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MEDIA RELEASE

BUY NOW PAY LATER CONSULTATION WELCOME

The St Vincent de Paul Society in Australia welcomes the release by the Australian Government of a consultation paper setting out regulatory options for Buy Now Pay Later (BNPL) products.

National President Claire Victory said the lack of regulation is causing serious harm to vulnerable Australians struggling to cope with crippling inflation.

'Buy Now Pay Later products must be fully regulated as conventional credit, with the same lending rules as other credit products,' Ms Victory said.

'This is the only option that will adequately protect consumers from Buy Now Pay Later products, which are having a devastating impact on a growing number of financially vulnerable Australians.

'As the cost-of-living crisis deepens, our members are reporting a sharp increase in people seeking help after using one or several Buy Now Pay Later products to pay for essentials such as food and clothing.

'This can have devastating consequences, as people miss other payments or go without essentials in order to service their Buy Now Pay Later account, and are pushed further into disadvantage,' Ms Victory said.

The Society is part of a coalition of community groups advocating for Buy Now Pay Day products to be regulated in the same way as other credit products.

'We welcome the release by Treasury of the consultation paper on regulation of the Buy Now Pay Later sector,' Ms Victory said.

'Of the three options set out in the paper, only the regulation of the sector in line with other forms of credit will be sufficient to prevent vulnerable consumers experiencing ever increasing financial stress.

'This new industry currently falls outside the Credit Act. Australia has safe lending laws for a reason. It is time to close the loophole and treat Buy Now Pay Later for what it is – credit,' Ms Victory said.

The consultation paper is available on [The Treasury website](#), with submissions due by 23 December.