



Australian Banking
Association

Financial Counsellors' Association of Queensland Conference

Improving the Banking Experience for Customers

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Overview



Rank the Bank Survey

- Banks best performing of all industries
- Many have improved practices over time
- Best performers are understanding and look for best option for clients



Financial Abuse

- Banks are on the frontline
- Improved support for customers impacted by domestic violence
- Current laws need changing so banks can help customers more



ABA calling for law reform

- Designated entity to report suspected financial abuse
- Nationally consistent power of attorney rules
- National register of power of attorneys
- Attorney General announced National Plan to address elder abuse on 20 February 2018
- Commonwealth and all State and Territory Attorneys-General will work together to develop the Plan



Banking Industry Reforms



Easier and fairer experience for customers



Affordable and accessible



Better support for customers in need



What's New?

- Debt repayment service
- New remuneration systems
- Customer advocates
- New Banking Code of Practice



Banking Code of Practice - Principles

Trust and confidence

- Explicit commitment to behave ethically
- Fairer treatment of customers, better service and tougher sanctions



Banking Code of Practice - Principles

Integrity

- 3 day delay period for guarantors of home loans
- Better assessing customers' ability to repay credit cards
- No more credit card limit increase offers
- Deferred sales model for consumer credit insurance on credit cards sold over the phone or in a branch – 4 day wait
- 90 days' notice on renewal of small business loans



Banking Code of Practice - Principles

Service

- Proactively contacting customers at risk of difficulty
- Better promotion of financial hardship assistance e.g. notifications on mobile apps
- Strengthened protections for co-borrowers to ensure they understand the risks



Banking Code of Practice - Principles

Transparency and accountability

- New sanctions for the Banking Code Compliance Committee:
 - Requiring the bank to rectify or take corrective action on breaches
 - Formally warning a bank
 - Requiring a bank to undertake staff training on the Code



New Banking Code Compliance Committee sanctions continued...

- Naming a bank in the BCCC annual report or website
- Reporting serious, systemic and ongoing instances where a bank has been non-compliant to ASIC
- Code is legally enforceable, forms part of terms and conditions of contracts where relevant



Comprehensive Credit Reporting

- More accurate picture of a customer's credit history
- Circumstances relating to financial hardship are important
- ABA advocating for changes to legislation to ensure hardship is properly recognised



Improving Access to Banking



Fee-free ATMs in remote Indigenous communities
– 11 in QLD – 5 year renewal



Technology is changing banking – 16 million Aussies
use internet or mobile banking



Review of existing electronic accessibility standards
led by Mr. Graeme Innes AM





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Questions?

www.ausbanking.org.au

About the ABA

With the active participation of 24 member banks in Australia, the Australian Bankers' Association provides analysis, advice and advocacy for the banking industry and contributes to the development of public policy on banking and other financial services.

The ABA works with government, regulators and other stakeholders to improve public awareness and understanding of the industry's contribution to the economy and to ensure Australia's banking customers continue to benefit from a stable, competitive and accessible banking industry.

