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Date: 25 January 2016

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Committee Secretary
Parliamentary Joint Committee on Corporations
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Dear Committee Secretary

Impairment of customer loans

I am pleased to provide Legal Aid Queensland's responses to questions on notice asked by the committee.

Question 1 – Are you able to provide legal aid to cases that relate to loans from banks for retail, small business and commercial loans?

Response - Legal Aid Queensland provides legal help to assist people who are experiencing problems with retail loans from banks. The assistance provided is governed by Guideline 10 - Consumer Protection of the Commonwealth Civil Guidelines:

<http://www.legalaid.qld.gov.au/About-us/Policies-and-procedures/Grants-Policy-Manual/Guidelines-Commonwealth-Civil#toc-guideline-10-consumer-protection>

Assistance includes:

- Legal advice
- Minor assistance, including helping clients to negotiate with their banks through letters, emails, phone calls etc and
- Limited grants of aid for representation in court and to represent clients with disputes with the financial services ombudsman schemes in accordance with the Commonwealth guidelines.

Assistance to small businesses is provided by Legal Aid Queensland's Farm and Rural Legal Service, which offers legal help to primary producers who are experiencing financial hardship often due to debt or mortgage issues.

The service also helps rural businesses that are closely linked to primary production, like harvesting contractors, fencing contractors, transport operators and businesses with rural clients. The service provides advice and helps businesses mediate/negotiate with their banks, pastoral houses, finance companies or other debtors.

Question 2 – Do you have any recommendations for changes in legislation or policy relating to the terms of reference for the inquiry into impairment of customer loans?

We refer the committee to our submission provided on 20 August 2015, which outlines our recommendations in relation to the inquiry's terms of reference.

I trust our responses will assist the committee members with their deliberations. Please contact us if you require any further information or clarification.

Yours sincerely

Anthony Reilly
Chief Executive Officer
Legal Aid Queensland