

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Australia and New Zealand Banking Group Limited

ANZ44QW: Responsible lending – credit cards

In January 2017, the Code Compliance Monitoring Committee (CCMC) released its findings from an own motion inquiry into the provision of credit by the banks. It identified a number of responsible lending issues, including banks not collecting and verifying enough information about customers when processing credit card limit increases and not properly assessing customers' ability to repay their credit card balances. What are the banks doing about the issues identified by CCMC?

Answer: We changed our credit limit increase application form in November 2016 to allow us to perform a full credit assessment for limit increases. This takes into account a customer's full financial position, including a detailed breakdown of customer expenses and liabilities.