

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

Westpac

Westpac21 QON: Hansard Pages 35, 36

Mr THISTLETHWAITE: I think I understand what you mean there. Do you still have products that are off sale—legacy products, if you like?

Mr Hartzler: Yes, we do. Again, I have not had time since last week to get to the bottom of that. If you can be more specific about the scope of what you mean by that, that would help us in responding.

Mr THISTLETHWAITE: They are products that are no longer for sale but that your customers still utilise. We are instructed that many of them have fees that would be considered, by modern standards, to be outdated; for instance, a fee associated with a withdrawal from a Westpac ATM by a Westpac account holder. I understand that when ATMs first came in there were fees associated with certain accounts for withdrawals from ATMs, even though they were from your own bank. We are instructed that some account holders are still charged those fees on those legacy products.

Mr Hartzler: At Westpac?

Mr THISTLETHWAITE: Yes.

Mr Hartzler: Okay, well I would love to see details of that. That would surprise me. But I am happy to look into that.

Answer: Westpac's Consumer Bank (including the Westpac, St George, Bank of Melbourne and BankSA brands) does have off-sale, or grandfathered products. In response to the query detailed in Mr Thistlethwaite's letter of 8 March 2017, 14 per cent of transaction, savings, credit card and mortgage accounts within the Consumer Bank are held in off-sale products.

We have attached the relevant disclosure documents for the Westpac Group off-sale transaction, savings and credit card accounts. This information is captured by product type for each brand, except for Westpac branded credit cards where the relevant page has been extracted from each individual product's terms and conditions document. If required, the Committee can access the full terms and conditions documents for these products at <https://www.westpac.com.au/personal-banking/credit-cards/not-for-sale/>. This information for Westpac, St George, Bank of Melbourne and BankSA branded mortgages is being collated and will be provided to the Committee shortly.

As part of Westpac's focus on product simplification, work is progressing to review those customers in off-sale products and whether an on-sale product may be appropriate for their circumstances.