

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Commonwealth Bank of Australia

CBA52QW:

***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:**

Commonwealth Bank is reviewing the findings and recommendations detailed within the CCMC report of its Own Motion Inquiry into the provision of credit, in conjunction with the findings of the Code of Banking Practice – Independent Review 2016 and the Australian Small Business and Family Enterprise Ombudsman's inquiry into small business loans.

Commonwealth Bank is working with the industry to address the recommendations of the Code of Banking Practice – Independent Review to deliver on the industry's commitment to make banking better for customers. The industry will work to strengthen the governance of the Code, including by seeking ASIC's approval.