

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

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

#### Westpac Banking Corporation

**WBC26QW:** In 2013, Jill\* was working on a casual basis at a retailer on full-time hours when she got a credit card. She was also sold Credit Card Insurance, for which she has been paying approximately \$20 per month ever since. She later lost this job and got two casual jobs (2 days and 3 days). She then lost one of these two jobs (3 days) and approached the bank about making a claim on her insurance policy. We are instructed that the bank told her she couldn't make a claim because she still has one job.

A review of the Policy wording online suggests that the 'job loss' benefit is not available for people working casually, so she could never have made a claim for job loss, even if she lost both her jobs.

How many people in casual employment have been sold Credit Card Insurance who would not be entitled to make a claim for job loss?

(\*name altered)

**Answer:** Westpac offers a number of credit card consumer credit insurance products (CCI), which provide cover if the insured loses their job, becomes unfit for work, or dies.

As a casual employee, Jill would have been eligible to apply for Westpac Credit Card Repayment Protection provided she was working at least 15 hours per week. And, under the terms and conditions of the product (as set out in our PDS) Jill would have been eligible to make a claim for job loss if she had lost both of her jobs. There is no exclusion for casual work that applies to a claim for job loss.