



## MEDIA RELEASE

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### CALL TO END PENALTY FEES ON BASIC BANK ACCOUNTS

#### Consumer groups want reform from CBA & ANZ

CHOICE and Consumer Action are calling on the Commonwealth Bank and the ANZ banks to stop gouging low-income earners through unfair penalty fees on their concession accounts.

CBA and ANZ continue to charge penalty fees on concession accounts, also known as basic bank accounts, which offer reduced-fee banking to recipients of government benefits, such as pensioners and other concession card holders.

“People on low and fixed incomes are hit hard by unfair bank penalty fees, which can quickly swallow a large chunk of a limited income,” said Nicole Rich, Director of Policy & Campaigns at Consumer Action.

“It’s Anti-Poverty Week. The banks need to stop punishing people who are already struggling to make ends meet.”

The CBA currently charges \$35 for a dishonoured periodic payment, cheque or direct debit. The ANZ has reduced its fee to \$10. Both Westpac and the NAB have already removed penalty fees from their concession accounts.

“The Commonwealth Bank holds the largest amount of household deposits in Australia, yet its fees stand out as the least socially responsible of the Big Four banks,” said CHOICE senior policy officer Elissa Freeman.

“If Westpac and the NAB can scrap penalty fees, why can’t the Commonwealth Bank?” said Ms Freeman.

CHOICE and Consumer Action are running a Fair Fees campaign calling for an end to unfair bank penalty fees. Penalty fees are charged where a customer is found to have breached the terms of their banking contract. For example, a penalty fee may be charged where a transaction account is overdrawn, there are insufficient funds to process a direct debit payment or a customer exceeds their credit card limit.

For an interview or further information please contact Nicole Rich (Consumer Action) on 0417 348 571 or Elissa Freeman (CHOICE) on 0413 719 512.

See fact sheet for further details

Visit the Fair Fees campaign website: [www.fairfees.com.au](http://www.fairfees.com.au)