

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

CBA

CBA36QW:

Some banks have recently changed the default payment amount for mortgage holders, so that borrowers pay only the minimum amount.

- (a) Have you done this?
- (b) If so, how many borrowers does it affect?
- (c) If not, why have you decided not to take this approach?

Answer:

- (a) Have you done this?

We recently implemented a one-time Direct Debit Reduction for eligible customers whose direct debit was more than their minimum required repayment amount, as part of our COVID-19 response package.

Eligible customers were notified of the change from 14 April 2020 and their direct debit repayments reduced to the minimum required repayment between 1 – 5 May 2020. All customers have the option to increase their direct debit repayments again via NetBank, CommBank App or by contacting us.

- (b) If so, how many borrowers does it affect?

As at 5 May 2020, 627,000 home loan accounts and 828,000 customers had their direct debit successfully reduced to the minimum.

- (c) If not, why have you decided not to take this approach?

Not applicable.