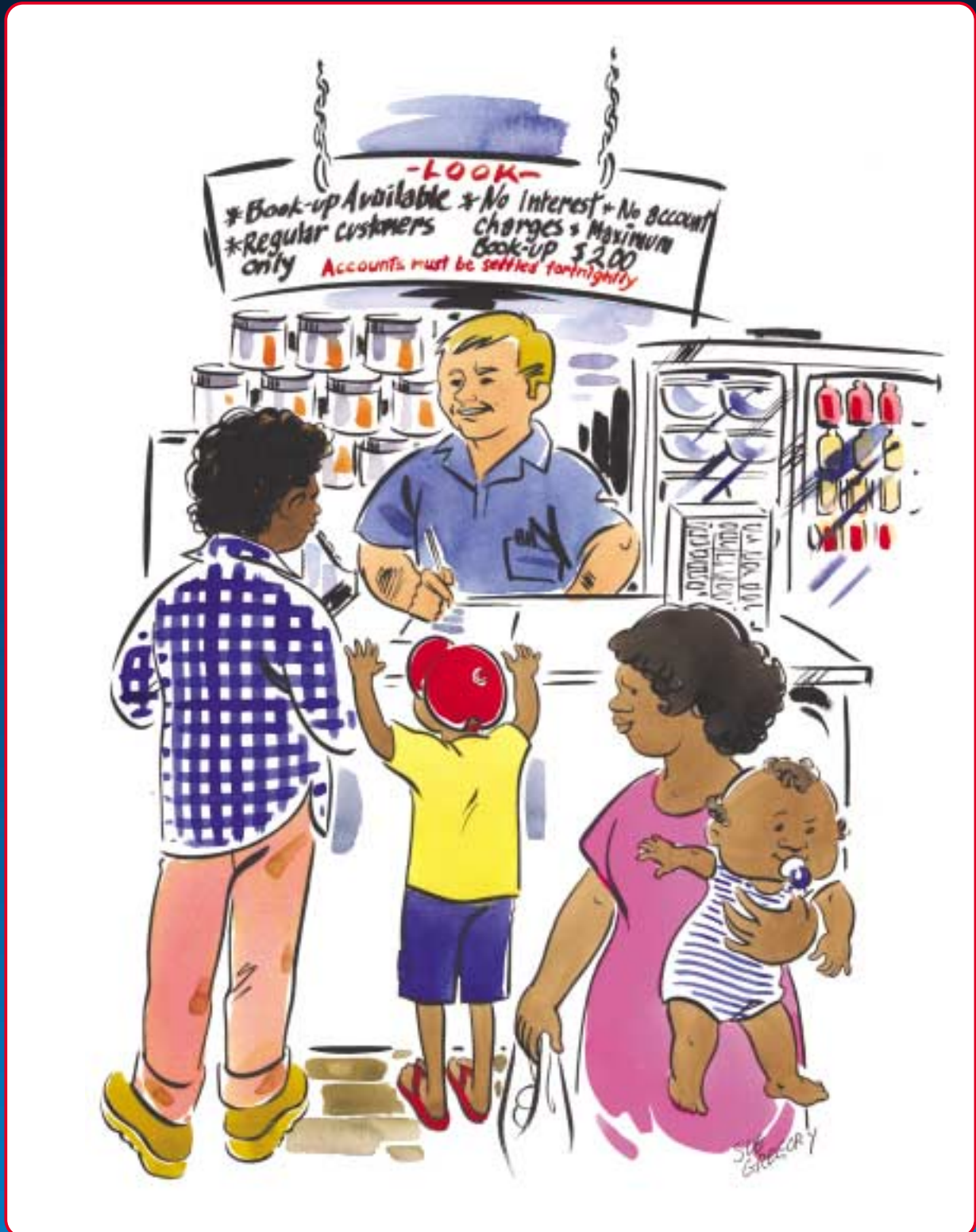


Good Bookup

Bad Bookup



Written by Ian Macdonald with Illustrations by Sue Gregory

Good Bookup Bad Bookup

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1. Bookup and Credit

BOOKUP is an arrangement where a trader provides goods or services to a customer, and the customer agrees to pay later on. In some parts of the country, this arrangement is called BOOKDOWN. In this book the word BOOKUP will be used to describe these arrangements. Any arrangement where a customer gets goods or services now, and will pay for them later on, is a type of CREDIT.

2. Bookup and the Credit Code

The Credit Code is a law which controls some types of credit between traders and customers. Bookup will be controlled by the Credit Code if:

- a) The amount of money booked up is more than \$50.00
and
- b) There is a charge for the credit of more than 5% of the amount booked up, or there is interest charged at more than 24% per year of the amount booked up.





