

# HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

## REVIEW OF THE FOUR MAJOR BANKS (THIRD REPORT)

### Westpac Banking Corporation

**WBC15QON:** Pages 34-35

**Mr THISTLETHWAITE:** Why don't you provide a total rate figure or a total cost figure for the transaction which includes the discount on the exchange rate plus that \$20 transaction fee?

**Mr Hartzler:** Again, there are different exchange rates that are available to different customers at different times, as a function of what's happening in markets and the size of the transactions. I take your point, and I am happy to have a look at it, but it may not be as simple as that.

**Mr THISTLETHWAITE:** This is done in other industries and in other financial products—particularly, car loans and even home loans and credit cards. You are required to disclose the total cost to the customer. Why should it be any different for foreign exchange transactions?

**Mr King:** Let us come back to you with the LitePay details. It is a new initiative. It is 19 countries online at a flat fee. We're just not around the detail of that particular article, unfortunately, so it is very hard—

**Mr THISTLETHWAITE:** Is LitePay a separate account?

**Mr King:** It's an online capability for FX transfers.

**Mr THISTLETHWAITE:** So anyone who is an account holder with you can access this?

**Mr King:** I am pretty sure that's right.

**Mr Hartzler:** It is relatively new, but if that isn't true, it will soon be true. I think the answer to that is yes.

**Mr THISTLETHWAITE:** Do you recall when you brought this in?

**Mr King:** In the last year.

**Mr Hartzler:** Yes, within the last year.

**Mr THISTLETHWAITE:** If you can take that on notice, that would be good.

**Answer:**

LitePay allows Westpac customers to send up to AUD 3,000 per day overseas to 19 European countries, the UK, India and the Philippines with low fees of \$5-\$8.

FX rates are monitored and adjusted daily based on real time currency markets and competitive pricing. Rates for LitePay are published on Westpac's website so customers are informed of fees and conversion rates prior to entering and completing the transaction.

LitePay was launched as an initial pilot involving payments to the Philippines in July 2016. The service was extended to the UK, India and 19 European countries in March 2017.