

Mr HOGAN: Okay. My last question is in relation to the bank account switching service which the chair mentioned earlier. This was introduced in the global financial crisis, which required banks to process requests in five business days. I understand, and a lot of people are telling me, that it typically takes the major banks over 30 to 60 days to process this. Why is this taking so long and what are you doing about it?

Mr Narev: I will need to come back to you on that. I am happy to do the work on actually understanding what the different steps involved in that are and to come back in a formal way, because I cannot give you a detailed answer at present.

ANSWER

Commonwealth Bank's policy and practice is to action switching requests within five business days, with the majority of requests being actioned on the next business day. However, the switching process involves multiple parties other than Commonwealth Bank and over which we have no control. Until these other parties perform their part in the switching process, the customer's switching request cannot be fully implemented.

Other parties who are required to perform actions that allows the switching request to be implemented can include:

- the customers themselves;
- other financial institutions; and
- service providers (for example: gym in relation to gym membership, utilities for bill payments, the customer's employer for salary credits).

Commonwealth Bank consistently actions switching directions well within the five day timeframe in relation to all activities within its control.