



Goldsmiths Students' Union Policy

Goldsmiths Students' Union Student Assembly

Motion proposed by Conrad Grant

Motion Seconded by Jamie Wright

Motion Title:

No to pay day loans

Union Notes

NUS Research found that as much as 10% of students considered to be in vulnerable groups have accessed high risk debt (including pay day loans, cash-a-cheque and doorstep loans).

Citizens Advice analysed 665 payday loan cases reported to its consumer service in the first half of this year and found that one in five were possible cases of fraud, where someone was being chased for a loan they had never taken out. More than one third of the cases involved lenders using a type of recurring payment called a continuous payment authority to drain people's bank accounts of cash without warning.

Of 160 complaints made to the ombudsman between April and June this year about payday loans, 72 per cent were upheld.

Some PDL's were found to have interest rates of more than 4000%.

Payday loans lenders have been banned from advertising at:

Keele University
Leeds Met University
Northumbria University
University of Sheffield
Swansea University
University of East London
University of Northampton Walsall College

Union Believes

One of the major reasons for the rise in prominence of PDL's is due to its easy accessibility and often indiscriminate nature of service to customers. For example, some PDL businesses such as QuickQuid provide the ability for customers to obtain money within 10 minutes of confirming the loan.

The Students' Union owe a responsibility to protect students in all aspects of their lives and we believe that allowing such companies to exploit students is unacceptable. With the immense amount of debt students take on board as a result of enrolling to university, this is difficult to deal with alone. The last thing students need is being targeted by business that seek to put profit over actually trying to assist students out of financial hardship. I believe that these companies monopolise on the most vulnerable members in society, if it's not the working class who are struggling it is students.

The governments lack of protection has left the hardest hit members of our community in a position with no alternative than to be subject to extortionate rates to, in most cases, pay bills and feed their children.

Union Resolves

- PDLs should not be allowed on campus to advertise to students.
- Campaigning to raise awareness of the potential danger associated with PDLs.
- Lobby university to ensure they are meeting the needs of vulnerable students who are prone to find themselves in financial difficulty.
- Ensure promotion of existing viable alternatives within the University and Union .