistics in relation to correction requests received, corrections made by Equifax, and the types of corrections made for the period of 1 July 2018 to 30 June 2019.

CR CODE CLAUSE	DESCRIPTION	RESULT
<p>23.11 (c)</p>	<p>The percentage of correction requests received during the reporting period.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = CR/ IND x 100</p> <p>In this formula:</p> <p>CR is the number of correction requests received by the CRB during the reporting period.</p> <p>IND is the number of individuals about whom credit information is held at the end of the reporting period.</p>	<p>0.22%</p>

<p>23.11 (d)</p>	<p>The percentage of successful correction requests; that is, where a correction request has been received by Equifax (during the reporting period) and Equifax was satisfied that a correction should be made.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = SCR/ CR x 100</p> <p>In this formula:</p> <p>SCR is the number of successful correction requests, that is, correction requests received by the CRB during the reporting period where the CRB was satisfied that a correction should be made.</p> <p>CR is the number of correction requests received by the CRB during the reporting period.</p>	<p>23.81%</p>
<p>23.11 (e)</p>	<p>The average number of calendar days taken by Equifax to finalise a correction.</p> <p>To calculate the average number of days, the applicable formula was:</p> <p>Average days = TD/ TC</p> <p>In this formula:</p> <p>TD is the total number of calendar days taken from receipt to a finalisation for all correction requests finalised by the CRB during the reporting period.</p> <p>TC is the total number of corrections finalised by the CRB during the reporting period.</p>	<p>28</p>
<p>23.11 (f)</p>	<p>The percentage of other corrections made; that is, corrections made by Equifax that were not in response to a correction request from the individual, such as corrections made on its own initiative or as a result of requests from credit providers.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = OCR/ IND x 100</p> <p>In this formula:</p>	<p>0.973%</p>



	<p>OCR is the number of other corrections; that is, corrections made by the CRB during the reporting period that were not made in response to a correction request from the relevant individual.</p> <p>IND is the number of individuals about whom credit information is held at the end of the reporting period.</p>						
23.11 (g) (i)	The types of correction requests received and made are listed below, along with the percentage of corrections for each correction type against all types (with results rounded):						
Type	Default	Enquiry	Judgment	Personal Details	Personal Insolvency Information	Summons	Other Public Record
%	26.37%	57.55%	7.62%	7.88%	0.00%	0.25%	0.32%
23.11 (g) (ii)	<p>The industry sectors from which the information that was corrected originated from were:</p> <p>Credit, Telecommunications, Utilities, Other</p>						

4. Complaint Handling

Complaints received by Equifax are managed in a fair, objective and timely manner by its resolution team.

The following table provides statistics in relation to the number, type and outcome for complaints received by Equifax during the reporting period.

CR CODE CLAUSE	DESCRIPTION	RESULT
23.11 (h)	<p>The percentage of complaints received during the reporting period.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = C / IND x 100</p> <p>In this formula:</p> <p>C is the number of complaints received by the CRB during the reporting period.</p>	0.00533333%

	IND is the number of individuals about whom credit information is held at the end of the reporting period.	
23.11 (i)	The types of complaints that were received by Equifax during the reporting period, including a percentage figure for each complaint type against all complaint types:	
	Complaint alleging access to or delivery of credit report not in accordance with the Act.	39.77%
	Complaint alleging correction request not handled in accordance with the Act	59.08%
	Complaint alleging other non-compliance with the Act or CR Code	0.38%
	Complaint alleging request for a ban on a credit report not handled in accordance with the Act	0.38%
	Complaint about Equifax's pre-screening service	0.38%
23.11 (j)	<p>Complaints finalised during the reporting period, as a percentage of the number of individuals about whom credit information is held.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = F / IND x 100</p> <p>In this formula:</p> <p>F is the number of complaints finalised by the CRB during the reporting period.</p> <p>IND is the number of individuals about whom credit information is held at the end of the reporting period.</p>	0.00526%

23.11 (k)	<p>The average number of days taken to finalise a complaint once received by Equifax.</p> <p>To calculate the number of days, the applicable formula was:</p> <p>Average days = TD/ TCP</p> <p>In this formula:</p> <p>TD is the total number of calendar days taken from receipt to a finalisation for all complaints finalised by the CRB during the reporting period.</p> <p>TCP is the total number of complaints finalised by the CRB during the reporting period.</p>	11	
23.11 (l)	Information about the outcomes of the complaints finalised during the reporting period, expressed as a percentage against all outcomes.	Investigated– additional action required	66.11%
		Investigated – no additional action required	33.89%

5. Serious Credit Infringements

The Privacy Act defines a serious credit infringement as an act done by an individual:

- (1) that involves fraudulently obtaining or attempting to obtain consumer credit; or
- (2) that involves fraudulently evading or attempting to evade their obligations in relation to consumer credit; or
- (3) where a reasonable person would consider the act indicates an intention by the individual to no longer comply with their obligations in relation to consumer credit provided by a credit provider, the credit provider has been unable to contact the individual after taking reasonable steps in the circumstances, and at least six months has passed since the credit provider last had contact with the individual.

The below table provides statistics in relation to serious credit infringements that have been disclosed to Equifax during the reporting period.

