

26 July 1996

The Secretary
Financial System Inquiry
Treasury Building
Parkes Place
PARKES ACT 2600

Dear Sir

The concern which we wish to address is that of the impact on people with a disability of the practice, now being adopted by all major Banks, of imposing a differential transaction cost for over the counter Teller transactions as against transactions made through Automatic Teller Machines (ATMs).

That commercial Banks should wish to encourage customers to use ATMs rather than over the counter service is quite understandable. Our experience with the two Banks to which we have made representations encourages us to believe that the Banks are not aware of the problems created for some people with a disability by this practice.

The advantages to the average Bank customer of using ATMs are obvious, the procedure is quick and efficient. From the Banks viewpoint ATMs are a more cost effective approach to providing customer services. However, some people with a disability cannot use ATMs. Most Banks have either installed, or have under development, ATMs which cater for the needs of people with a physical disability who require wheelchair access. There are people with cognitive disabilities who, because of those disabilities, are unlikely to ever be in a position where they can make use of ATMs without direct assistance.

The Head Injury Council of Australia (HICOA) represents people with Acquired Brain Injury, their families and carers. Some people with Acquired Brain Injury experience significant short term memory problems and consequently cannot remember PIN numbers; some have difficulty enough in remembering at which Banks they run accounts. In many cases, people with Acquired Brain Injury are able to operate Bank accounts with the sympathetic and helpful assistance of counter staff.

For many people with Acquired Brain Injury, the Disability Support Pension is their sole source of income. For some, given their difficulty in coping with the management of money, recourse to small, but frequent, withdrawal of funds is important. The operation of electronic bank and credit cards is too complex for many and the risk of mislaying large amounts of cash is high. The structure of Bank charges which in general seems to be that of setting a small number of over the counter transactions as free of charge, with transactions beyond that point being subject to a transaction charge which typically is higher than the charge for the same transaction through an ATM. The impact of this practice is, therefore, discriminatory. The person with a disability who is unable to use ATMs has no

choice other than to use more costly over the counter services. It is patently unfair to penalise people with a disability in this manner.

It would also be unfair to assume that a person with a disability which prevents the use of ATMs should rely on the assistance of a family member or carer. This detracts from the independence of a person with a disability who should not be forced to increase reliance on the assistance of others. On the other hand, the constructive assistance provided by Bank counter staff is part of normal customer service and does not, therefore, bring with it any increased dependence on carer support.

In the discussions we have had with two of the major Banks, the Commonwealth Bank and Westpac, there has been quick and positive recognition of this problem. Although there have been differences in the approaches followed to eliminating or minimising what has obviously been an unintentional element of discrimination, both Banks have moved quickly to institute arrangements which have addressed the problem.

We have been aware that other major Banks have unintentionally introduced similar discriminatory elements into their fee structure. Unfortunately, because of our limited resources we have not been able to make specific representations on each occasion where we have noted from press articles ect that new fee structures are being introduced. For this reason we welcome your Inquiry, in the hope that you might see fit to bring the issue to the attention of all commercial Banks.

I should note that the so-called communications revolution under which the application of computer technology is broadening rapidly is an issue which we realise could and should be turned to the advantage of people with disabilities. Some of our constituents with even severe Acquired Brain Injury are able to use computers. This opens windows in terms of communication and exchanges with other people in the community which otherwise would not be possible. Westpac has offered assistance in the Computer field and, even now, some of our constituents are making use of disability computing networks.

Nonetheless, there are people with Acquired Brain Injury who, at this stage, need the support and assistance provided by access to traditional over the counter Banking services. On behalf of these people we should be grateful for your help in drawing the attention of relevant Banks to any discriminatory elements of their fee structures.

The submission I have made in this letter is on behalf of my Council. The issues raised in it are relevant to a number of other areas of disability and I will be suggesting that the National Caucus of Disability Consumer Organisations also take up this matter with you.

Please do not hesitate to contact me if you require additional information.

Yours faithfully

Rod Irwin
Executive Director