

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS
REVIEW OF THE FOUR MAJOR BANKS**

P&N Bank

PNB01QW:	Westpac has publicly stated that it will defer repayments on credit cards for COVID-19 affected customers (Westpac Freezes Credit Card Charges for COVID-19 hit customers, The Age, 24 April 2020). Therefore, can you please advise:
(a)	What processes do you have in place to identify credit card customers who have been impacted by the COVID-19 pandemic
Answer:	Unlike home loan and business lending relief packages, the bank has not specifically tailored a package for credit card relief. The bank expected the highest demand to be for home loan and small business relief, which is where it invested its resourcing and focus. Consistent with expectations, there has been limited enquiry from members about credit card relief.
(b)	How many credit card customers have requested deferrals of repayments related to the COVID-19 pandemic?
Answer:	As at 1 June 2020 the bank had received 41 specific enquiries related to credit card repayment deferrals, with 23 of those proceeding to a formal application for assistance.
(c)	How many credit card customers have you identified as impacted by the COVID 19 pandemic?
Answer:	As at 1 June 2020, 1285 members have applied for home loan or business loan relief, with 526 of those members having a credit card facility. There has been limited enquiry or application for credit card relief specifically (refer b above).
(d)	For those credit card customers that you have identified as impacted by the COVID-19 pandemic:
Answer:	As at 1 June 2020, for the 526 members with a credit card.
(i)	what is the accumulated value of the credit card debt?
Answer:	Total Card debt: \$2,098,330
(ii)	What is the average value of the credit card debt?
Answer:	Average Card Debt: \$3,989
(iii)	What is the accumulated value of the credit card limit?
Answer:	Total Limits: \$3,703,833
(iv)	What is the average value of the credit card limit?
Answer:	Average Limit: \$7,041
(v)	What is the accumulated value of the credit card monthly repayments?
Answer:	Approximately \$62,950 based on the minimum monthly repayment of 3% of closing balance across the portfolio.
(vi)	What is the average value of the credit card monthly repayments?
Answer:	Average Repayments: Approximately \$120
(e)	What deferral options are available for credit card customers that you have identified as impacted by the COVID-19 pandemic?
Answer:	The bank's Hardship Policy continues to be accessible to all members, including those experiencing credit card pressure, with support being offered on a case by case basis.
(i)	If none, do you intend on doing so?
Answer:	The bank is continuing to monitor member needs through the COVID pandemic and should the demand for credit card relief increase, would review its current position.