



## Australia's Big Four Banks Move Against Financial Abuse

**18 October, 2023:** The Centre for Women's Economic Safety (CWES) has welcomed the move by another of Australia's big four banks to address financial abuse in its Terms and Conditions.

ANZ has today announced new Terms and Conditions (T&Cs) on its digital transaction and savings product which state that financial abuse is unacceptable conduct and that people who inflict financial abuse through the product may be warned or exited from the bank.

It follows announcements by NAB, Westpac and the Commonwealth Bank that they will change their terms and conditions on a range of bank products to address financial abuse.

The announcement comes in response to recommendations in the CWES' *Designed to Disrupt* report, which called on banks to redesign products to improve financial safety.

CEO of CWES, Rebecca Glenn, says "All four of Australia's big banks have now adopted the recommendation to change Terms and Conditions.

"This is a significant step in the right direction to explicitly challenge financially abusive behaviour.

"Any action banks can take to mitigate harm experienced by victim-survivors of financial abuse and make it harder for perpetrators to misuse products, is welcome news."

Designed to Disrupt author and Adjunct Associate Professor at UNSW School of Social Sciences, Catherine Fitzpatrick, says "Customers of Australia's major banks are now on notice that misusing their products and services as a tactic of coercive control is unacceptable.

"I'd encourage everyone to read the fine print of their bank accounts and ask their bank what they are doing to protect victim-survivors of financial abuse and to put perpetrators on notice. If all Australian banks followed the lead of the big four, it would send a clear message to the community that it's not okay to control people through their access to money."

Domestic, Family and Sexual Violence Commissioner Micaela Cronin welcomed the announcement saying, "These are practical changes that will make a meaningful difference for people escaping violence.

"The four banks have shown real community leadership in recognising that the systems we build can be weaponised, and being proactive in redesigning those systems to prevent harm."

Financial Counselling Australia CEO, Fiona Guthrie, says "Financial counsellors will be delighted that all of the major banks have acted to stamp out financial abuse by changing the terms and conditions of their products. Well done ANZ, Comm Bank, NAB and Westpac.



“We now call on the rest of the banking industry to make the same changes. It is never acceptable for people to use the banking system to perpetrate financial abuse. Sending someone an abusive message through a banking transaction is not a benign act. It is a deliberate strategy by the sender, often designed to harass, threaten or incite fear in the recipient.

“Changing the terms and conditions to be clear that this kind of behaviour is unacceptable is an important step in reducing family violence. But safety by design is an all encompassing approach. The next stage is for the banking industry to look at all of their products using a safety lens aiming to reduce, and if possible, prevent financial abuse.

“All of us have a role to play in reducing family violence and it is good to see the major banks playing their part.”

In its **Designed to Disrupt** report published late last year, CWES called on all Australian banks to redesign products to improve financial safety. It called for banks to start by changing their terms and conditions to make it clear that a bank account is no place for abuse and that they will take action against customers who misuse their products to cause harm.

In March, CWES conducted a desktop review of the T&Cs of the 20 Australian Banking Association (ABA) member banks to measure the baseline and found:

- None of the 20 banks referenced financial abuse in T&Cs
- 9 banks describe the misuse of payment descriptions to send abuse as unacceptable behaviour
- 6 banks describe the consequences for the misuse of payment descriptions to send abuse, with 4 citing it as a reason to close an account.

The [Designed to Disrupt report](#) draws on the eSafety Commission's Safety by Design for the technology sector and proposes the finance sector commit to a tailored framework. The report outlines changes to financial product design to improve safety and counter the ways products are weaponised. For example, setting up every joint account with separate passwords, logins and portals for each person so it's simpler and safer to separate if the relationship ends or is abusive.

For more information about CWES: <https://cwes.org.au/>