3. Traders and Banks

In many of the remote parts of Australia, there are no banks, and no automatic teller machines. In these places it may be very useful for customers if a local trader has a computer which is linked to the banks in the city, and to Centrelink. The trader can get Centrelink payments for the customer, and give them to the customer in cash.

4. Good Bookup

Good Bookup is where:

- a) Prices of goods or services are the same whether the customer pays cash, or uses bookup.
- b) The prices of goods are clearly marked either on the shelf or on the goods themselves.
- c) The trader keeps good records of each time the customer uses bookup to buy goods or services.
- d) The trader gives the customer a docket showing the item purchased and its cost.
- e) The customer can see their bookup records when they want to.
- f) The trader makes no charge, or a reasonable charge, for booking up.





5. Bad Bookup

- Prices of goods or services are higher if the customer uses bookup then if they pay cash. Higher prices may be used to hide charges.
- Prices are not clearly shown on the shelves or goods themselves.
- The trader keeps no records, or poor records, of each time the customer uses bookup to buy goods or services.
- The trader will not show customers their bookup records when they ask to see them.
- The trader does not give the customer an itemized docket showing items purchased and their cost.
- The trader makes high charges, or charges a high rate of interest, for bookup.

A trader may hide high charges or interest by making prices higher for bookup than for cash customers.

6. What you can do about bad bookup?

The Department of Consumer and Employment Protection in Perth, and the Australian Securities and Investment Commission and the Australian Competition and Consumer Commission in Canberra are interested in examples of bad bookup, and in things that need to be done to stop it. A financial counsellor in your area can look at your bookup arrangement, and tell you if it is good bookup or bad bookup. If you have a bad bookup arrangement with a trader, your financial counsellor can help you contact the Department or the Commission to take action on your bad bookup trader.





7. Traders who hold keycards or passbooks

Security

Some traders who have backup arrangements trust their customers, and give them credit without any security. SECURITY is something which some lenders or traders want, to make sure they get back the money they have lent.

Some traders want security for the backup, and ask the customer to leave their bank keycard or passbook as security.

Some traders ask the customer to tell them the PIN number for the keycard, so the trader can use the keycard.

Some customers ask traders to look after their keycards or passbooks, because they do not have safe storage where they live.

8. Getting back a Keycard or Passbook

The contract between a customer and their bank usually says that the bank owns the keycard or the passbook, and gives it to the customer to use while they have an account going.

Because the bank owns it, the customer cannot give it away. The customer can only lend it to the trader, and if the customer wants it back, the trader should return it. If the trader refuses to give it back, for example if the trader says the customer owes money and they won't give back the keycard or the passbook until the money is paid, the customer can:

Go to your local financial counsellor. The financial counsellor can help you by speaking to the bank, and changing your PIN number so the trader cannot use it, and arranging for the bank to give you a new keycard.

Your financial counsellor can write a letter to the trader, saying that unless they return your keycard or passbook, they will make a complaint on your behalf.

The Department of Consumer and Employment Protection, the Australian Securities and Investment Commission, and the Australian Competition and Consumer Commission and the Banking Ombudsman will take action against traders who are acting in a dishonest or unfair way.





Telephone numbers for Financial counsellors in your area

Country:

Albany	(08) 9841 2956
Broome	(08) 9193 6425
Bunbury	(08) 9791 2585
Busselton	(08) 9754 1858
Carnarvon	(08) 9941 4448
Collie	(08) 9734 4490
Derby	(08) 9193 1455
Esperance	(08) 9071 3118
Exmouth	(08) 9949 2225
Geraldton	(08) 9964 3544
Hall's Creek	(08) 9168 6551
Kalgoorlie	(08) 9091 1833
Katanning	(08) 9821 1304
Kununurra	(08) 9168 1528
Mandurah	(08) 9581 3914
Manjimup	(08) 9777 1945
Meekatharra	(08) 9980 1901
Mount Barker	(08) 9851 1200
Narrogin	(08) 9881 2920
Newman	(08) 9177 8708
Northam	(08) 9622 5901
Roebourne	(08) 9182 1169
South Hedland	(08) 9140 1613
Wyndham	(08) 9161 1383

Perth Metropolitan:

Please contact **Financial Counsellors Resource Project WA Inc.**
on telephone (08) **9221 9411** for details of your nearest financial counsellor
or

Contact the **Department of Consumer and Employment Protection**
on telephone **1300 30 40 54**

