

28/05/2008

Committee Secretary
Senate Economics Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Dear Sir or Madam

**Submission to the Senate Inquiry into the Australian Securities and Investments
Commission (Fair Bank & Credit Card Fees) Amendment Bill 2008**

I am employed by a private company run by my wife and me. The company has, with St George Bank, a cheque account with a linked on-line high interest account.

We also have a self-managed superannuation fund. The fund's bank account is with Macquarie Bank.

A few months ago a cheque written from our company cheque account to the superannuation fund was dishonoured because I had forgotten to transfer funds from the linked high interest account to the cheque account. St George Bank imposed a \$38 penalty fee and Macquarie imposed a \$15 penalty fee.

We did not contest the fees because the dishonour was my fault.

However, the incident prompted me to write to St George Bank suggesting that they institute a system whereby clients could elect to give the bank standing written permission to automatically transfer funds from a high interest account to the linked transaction account in circumstances where there were insufficient funds in the transaction account to cover a cheque or direct debit but where funds were available in the high interest account. I never received a response, despite sending a follow-up letter.

I would be happy for the bank to charge a reasonable fee for such transfers.

I believe Westpac already offers this kind of facility, but I might be wrong.

My submission is that all banks be forced to provide the facility if they do not already do so.

Yours faithfully

James Edward Rowley