

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS

#### CBA

**CBA15QW:** With reference to the bank's payment term policy or policies that the bank applies to its suppliers of goods and services, and customers of its goods and services:

(a) whether they are consistent between the purchase and sale of goods and services?

(b) in reference to (a), if not, why not?

(c) in reference to (a), if not, will the bank bring them into consistency?

**Answer:** Our payment terms for our suppliers vary according to the contract terms (refer answer CBA14QW). For example, our property leasing suppliers are generally on immediate payment terms, as are small enterprises in approved spend categories paid by purchasing cards (for examples car services, florists). Most of our other suppliers are on terms of 30 days or less.

We provide a wide variety of products and services to customers across our retail, business and institutional banks. Terms and conditions vary by product, and we are committed to being fully transparent with our customers on terms applying to their products, including complying with our commitments under Chapter 11 of the Banking Code of Practice where relevant.

It is not straightforward to find a like-for-like example where CBA is a supplier. For instance, a customer with a CBA credit card is given up to 55 days' interest free. For a customer with a CBA home loan, there are contractual obligations that regular repayments are met.