

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS

NAB85QW:

- (a) What elements of the loan application process are in place to identify and mitigate the risk that the bank is party to coercive control practices?
- (b) Does the bank seek specific information from potential borrowers to identify signs of coercive control practices or financial abuse?

Answer:

- a) Where there is an application where a joint borrower is receiving no benefit from the funds, all customers are required to sign a declaration that they understand the transaction and wish to proceed. Only spousal relationships are permitted to be structured in such a manner that there would be no benefit to a co-borrower, and only once the borrowers have signed the declarations.

Additionally, when a banker suspects any sort of vulnerability or abuse they refer the transaction to NAB's Customer Support Hub, who will assess the situation and potentially contact the customers to obtain further information. Only once the Customer Support Hub is satisfied that there are no signs of vulnerability/abuse, is the transaction allowed to proceed.

The Customer Support Hub is the key point of contact for responding, advising and managing the needs of employees and customers who are experiencing circumstances of vulnerability that may be impacting their banking. Any customer in a vulnerable situation can be referred, especially those experiencing, domestic and family violence, financial abuse, elder abuse, gambling and other circumstances that make them vulnerable.

- b) When a case is referred to the Customer Support Hub, NAB staff members undertake scripted conversation with prompts and questions to help identify any potential abuse and make an assessment. NAB would prefer not to disclose these specific questions to ensure the safety of our customers.

Where financial abuse / elder abuse is identified, there are then steps taken to ensure the safety of the customer, help facilitate them banking safely and make appropriate referrals to external organisations.