



PARLIAMENT OF AUSTRALIA

## House of Representatives Standing Committee on Economics

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### Citi Australia Responses

#### HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

#### REVIEW OF THE FOUR MAJOR BANKS

#### Citi Australia

**CAB21QW a):** **What processes do you have in place to identify credit card customers who have been impacted by the COVID-19 pandemic?**

**Answer:** Citi's Australian homepage ([citibank.com.au](http://citibank.com.au)) encourages customers to contact the bank if they have been impacted by COVID-19. Customers can click through to a dedicated webpage which details the support available to anyone impacted by COVID-19 and enables them to register for the COVID payment deferral program.

On 30<sup>th</sup> April, Citi emailed all Citi branded credit card customers outlining the support available to them, with a link to the webpage referred to above.

Citi provided training to all call centre staff so they can identify and assist customers impacted by COVID-19 when they contact us by phone. Staff who make collections related calls have also been trained to identify, and offer assistance to, customers who are in arrears due to COVID-19.

Citi implemented the same process for all credit card products issued under partner brands, including an email to customers, and with COVID payment deferral program registration available on each brand's website.

The partners under which Citi issues credit cards are Coles, Qantas, Virgin Money, Suncorp, Bank of Queensland and Kogan. The data provided below includes data for Citi branded cards and all of our partners.

**CAB21QW b):** **How many credit card customers have requested deferrals of repayments related to the COVID-19 pandemic?**

**Answer:** As at 25th May 2020, 16,586 credit card customers have contacted Citi requesting assistance related to COVID-19.

**CAB21QW c):** **How many credit card customers have you identified as impacted by the COVID-19 pandemic?**

**Answer:** As at 25th May 2020, 14,120 of the 16,586 credit card customers have been placed in the COVID deferral program. The balance of customers were either covered by another support program, or chose not to proceed with the deferral.

**CAB21QW d): For those credit card customers that you have identified as impacted by the COVID-19 pandemic:**

**(i) What is the accumulated value of the credit card debt?**

\$195,005,134

**(ii) What is the average value of the credit card debt?**

\$13,811

**(iii) What is the accumulated value of the credit card limit?**

\$230,204,261

**(iv) What is the average value of the credit card limit?**

\$16,303

**(v) What is the accumulated value of the credit card monthly repayments?**

\$12,141,354

**(vi) What is the average value of the credit card monthly repayments?**

\$860

**CAB21QW e): What deferral options are available for credit card customers that you have identified as impacted by the COVID-19 pandemic?**

**Answer:**

The primary program established specifically for customers impacted by COVID-19 is a 3 month payment deferral program with potential to extend for a further 3 months. During the deferral period, customers can make payments at any time but no payments are required, no late fees are charged, and the account is not considered overdue. Interest continues to accrue on unpaid balances, and customers who are up to date with payments at the point of enrolment, are able to continue to spend on their card. Missed payments are not reported to the credit bureau during the deferral period so customers' credit bureau status is not affected. Citi will contact all customers who registered for the COVID deferral program before the deferral period ends to check whether they need additional support, or can return to their normal repayments.

To register for the COVID deferral program, customers complete a very short form confirming they have been impacted by COVID-19. They are not required to submit any verification documents or otherwise demonstrate that they are unable to make repayments. The program is designed for customers who are temporarily impacted and require a payment holiday as opposed to longer term assistance.

Citi also has existing hardship assistance programs that are available to customers who require more extensive, or different forms, of support. To access these programs, customers are requested to complete a form detailing their circumstances and financial position and provide documentation to enable Citi to identify the support measures that best meet the customer's needs. These can be tailored to the customer's individual

circumstances. A link to the application process for hardship assistance is provided on the COVID-19 webpage for those COVID impacted customers who require additional support. Call centre staff and collections staff have also been trained to identify customers who need hardship assistance.

In addition, Citi reviews information provided by customers as part of their registration for the COVID-19 deferral program to identify customers who may have additional complications (e.g. relationship breakdown, mental health issues, etc.) and who may therefore benefit from a hardship program. Citi contacts these customers to discuss the hardship assistance available.