

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Australia and New Zealand Banking Group Limited

ANZ15QON: 72

**Legacy products**

Mr THISTLETHWAITE: Do you have any off-sale products?

Mr Elliott: Yes, we do. Again, in the retail bank, it is about four per cent of our product suite.

Mr THISTLETHWAITE: And are there fees that are charged on those products that are not charged to customers on more modern products—for instance, ATM withdrawal fees from ANZ banks?

Mr Elliott: It is possible. I will have to go and look on that particular question. There were products that were launched that were fit-for-purpose in the previous time that had certain fees and charges around them. Customers liked those products. While we do not sell them anymore, we do not force customers off them. We maintain them and they continue to pay on that fee structure. Many times there will be an alternative that might have a slightly different fee structure. We have your question and will come back to you on the detail.

**Answer:** Small volumes of products held by customers are 'off-sale':

- 5% of retail deposit accounts are in 'off sale' products. There are 17 grandfathered retail deposit sub-products and 38 active sub-product codes (total of 55 sub product codes).
- 1% of home loan lending accounts and 8% of offset accounts are on 'off sale' products. There are 13 grandfathered home loans sub-products and 20 active sub-products.
- 3% of retail credit card accounts are on 'off sale' products. There are 8 grandfathered products.

Fees are generally comparable between the 'off-sale' and the equivalent active product.

- The main exception is that most 'off-sale' home loans are not included in our Breakfree package.