



# ican

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Indigenous Consumer Assistance Network LTD

## ICAN Update

ICAN attended the launch of the award-winning Step UP (low interest loans) and Adds UP (matched-savings) programs last week at Shelter Housing Action Cairns (SHAC). The programs were launched by The Honourable Peter Lawlor, Minister for Tourism and Fair Trading, Queensland.

SHAC has led the way in microfinance in the region and has provided access to the No Interest Loan Scheme (NILS®) since 2005. ICAN commends the work of SHAC, together with National Australia Bank (NAB) and Good Shepherd Youth and Family Services in offering these not for profit microfinance programs. ICAN was also pleased to receive \$50,000.00 to extend our NILS program into the Torres Strait. [To find out more click here.](#)



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### Dave's Dollars

I'm going to talk to you about purchasing a vehicle. There are many things to consider when buying a car.

What are you buying the car for; Personal use, for towing a boat, going camping in or maybe to carry passengers?

Obviously you will not buy an XR6 if you need a car to tow your boat or go out camping in. also what type of roads you have got are they sealed roads or dirt roads. For example would you buy an XR6 if you we're living in the Cape area or would a 4 wheel drive be more appropriate for the conditions? Even if you wanted the vehicle just to cruise in the community, do you think an expensive brand new car is suitable for the road conditions or a good second hand vehicle?

Once you've worked out what car you want, then you work out a budget to know what you can afford. Remember

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#### DISCLAIMER

'The information set out in this newsletter is a summary of some issues you should consider as consumers. It is not comprehensive and it is not legal advice. You should contact a community legal centre or a solicitor for legal advice about your situation. You can also obtain further information from the offices referred to in this publication'



Representatives from the Cairns and Townsville Indigenous Coordination Centres (ICC), Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and ICAN met last month to discuss the future operations of the Yarrabah and Palm Island Money Management Programs. Dale Gertz (ICC) and Michelle McLinden (FaHCSIA) took time out of their busy schedules to visit Yarrabah and talk with ICAN staff about how NILS is adding value to the program workshops.

**Pictured Above:** The Honourable Peter Lawlor, Minister for Tourism and Fair Trading, Queensland. **Pictured Below L to R:** Daniel Noble, Dale Gertz (ICC) Michelle McLinden (FaHCSIA), Lutricia Sexton and Mishalia Yeatman.

when you go to purchase a car you are in charge not the salesperson. You are the one with the cash and in charge so don't be afraid to ask questions or let the salesperson talk you into buying a more expensive car.

Once you choose a car, get an independent inspection. Ring a mechanic that you know of that you can trust or RACQ and ask for full body plus mechanical or just mechanical inspection. Find out how much this will cost and how you can pay them for this. Contact the car yard and ask them if they could deliver the car to the address of the inspection. If they refuse to take the car to for the independent inspection, don't buy it. Even if you take someone who is familiar with cars and is not too sure on the condition of the motor, make sure you get an independent report.

It gets more complicated if you live in a remote area. If you are unable to see the car, but you know someone at the place where you're gonna purchase the vehicle than ask them to go and have a look. It is a good idea if you can view the car before you purchase it or get someone who you trust to have a look at the car.

Try not to go over your limit (budget) that you have set. You know \$400 a month don't sound like much but as we go along we collect other bills such as

electricity, phone, food and gas; so give yourself a little breathing space. Also don't let the salesperson persuade you or change your mind. Let me tell you a story about a client who went over his budget.

I had a client who wanted to trade in his old car for something similar; small and fuel efficient. This client went off to a car yard who agreed to trade the car in, told them what he was looking for; a car not too expensive and good on fuel. He said that he was talked into buying a brand spanking new vehicle which looked flash at the time but was out of his price range. The client said to me that he didn't really want the car but the salesperson made it sound so good that he decided to get it.

He made regular payments and had a good job at the time. Due to no fault of his own; he was put off work and started falling behind in payments. He got another job but because of the arrears was finding it difficult to make the extra repayments and catch up on the arrears. He has since handed back the vehicle and is left with a debt, most probably for the rest of his life of around \$40,000 - \$50,000.

I was very impressed with this client. What made him strong was that he knew that he could not afford the repayments and he made his own decision to hand

the car back. The client realized that he had made a big mistake and blamed no one but himself.

So please don't learn this lesson the hard way. Just be careful and determine your 'needs' from your 'wants'.

When I first moved to Cairns I went with someone who purchased a vehicle. I saw a car that I really wanted, I told my wife that I wanted that car and was gonna get it through finance from the car yard, But when I read this persons contract and saw the interest that this person had been charged, it changed my mind. Now we are saving for a car and give us another year we'll have enough money to buy a brand new spanking car. I got 2 girls living with me, my wife and my daughter, ooh and there'll be a new addition to the family on Thursday, a pup, and guess what, yes another female. I just hope we don't buy a pink or a purple car, hahahaha.

I recommend the best thing to do, is to do research before "heart jump" when purchasing a vehicle. Also don't be scared to ask for advice, it can save you heaps in the long run. Check out the car buying section in the ICAN website you can download a car buying checklist to help you with your next purchase.

Until next time 'smart savings'.

# Reported Telstra Issue - Just the tip of the iceberg

[Darwin ABC Journalist, Iskhandar Razak reported last week, residents of an Aboriginal community off the far north coast of Arnhem Land in the Northern Territory were unfairly sold Telstra mobile phone plans they do not understand and cannot afford.](#)

The Indigenous Consumer Assistance Network (ICAN) has received similar complaints from communities throughout Cape York and the Torres Strait Islands. Indigenous money management workers and financial counsellors from Northern Western Australia, APY Lands in Central Australia and the Northern Territory have also complained about this same issue at the Australian Financial Counsellors and Credit Reform Association's annual conference held on 28-31 July 2009 in Melbourne.

"We have taken these cases to the Telecommunications Industry Ombudsman and the Telstra Hardship Team on an individual basis," stated Aaron Davis, CEO for ICAN.

"Whilst ICAN has been successful at getting good outcomes for individuals, the organisation feels that we are only seeing the tip of the iceberg and the reporting of the Northern Territory complaints prove that. What needs to happen is a structural policy change. The telecommunications industry needs to sit down

with Indigenous Communities and hear their issues first hand. Then they need to act on those issues accordingly", Mr Davis said.

Over the past several years ICAN has witnessed the financial services industry create great outcomes for Indigenous consumers through this process.

"We're talking about the most disadvantaged consumers in Australia. It's time the Telecommunications Industry caught up, Mr Davis added"

ICAN prepared a draft consultation paper for the newly formed [Australian Communications Consumer Action Network \(ACCAN\)](#) outlining the telecommunication issues of regional and remote Indigenous community residents. With the ever growing number of complaints, addressing communication issues has been identified as a high priority for ICAN and strategies have been put in place.

If you're from a regional or remote Indigenous community, ICAN is keen to hear about your telecommunication issues. Provided you have access to a phone, you can call us on 1300 369 878 for the price of a local call.