Mark Capotondi of SA 5045 writes:

Dear Senators,

I support action to ensure fairer bank fees for consumers on bank transaction and credit card accounts. The banks and other financial institutions have failed to fix this problem.

We need an independent regulator with the power to keep fees in check.

Mark Capotondi says:

I don't directly have a problem with Financial Institutions in this country recovering costs they incur in recovering costs but not unfairly punish consumers, in cases of payment default. Banks propose simply giving consumers more information about fees, but this misses the point – penalty fees are unfairly applied and are too high.

Take Citibank for example, there readycredit accounts impose a penalty fee every 14 days that the account is over the limit, or a payment is late until the payment is paid, this fee is AUS$30.00 every 14 days.

This is extortion, not cost of recovery.

I have been trying for over 12 months now to get the break up of this fee to see if it is in fact a breach of Common Law of Australia but they refuse as this information is privileged information and not for the public, then how are we to know that these fees are for cost only as under Common Law?

There is no governing body that oversees the banks in this country, yes we have the Banking Ombudsman but this is run by the banks, and they have no authority to look into these fees, I have been battling for over 12 months now to find out a governing body that can help but there isn't one, everyone I contact says we don't have any authority, and end up in a vicious circle of government departments.

Banks have an open book in this country because there is no governing body, they can do what they want and know there is nothing to stop them from charging any fee they like.

Over the past 12 months due to ilness I have fell short a few days on paying accounts, and have incurred fees in excess of over AUS$2000 from two different Financial Institutions.

St George Bank forced me to close a savings account because I refused to pay exception fees until they proved to me that these fees were not excesive they closed my accounts both savings, and Credit Card and askd me to pay the full balance of the Visa Card. All because I pushed the issue about these fees.

Is that ethical?

Banks need to be accountable for these excessive fees.