

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 2-4 July 2009

**Question: bet 110**

**Topic: Bank Switching Package - Hotline**

**Hansard Page: E50-51**

**Senator BUSHBY asked:**

**Senator BUSHBY**—I assume it would have been, given that it was announced over a year ago. That is all in place. I am interested in a couple of things regarding the listing and switching service. Are all banks complying with their requirements under that?

**Ms Wijeyewardene**—My understanding is that they are.

**Senator BUSHBY**—Have you had any reports of banks that are not complying with the requirement?

**Ms Wijeyewardene**—Not that I am aware of, no.

**Senator BUSHBY**—A single consumer complaints hotline was set up for consumer complaints about all banking products.

**Ms Wijeyewardene**—That is right.

**Senator BUSHBY**—How many calls has that received?

**Ms Wijeyewardene**—I do not have those figures on me. That is something that has gone through ASIC. We can take that on notice.

**Senator BUSHBY**—I might ask them tonight. You can perhaps take it on notice as well. I guess you probably would not have any idea of the types of issues that are being raised on that hotline?

**Ms Wijeyewardene**—No, I do not.

**Senator BUSHBY**—I will pursue that with ASIC. Do you know how many hits the [www.understandingmoney.gov.au](http://www.understandingmoney.gov.au) website has had or is that a question for ASIC as well?

**Ms Wijeyewardene**—That is a question for ASIC. It is administered by ASIC.

**Senator BUSHBY**—I will go through that with them. Has the ASIC-led review been completed?

**Ms Wijeyewardene**—The ASIC-led review of?

**Senator BUSHBY**—Entry and exit fees.

**Ms Wijeyewardene**—I would have to take that on notice. I am not sure.

**Senator BUSHBY**—I will have an opportunity with ASIC tonight, but if you can take them on notice as well and see what else you may have to add.

**Ms Wijeyewardene**—Yes.

**Answer:**

The Government announced the Account Switching Package and its components on 9 February 2009. The package consists of four key components: a listing and switching service; a single consumer complaints hotline; comprehensive consumer information through the [www.understandingmoney.gov.au](http://www.understandingmoney.gov.au) site; and an ASIC led review of mortgage exit and entry fees.

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Between February 2008 and July 2009, the hotline received 265 calls, 72 of these were complaints from consumer raising concerns about banking products. Complaints have been largely regarding credit – other (36 complaints); deposit takers - bank account (18 complaints); and credit - fees and interest rates (8 complaints).

Since February 2008, the [www.understandingmoney.gov.au](http://www.understandingmoney.gov.au) site has had 18,065 visits to the switching landing page; 5,369 visits to the *Switching to Save Money* article; and 6,689 visits to the information page on switching banks.

In addition information on switching was available at [www.fido.gov.au](http://www.fido.gov.au), between August 2008 to 30 June 2009, the switching landing page had 1,821 visits while information on switching bank accounts was accessed 12,295 times.

The Australian Securities and Investments Commission released its review of mortgage entry and exit fees on 5 April 2008. The review can be found at: [www.treasurer.gov.au/Ministers/wms/Content/pressreleases/2008/attachments/018/018\\_attachment.pdf](http://www.treasurer.gov.au/Ministers/wms/Content/pressreleases/2008/attachments/018/018_attachment.pdf)