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Our ref: AA1000441
Contact officer: Hannah Ransom
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21 December 2021

Michelle Jakubauskas
Director, Research and Data Management
Australian Banking Association

By email: [REDACTED]

Dear Ms Jakubauskas

Re: AA1000441 Australian Banking Association – Reporting conditions

I refer to the report provided by the Australian Banking Association (**ABA**) pursuant to the conditions of authorisation AA1000441, provided to the Australian Competition and Consumer Commission on 1 November 2021, for the period 1 September 2020 to 31 August 2021 (the **First Report**).

As required by the conditions of authorisation as varied on 3 December 2020, the First Report provides information and data from subsets of ABA Member Banks on:

- actions taken to make existing eligible customers who are or may be eligible for paragraph 47 accounts (as defined in the Banking Code of Practice) aware of their potential eligibility for these accounts, and the special features of these accounts
- the number of paragraph 47 accounts that were opened for eligible customers
- the percentage of the total number of paragraph 47 accounts held by eligible customers which have been overdrawn without the account holder's express agreement, and
- how many times (on average) such accounts have been overdrawn.

As you are aware, clauses 5.8(b)(2) and 5.8(d) of the conditions as varied provide that the ACCC may require the ABA to provide, in subsequent reporting periods, reporting from all Member Banks or a subset of Member Banks as agreed by the ACCC.

The ACCC has decided it will not require the ABA to provide information in subsequent reporting periods from a broader set of Member Banks or a different subset of Member Banks pursuant to clauses 5.8(b)(2) and 5.8(d) of the conditions as varied.

However, the ACCC notes that it will take all of the information provided in this First Report, and each future report (to be provided by the dates specified in the clause 5.8(f) of the conditions as varied), into account in any application for re-authorisation in respect of the Banking Code of Practice (the **Code**). In particular, the ACCC notes the variability in the

range of proactive steps taken by Member Banks to make existing eligible customers aware of their eligibility for and the special features of basic bank accounts as set out in paragraph 47 of the Code. For example, it appears that some banks have primarily relied on providing information to customers on their website, while other banks have undertaken more active outreach and compliance activities. This information will be used to assess the extent of the public benefits that were realised during the term of authorisation AA1000441.

The ACCC would also encourage any steps that can be taken by ABA Member Banks to provide data from a broader set of Member Banks in reporting under these conditions in future reports. Having further data from a broader set of ABA Member Banks will also assist the ACCC when it assesses the extent of the public benefits that were realised during the term of authorisation AA1000441.

Should you have any questions in relation to this matter, please contact Hannah Ransom at Hannah.Ransom@acc.gov.au or 02 6243 1255.

Yours sincerely



Susie Black
Director
Competition Exemptions