CR CODE CLAUSE	DESCRIPTION	RESULT	
23.11 (m)	<p>The percentage of serious credit infringements disclosed by credit providers during the reporting period.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = SCI/ IND x 100</p> <p>In this formula:</p> <p>SCI is the total number of times during the reporting period that a CP disclosed an opinion to the CRB that an individual had, in circumstances specified by the provider, committed a serious credit infringement.</p> <p>IND is the number of individuals about whom credit information is held at the end of the reporting period.</p>	0.01516%	
23.11 (n)	<p>The percentage of serious credit infringements disclosed to Equifax, by industry sector.</p> <p>To calculate this percentage, the applicable formula was:</p> <p>% = SCI(S)/SCI x 100</p> <p>In this formula:</p> <p>SCI(S) is the number of times during the reporting period that a CP from a particular sector disclosed an opinion to the CRB that an individual had, in circumstances specified by the provider, committed a serious credit infringement.</p> <p>SCI is the total number of times during the reporting period that a CP disclosed an opinion to the CRB that an individual had, in circumstances specified by the provider, committed a serious credit infringement.</p>	Credit Industry	22.47%
		Telecommunications	0.00%
		Utilities	0.00%
		Equipment Hire and Rental	77.53%

6. Monitoring & Auditing Activities

Under sections 20N and 20Q of the Privacy Act, Equifax must ensure that regular audits of credit providers who have consumer credit reporting information agreements with Equifax are conducted by an independent person, to determine the credit provider's compliance with the following obligations:

- (a) that credit information that the credit provider discloses to Equifax is accurate, up to date and complete; and
- (b) that credit reporting information that Equifax discloses to the credit provider is protected by the credit provider from misuse, interference and loss, and from unauthorised access, modification or disclosure.

Equifax has established a risk-based program (**Audit Program**) in accordance with clause 23 of the CR Code to monitor credit providers' compliance with the obligations referred to at paragraphs (a) and (b) above, and also the obligation for credit providers to take steps in relation to requests to correct credit related personal information required by Part IIIA of the Privacy Act, the Privacy Regulations and the CR Code.

The Audit Program includes a risk assessment of credit providers against Equifax's scoring methodology, and establishes criteria to identify credit providers to participate in the Program, including the following:

- the scale of the credit provider's credit reporting activity levels, as measured by the number of enquiries received;
- the credit provider's credit information accuracy, as determined through the number of incorrect enquiries or defaults received (i.e. defaults/enquiries that the credit providers has requested deleted from the bureau due to error);
- possible systemic issues identified through correction requests and complaints known to Equifax;
- any reported breaches of the Privacy Act, Privacy Regulations or the Credit Reporting Code; and
- previous audit experience and findings.

During the reporting period, Equifax identified 42 credit providers to participate in the Audit Program based on the above criteria and wrote to each of them, setting out the audit requirements. The 2017/2018 audit program resulted in 10 suspensions or termination of services due to non-compliance with the program with 3 remaining in progress. The 2019 Audit Program is in progress and contains 57 audits in scope.

Common issues identified throughout the reporting period include:

- Limited credit reporting procedure documentation and letter templates to inform or train employees who handle credit reporting information or credit eligibility information of their requirements to achieve compliance with policies and procedures.
- Unable to demonstrate periodic user access management controls where credit reporting information or credit eligibility information is stored or accessed.

Equifax remains committed to working with credit providers in improving their control environments.

Equifax’s Credit Provider Audit Program is reviewed annually and monitored to ensure it is effective in identifying potential non-compliance and to ensure that the process is efficient and adds value for consumers, credit providers and Equifax.

7. Consumer Credit Liability Information and Repayment History Information

Consumer credit liability information (**CCLI**) is defined in the Privacy Act to include the type of credit account opened by the individual, the name of the provider and whether they are a licensee, the day on which the consumer credit was entered into and terminated, the limit of the credit account and the terms or conditions of the consumer credit that relate to the repayment of the amount of credit and that are prescribed by the regulations.

Repayment history information (**RHI**) is defined to mean information about whether the individual has met an obligation to make a monthly payment that is due and payable in relation to consumer credit, the day on which the monthly payment is due and payable, and (if paid after the due date) the day on which the individual makes the payment.

The below table provides statistics in relation to the percentage of CCLI and RHI that has been disclosed to Equifax during the reporting period:

CR CODE CLAUSE	DESCRIPTION	RESULT
23.11 (p) (i)	<p>The percentage of credit providers that disclosed CCLI to Equifax during the reporting period.</p> <p>To calculate this percentage, the applicable formula was:</p> $\% = \text{CCLI} / \text{CP} \times 100$ <p>In this formula:</p> <p>CCLI is the number of CPs that disclosed consumer credit liability information to the CRB during the reporting period.</p> <p>CP is the total number of CPs that disclosed any credit information to the CRB during the reporting period.</p>	1.088%
23.11 (p) (ii)	<p>The percentage of credit providers that disclosed RHI to Equifax during the reporting period.</p> <p>To calculate this percentage, the applicable formula was:</p>	1.088%

	<p>% = RHI/ CP x 100</p> <p>In this formula:</p> <p>RHI is the number of CPs that disclosed repayment history information to the CRB during the reporting period.</p> <p>CP is the total number of CPs that disclosed any credit information to the CRB during the reporting period.</p>	
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8. Other Information

Clause 23.11 (q) of the CR Code requires a CRB to include any other information requested by the Australian Information Commissioner from time to time. The Commissioner has not requested Equifax to provide any additional information in this Annual Report.