

## Module 7 - Credit Reporting

## HANDOUT 7-1

### Credit bureaus

Credit bureaus are agencies that collect information about how we use credit. They produce personal credit reports. Credit bureaus are private companies. They are regulated by the province, but they are not part of the government.

There are two credit bureaus in Canada:

- Equifax
- TransUnion

They collect information about your credit use from credit card companies, financial institutions and other lenders.

### What do they do with the information?

Credit bureaus then provide this information for a fee to lenders who want to know about your credit history, or your ability to repay debt.

Lenders use the information they get from credit bureaus to predict how you will manage credit in the future.

### What are my rights around my credit report?

You are entitled to get a copy of your credit report for free once a year by mail, in person or anytime online for a fee.

No one is allowed to see your credit report without your permission. A credit bureau can only provide a copy of your report for these purposes:

- Applying for credit
- Collecting a debt
- Applying to rent an apartment
- Applying for a job
- Applying for insurance.

Credit reports are not shared across international borders – your credit history does not follow you to a new country.

### Why should I have a copy of my credit report?

Equifax or Transunion do not share information with each other. Lenders might only report to one of them, so each credit bureau may have different information about you. This is why it's a good idea to request a copy of your credit report from both of them. Mistakes happen. It is up to you to check your report and take steps to correct the information.