

24 September 2020

Mr Tim Wilson MP  
Chair of the Standing Committee on Economics  
House of Representatives  
Parliament House  
Canberra ACT 2600

By email: [economics.reps@aph.gov.au](mailto:economics.reps@aph.gov.au)

Dear Mr Wilson

We refer to the appearance before the Standing Committee on Economics of Mr Shayne Elliott and Mr Mark Hand on 4 September 2020. We would like to supplement and clarify the testimony on certain topics.

### **Royal Commission**

In relation to Mr Elliott's comments on page 3 of the draft Hansard regarding our progress on the Royal Commission recommendations, we would note that further detail is contained in our reports to the Committee dated 30 April 2020 (as amended on 6 May 2020) and 21 August 2020. These reports set out our progress on the sixteen commitments we made in February 2019 in connection with the Royal Commission. This progress includes actions taken in respect of the four recommendations made by the Royal Commission to banks for their direct implementation.

### **Credit cards**

In relation to Mr Elliott's comment concerning the interest rate on our low rate card on page 8 of the draft Hansard, we wish to clarify that this card's rate for purchases is currently 12.49%. In relation to Mr Hand's comments concerning the ANZ First for Students credit card mentioned by Dr Andrew Leigh MP, we confirm that we offer such a card.

### **Mortgage application processing times**

On page 10 of the draft Hansard Mr Hand noted that our mortgage application processing time is currently 10-days. We note that Mr Hand was referring to the 'business days' taken to process applications submitted through our branch and contact centres.

### **Fixed Rate Loans – early repayment costs**

On page 17 of the draft Hansard Mr Elliott indicated that we may waive the 'Early Repayment Cost' that applies to the early repayment of fixed rate loans when a customer is in hardship. We note that this only occurs on a case by case basis.

### **Remediation**

In relation to Mr Hand's comments on page 21 of the draft Hansard concerning remediation, we would like to clarify that as at 31 March 2020 our Australia Retail and Commercial team had remediated over 1.5 million customer accounts and issued refunds of ~\$134 million, of which \$72 million was paid out to customers in the March 2020



half.<sup>1,2</sup> Between 31 March 2020 and 31 August 2020, we have remediated a further ~800,000 accounts totalling ~\$52 million.<sup>1</sup>

These remediation payments form part of provisions already made for customer remediation. Our provisions for customer remediation across the ANZ Group as of March 2020 totalled \$1,094 million. These provisions are in respect of expected refunds to customers, remediation project costs and cost associated and related customer and regulatory claims, penalties and litigation outcomes to be made beyond 1H20.

Please let us know if we can assist the Committee with anything further.

Yours sincerely

**Martin Joy**  
**Head of Public Policy**

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<sup>1</sup> This includes instances of customer payments via cheque, or where an offer to access a payment via a payment portal was made, or where community service/charity payments in lieu of a payment to a customer account was made. A proportion of cheques and offers to access a payment via portal remain unrepresented or unclaimed.

<sup>2</sup> We provided information on this to the Committee in our 30 April 2020 report regarding our response to the Royal Commission.