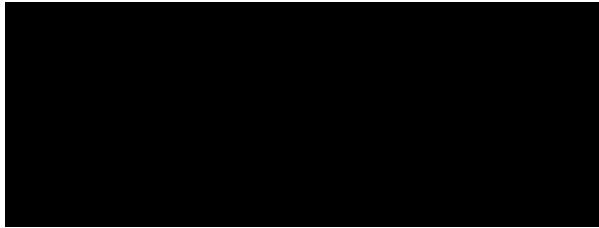


29 June 2023



Official Information Act #22.197 – Response

1. We refer to your request received on 31 May 2023 for information relating to complaints the Commerce Commission (the Commission) has received about lenders. You requested:
 - 1.1 how many complaints the Commission has received about lenders;
 - 1.2 any information about the number of cases being referred to the lenders' dispute resolution providers and the outcomes, broken down by lender; and
 - 1.3 any data about average interest rates charged, fees charged, and amounts borrowed, broken down by lender.
2. On 17 and 19 June 2023, you clarified that you were interested in receiving data over the last three years, and that you were interested in receiving complaint numbers about personal loan providers, such as Afterpay and GEM as opposed to banks.
3. We have treated this as a request for information under the Official Information Act 1982 (OIA).

Our response

Buy Now Pay Later (BNPL)

4. We received 115 complaints or enquiries about BNPL providers between 31 May 2020 and 31 May 2023.
5. To collate this number, we searched our database for the following BNPL providers that currently operate in New Zealand or have done in the last three years. Traders searched include:
 - Zip co nz

- Afterpay
- Klarna
- Laybuy
- Humm/Flexigroup (New Zealand) Limited
- Bundll (powered by Humm)
- Openpay
- Genoapay (Latitude Innovation Holdings Limited)
- Layaway

Gem & Q Card Traders

6. We received 161 complaints or enquiries¹ between 31 May 2020 to 31 May 2023, about Gem, Q card, and/or one of their parent companies.

6.1 Gem traders include:

- Latitude Financial Services T/A Gem Finance
- Latitude Financial Services

6.2 Q card traders include:

- Q Mastercard
- Q card
- Consumer Finance Limited
- Consumer Finance Limited T/A Q card

7. Please note:

7.1 The Commission's current database was implemented in 2017. At the time of implementation, complaints records from 1 January 2012 onwards were transferred to our current database.

7.2 Limited complaint records from before 2012 were transferred to the current database. These do not reflect a complete picture of the complaints received by the Commission before 2012.

¹ Due to the nature of these lenders, companies may be tagged to a variety of subject(s) in our database. There may be other complaints not specific to Gem or Q card captured in the 161 complaints, due to searching for their parent companies also.

- 7.3 Other than complaints transferred to the current database, we are not able to provide the failure rate of dispute resolutions.

Referral of cases to dispute resolution schemes

8. The Commission does not hold the information requested at [1.2]. You may wish to contact each of the Dispute Resolution Schemes to see if they can assist with your query. There are currently four schemes approved by Consumer Protection to provide financial dispute resolution services. Details are available [here](#).

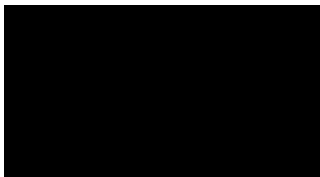
Data about average interest rates charged, fees charged, and amounts borrowed

9. As part of the Commission's lender website review in 2017/18, the Commission gathered information about interest and fees displayed by a number of lenders. While the research was carried out between May and December 2017, we thought this review may be of interest to you. A copy of the report is available on our website [here](#).
10. We do not hold any other information responsive to your request at [1.3].

Further information

11. If you are not satisfied with the Commission's response to your OIA request, section 28(3) of the OIA provides you with the right to ask an Ombudsman to investigate and review this response. However, we would welcome the opportunity to discuss any concerns with you first.
12. Please note the Commission will be publishing this response to your request on its website. Your personal details will be redacted from the published response.
13. Please do not hesitate to contact us at ويا@comcom.govt.nz if you have any questions about this response.

Yours sincerely



OIA and Information Coordinator