

## CREDIT BUREAUS – THE CANADIAN STORY

Giant national or multinational credit bureaus are relatively new creations. Before 1970, about 150 regional credit bureaus divided up the country. Most of those bureaus were launched by groups of merchants who shared information to help identify potentially bad credit risks. These groups eventually evolved into today's credit bureaus.

Canada's three major credit bureaus are:

**Equifax Canada Inc.** Consumer Relations Department, Box 190, Jean Talon Stn, Montreal, Quebec, H1S 2Z2 [www.equifax.ca](http://www.equifax.ca)

**Trans Union of Canada Inc.** Consumer Relations Centre, P.O. Box 338, LCD 1, Hamilton, Ont. L8L 7W2 [www.tuc.ca](http://www.tuc.ca)

**Northern Credit Bureaus** [www.creditbureau.ca](http://www.creditbureau.ca)

Did you know that the government doesn't run Canada's credit bureaus?

They are private companies that operate under very little scrutiny. And did you know credit bureaus have no legal responsibility to ensure the accuracy of the files they keep? They can sell your personal details to their customers without verifying the truth of the information. You don't like that? Don't hold your breath waiting for a response. Credit bureaus respond to consumer complaints on their own terms, and in their own time.

By international standards, Canada's credit-bureau standards are a joke. In the United States, the Federal Trade Commission strictly regulates credit bureaus and regularly audits them to make sure they're maintaining files properly. In January 2000, the three major U.S. bureaus agreed to pay a combined \$2.5-million (U.S.) settlement to resolve charges that they had violated the Fair Credit Reporting Act.

All three Canadian credit bureaus operate by information swapping with credit granters like department stores, credit card companies, banks, etc. At the end of every month, those credit granters send the bureaus a record of every account they opened in the past month. The bureaus piece together the information to build a file on you. The file details how much you make, how much you owe, and your record of repaying debts.

This works well for the credit bureaus and the credit granters, not so well for you. The credit bureaus make money selling your information, while credit granters get a reduced rate on credit reports. If you deal with two banks, each of them could be aware of your status with the other, and could use that information to make decisions about you.

Credit bureaus say mistakes are inevitable when you're dealing with millions of consumers. "The Achilles heel of the credit-reporting agency is a question of identification. When you're dealing with 20 million files, you're going to find a lot of people with the same name. You're going to find a lot of people who have the same name, live in the same city and have the same birth date."

We agree mistakes are inevitable. The credit bureaus don't really care about you, you are just data – a statistic. So let's be proactive. What can you do?

# MY CREDIT HISTORY IS GREAT... OR IS IT?

A bad credit rating makes investing in real estate, or any business venture, very difficult. Yet, thousands of Canadians find mistakes on their credit files every year. How is your credit?

Credit bureaus are actually private businesses, not public utilities. They are very loosely regulated, and they make mistakes. You must make sure you don't fall through the cracks.

## 1. CHECK YOUR CREDIT REPORTS

Be aware of what your credit report says about you. You need to know if your credit report:

- a) is actually yours and not someone's with the same name or birth date;
- b) has your current credit information.

We've attached forms for the two biggest credit bureaus in Canada. Request reports from both; different companies deal with different credit bureaus. They will send you your file for free. To get a copy of your file from Northern Credit Bureaus, you must print out and mail in a series of forms, along with a fee. Get more information at [www.creditbureau.ca](http://www.creditbureau.ca).

Request a report annually even if you're not looking for any loans. Request a report before you apply for financing.

## 2. MAKE CHANGES PROMPTLY

If you find any errors, it is up to you to prove them. A correction form will be sent to you with your credit report. Fill it out and send it back immediately. Once the change has been made, the credit bureau will send you a new copy of your credit report.

Be warned, it usually takes at least a month for the changes to be made.

## 3. PROVIDE ACCURATE INFORMATION

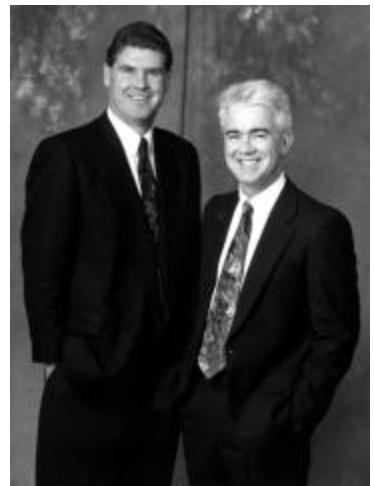
Often the errors on credit reports are simply human error; some data entry clerk mistakenly types your address wrong and you don't get your final bill. Be sure to fill out any application forms clearly so there is less room for error.

## 4. AVOID THE "CREDIT-REPAIR CLINIC"

These companies will simply guide you through this process for a fee. You make all the actual corrections and updates.

If you have problems with a credit bureau, contact:  
Alberta Government Services  
Consumer Information Centre  
(780) 427-4088

**RITCHIE MILL LAW OFFICE**  
**102, 10171 Saskatchewan Drive, Edmonton, Alberta T6E 4R5**  
**Phone: (780) 431-1444 Fax: (780) 431-1499**  
**[b.mcguire@rmlo.com](mailto:b.mcguire@rmlo.com) [r.bell@rmlo.com](mailto:r.bell@rmlo.com)**



Date: \_\_\_\_\_

**Trans Union of Canada Inc.  
Consumer Relations Centre  
P.O. Box 338, LCD 1  
Hamilton, Ontario  
L8L 7W2**

**To Whom It May Concern:**

**Please send me a copy of my credit file.**

**My particulars are as below:**

**Full Name:** \_\_\_\_\_

**Current Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Previous Address: (fill this in only if you've moved in the last five years)**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Birthdate:** \_\_\_\_\_

**I have also attached photocopies (both sides) of two pieces of identification, one of which shows my signature:**

**Driver's License #** \_\_\_\_\_

**Birth Certificate**

**Social Insurance Card #** \_\_\_\_\_

**Passport #** \_\_\_\_\_

**Credit Card #** \_\_\_\_\_

**I look forward to receiving a copy of my credit file within 10 – 15 business days.**

**Yours truly,**

\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

**Equifax Canada Inc.**  
**Consumer Relations Department**  
**Box 190, Jean-Talon Station**  
**Montreal, Quebec**  
**H1S 2Z2**

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