

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (THIRD REPORT)

Westpac Banking Corporation

WBC17QW: In relation to ASIC action against Westpac for the use of benchmarking for the assessment of borrowers living expenses rather than the actual expenses nominated by customers, what are the benchmarks used by the bank for this assessment?

Answer: The benchmark used by Westpac in the assessment of borrower's living expenses was the Household Expenditure Measure Benchmark, an independent broad based measure developed by the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne.