In the United Kingdom there is the Consumer Credit Act, the United States of America has the Fair Credit Reporting Act, the New Zealand operates Credit Reporting Code and the Australian has the Privacy Act. All these Acts regulate's the bussiness of credit reporting but in Malaysia we are struggling with our Data Protection Act which is still at the draft stage.

The operation of all Credit Reporting Agencies in Malaysia should be suspended until some form of regulations are put in place.

Issue of CREDIT TIP OFF SERVICE (CTOS) had been actively debated in the local media for the past few days. For the records, this issue has been brought up on a number of occasions and it has also been debated in Parliament but it has never gathered momentum until Datuk Kayeas took interest in it. For this The NCCC would congratulate the said Deputy Minister.

CTOS has always claimed that they are merely providing a tipp off service to the financial institutions on which these financial institutions heavily rely upon before even considering financial services to a consumer. It has even sapped the role played by CCRIS which is maintained by Bank Negara.

The mere appearance of a consumers name on the so called CTOS list would warrant an immediate rejection of any application. This has put consumers in a difficult position as they are not able to obtain any loan facility. The question which arises here is, how perfect is the list maintained by CTOS? It must be understood that CTOS is a company and the prime motive of a company is to make profits and consumer interest will always be neglected.

The NCCC has even received calls which claims that names can even be remoned with an 'undertable fee'. Information on the CTOS system is merely collected from public sources without any verification and when records are disputed the burden is shifted to the consumer to prove otherwise. The NCCC would agree that credit reporting agencies play an important role in assisting financil institutions is assessing the credit risk of a person but the operation of such agencies should be heavily regulated as they store private data of individuals.

The risk of information being abused is always high. In the United Kingdom there is theConsumer Credit Act, the United States of America has the Fair Credit Reporting Act, the New Zealand operates Credit Reporting Code and the Australian has the Privacy Act. All these Acts regulate's the bussiness of credit reporting but in Malaysia we are struggling with our Data Protection Act which is still at the draft stage. The operation of all Credit Reporting Agencies in Malaysia should be suspended until some form of regulations are put in place.

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