readers who haven't heard of Nimble . . . congratulations! They're loan sharks (with a hipster rabbit as a mascot) who prey primarily on young people. A short-term loan from Nimble can cost more than 200 per cent a year.

Their catch-line is "smart little loans" — which is their first lie. There's nothing smart about being financially kneecapped by payday predators.

(Incidentally, the people behind Nimble have made their fortune and are reportedly in the process of selling the business this week for a rumoured $100 million.)

Rant over.

So what can her parents do?

The Barefoot Investor: The Only Money Guide You'll Ever Need (Wiley) RRP $29.95

Resist the temptation to bail her out. She's almost 30. It's time for her to stand on her own bare feet. Instead they should get her to call the National Debt Helpline on 1800 007 007 to see if they can help her out.

And what can we do as a community to stop these rabbits?

Plenty.

In fact, after an extensive review in 2016, the Government agreed to crackdown on payday lenders. The main point was legislating that lenders limit their repayments to 10 per cent of a client's net income.

Of course, the payday lobbyists are all like, "This is, SO unfair!"

No doubt they've been pleading their case to Assistant Minister to the Treasurer, Michael Sukkar.

And maybe it's working? It seems the legislation has been mysteriously delayed.

Or maybe Michael Sukkar (hello to his press secretary, who is reading this over a coffee in Canberra) is planning on pulling a rabbit out of his hat?

Be Nimble, Michael.

What if banks put customer interest first?

Noel Whittaker

IT'S been a bad week for the banks. Not only do they have to contend with a royal commission, but three of the big four are under fire on other fronts.

Right now, there is a court case going on in Melbourne between Westpac and ASIC, in which Westpac is being taken to task for offering some customers the chance to win a $20,000 cash prize if they agreed to roll over their retirement savings to a BT super account.

According to James Renwick, SC, the barrister for ASIC: "Customers were encouraged to roll over their external funds to BT without considering even the most basic questions about whether it or not it was in their best interests."

It may sound like a no-brainer to roll all your superannuation accounts into one account to save fees, but life insurance can be a major issue here. Just recently I heard about a situation in which the husband was diagnosed with an incurable disease. Thinking she was acting in the best interests of the family, the wife rolled all his superannuation into one super account. She had not realised that by doing so she had lost $400,000 of life insurance that was in one of the accounts she closed.

The lesson is clear: you should never transfer one superannuation fund to another unless you have carefully checked out the implications for any insurance that is held by the fund you are closing.

Now, let's turn to NAB. According to Choice, NAB is running an ad aimed at young people, offering a $10,000 personal loan to be paid back at just $45 a week over seven years. The interest rate is a staggering 15.74 per cent. Anybody foolish enough to take up this personal loan would find themselves paying more than $6000 in interest.

Anybody with a basic knowledge of compound interest would understand why the borrower is paying such a hefty sum in interest. The two main factors that influence the amount of money you can accumulate, or the amount of time it takes to pay off a loan, are time and rate. But note that if the time is short, the rate doesn't matter very much.

If you took out a personal loan for $10,000 and paid it back over 12 months the rate would be almost immaterial. At an interest rate of 7 per cent the total interest would be $380, at 15 per cent it would be $836. The difference is small because the term is short.

But if you stretched out the loan to seven years the total interest would be $2684 at 7 per cent and $6212 at 15 per cent.

The lesson is clear: avoid personal loans or credit card debt if at all possible. But if you do need to borrow, maybe to buy a car, take the loan on the shortest possible term — preferably no more than 12 months. This will minimise the interest you pay and help to keep you off the debt treadmill.

The third bank under fire, once again, is Commonwealth Bank. I have long recommended that one of the best ways for young people to get ahead is to buy a house in a good location, and pay it off as soon as possible. One way is to pay off more each month than the bank requires. This saves you thousands of dollars in non-deductible interest, and also gives you a safety buffer.

Last week, CBA announced that it will automatically reduce minimum repayments for customers who get ahead. The bank will also automatically reduce minimum repayments for customers if their interest rate falls — previously this did not happen. Both changes will effectively slow down the rate at which customers pay off their mortgage.

Wouldn't it be great if banks started acting in their customers' interests for a change?

Noel Whittaker is the author of *Making Money Made Simple* and other books on personal finance. His advice is general in nature and readers should seek their own professional advice before making any financial decisions.

ASK THE EXPERT

Send your questions to Noel Whittaker **noelwhit@gmail.com** or tweet **@NoelWhittaker**

Q You say a couple on the full pension could earn $125 a week each from casual work, and make withdrawals as they wish from their super. Centrelink advises that once you draw a pension, any super account in your name is deemed to earn an income in an appropriate adjustment to your pension. Does your super account still need to be in accumulation phase?

A Superannuation ceases to be an exempt asset for people under pensionable age once they start to draw a pension from it. This is different from where a person makes withdrawals from time to time from their superannuation, while keeping it in accumulation mode.

Think twice before you hit the post button

WORKPLACE MATTERS

Gary Martin

So you have just posted on social media, perhaps Facebook or Twitter? Looking for a new position? Think carefully about what you post.

We all know social media is mainstream and no longer just a novelty to a small group of tech-savvy people. What this means is that many job recruiters use social media to their advantage.

In a somewhat controversial twist to the burgeoning uptake of social media, organisations of all sizes, and from different industries, are scouring social media sites of prospective employees.

Why controversial? Because many organisations will not readily admit social media is used to screen applicants and that it forms part of an unofficial recruitment process.

Social media can work both for and against a job candidate. A social media site, for example, can verify a candidate's suitability for a particular role and it can highlight effective communication skills, diverse community interests and other key strengths.

More often than not, however, social media is utilised by employers to gather evidence in a process akin to "digging up dirt" on a seemingly suitable candidate for a position.

While job hunters have the right to post material about themselves online, employers also appear to have the right to use that material to conduct due diligence on a candidate.

Employers examine social media sites for a vast array of negative online behaviours and inappropriate or dubious content. Inappropriate or dubious content might include discriminatory comments, sexual references, and extensive profanity.

It may seem as benign — or so you thought — as posting personal views that are critical of the industry you are now seeking employment in.

It is also true that employers use social media sites to see how a candidate has portrayed previous employers, and if there are any signs of a job hunter's illegal activity (think substance abuse) or antisocial behaviour.

On discovering perceived character flaws an employer will not normally "go back" to a job candidate and will most likely "dump" the prospect on the spot.

And here's another twist. Some suggest that having no social media presence is a distinct disadvantage for a job candidate. A lack of social media presence can mean those in the market for a job are invisible or have no "searchability" and can miss out on opportunities as recruiters pore over social media pages to form prospective candidate lists.

Others have stagnant online profiles, which once located by a recruiter do little to convince an employer the job hunter represents an attractive prospect for employment.

It is increasingly clear you need to have a social media presence if you are in the running for a job. But you also need to exercise restraint and care in how you are portrayed — or at least ensure that material is not visible to the general public.

The key message to job hunters is: use social media to your advantage, not to give an employer reasons not to hire you.

Professor Gary Martin is chief executive at the Australian Institute of Management WA