

By email: tanya.hobbs@accc.gov.au



1st October, 2012

Ms Imogen Hartcher-O'Brien
Director – Adjudication Branch
Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

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West End

PO Box 3482
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Dear Ms Hartcher-Brown

Authorisation A91312 submitted by the Australian Bankers' Association – draft determination

TELEPHONE
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Thank you for your letter dated 30th August 2012 accompanying a copy of the ACCC's draft determination.

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Financial Counselling Australia made two submissions as part of the interim authorisation process. We argued in those submissions, that the public benefit of the agreement will outweigh any detriment. People living in remote ATSI communities, access ATMs frequently and lack any access to alternatives. We therefore support the ACCC's decision as set out in the draft determination.

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The comments below relate to various aspects of the draft determination.

Criteria in the Agreement

As set out in our submission in relation to the interim authorisation, we believe that the criteria for inclusion of ATMs in the agreement are too narrow. Some communities will not be able to participate, because even though very remote (criteria 1) and lacking access to alternative retail banking services (criteria 3), the ATM is located in a venue that also provides alcohol or gambling services.

Residents in these communities have not necessarily had any say in where the ATM was located. As a result however these communities will not benefit from the agreement and residents will continue to be adversely affected by the cost of accessing the ATM. This is at odds with the overriding objective of the agreement.

The draft determination at paragraph 43 suggests that relaxation of the criteria “would mean that many more ATMs would be eligible”. This is not our understanding. Based on feedback from financial counsellors and money management workers, the number of affected communities appears to be quite small. For example, we are aware of one example in remote New South Wales. However, if the ACCC’s view is correct, we accept the argument that this could fundamentally alter the nature of the agreement.

Numbers of Communities Affected

FCA’s submission in relation to the interim authorisation included a list of communities that were not included in the agreement, but appeared to meet the criteria (even though as we argued above the criteria are unfairly narrow). We understand that a number of these ATMs may be owned by ATM deployers that are not part of this agreement. This is an issue that still needs to be addressed. We will raise it with the multi-party working group that the Government is planning to set up.

Thank you for the opportunity to comment on the draft determination.

Yours sincerely

A handwritten signature in black ink, appearing to read "Fiona Guthrie", followed by a period.

Fiona Guthrie
Executive Director