

MAKING BANK FEES FAIR

Position:

- FAMILY FIRST believes Australians are being robbed by banks with exorbitant penalty fees of up to \$50 for every dishonoured periodic payment, direct debit or cheque;
- FAMILY FIRST is concerned that low-income families suffer the most; with penalty fees that can represent a third of their weekly income;
- FAMILY FIRST is angry that banks are pocketing massive profits while fleecing the most vulnerable Australians;
- FAMILY FIRST believes penalty fees should be for cost recovery only and that banks should help customers avoid penalty fees.

Actions:

- FAMILY FIRST has introduced legislation to stop fee gouging by banks and abolish exorbitant penalty fees by ensuring they are for cost recovery only. All fees and charges must be reasonable and reflect a fair estimate of bank costs;
- FAMILY FIRST's legislation will boost the powers of ASIC (Australian Securities and Investments Commission) to monitor fees. ASIC will also have the power to investigate customer complaints and issues referred by the Treasurer;
- FAMILY FIRST's legislation will preserve customers' right to sue banks for damages if they breach the ASIC Act;
- FAMILY FIRST calls on banks to offer credit cards that do not allow customers to exceed their limit;
- FAMILY FIRST wants banks to ensure fees appear on ATM screens and phone and Internet banking before transactions are processed so customers are warned and can cancel their transactions.