

Unregulated Oz Banks rake in record \$11bn in Fees

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Since former PM and traitor Paul Keating floated the Oz dollar, privatised the CBA and deregulated commercial Banks their greed has known no limits; today a record eleven billion dollars in service FEES has been extracted from business and the already burdened Oz public. Furthermore, if you think the Banks are grateful, forget it, they have never had it better and are intent on off-shoring more jobs and discarding more local personnel to further enhance their bottom line. Clearly, it's time a 'Bank Workers (only) Union' was formed to balance a very imbalanced situation.



BANK customers paid a record \$11.3 billion in fees last year as banks slugged businesses with a hefty range of fee increases, while households benefited from a slight fall in the amount they paid.

According to the latest analysis of bank fees by the Australian Bankers Association, service fee revenue increased 4.2 per cent in the year to June 2012, led by a 7 per cent increase in charges to companies and a 0.3 per cent fall in charges to households.

Saving on credit card fees while overseas

The average household now pays \$8.94 every week in bank fees, a reduction of 19 cents a week compared with the previous year.

A government ban on some fees and more use of low or no fee accounts is the main reason for the fall in household fees, ABA chief executive Steven Munchenberg said today.

"Total [household]fees paid continue to fall, even though customers are doing increasing numbers of transactions, which means the cost per transaction has come down," Mr Munchenberg said.

"Most fees are paid by wealthier households who use more banking products, while low income earners are paying less than average," he said.

However, Australian businesses have more than made up for the slight fall in household fees.

Businesses, large and small, paid the lion's share of the record haul, handing over \$7.3 billion last year, an extra \$473 million compared with the previous year.

"This was mainly a result of increased business lending activity, in particular to large businesses," Mr Munchenberg said.

However, small businesses paid the bulk of the multi-billion dollar fees, accounting for just over 52 per cent of the amount charged.

"The very large number of small businesses, around 2 million, in comparison to 90,000 medium and large businesses, is one factor that causes fees paid by small businesses to exceed that of large businesses.

"For example small businesses pay 2.5 times the amount of fees on deposit accounts than large business. A similar result occurs for merchant fees where small businesses pay 2.4 times the level of fees," Mr Munchenberg said.

Consumer Action Law Centre chief executive Gerard Brody said the reduction in household bank fees was largely due to the abolition of penalty fees many of which are the subject of ongoing class action legal claims.

"A consumer bug bear is still ATM fees which have been creeping up - particularly those charged by independent ATM operators," Mr Brody said on Thursday.

"Credit card fees are also significant and vary widely, low rate cards have an average annual fee of \$55 while reward cards can cost \$100 or \$200 just for the annual fee," he said.

According to the analysis fees charged for home loans, credit cards and transaction accounts make up 90 per cent of household bank fees.

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<http://tinyurl.com/maqtqey>

Jungle Drum Prose/Poetry. <http://jungledrum.lingama.net/news/story-645.html>