

Charles Frank

From: The Hills [hillhwh@absamail.co.za]
Sent: Sunday, December 17, 2006 8:41 PM
To: Banking Enquiry
Subject: Bank Charges

Dear Mr Frank

My submissions to the banking enquiry on bank charges are as follows:

1. Absa charges more for internet banking than over the counter transactions. For us, based on a fixed monthly management fee, it is cheaper for us to write cheques than to pay accounts over the internet. Since it takes more human resources to process cheques than internet transactions, surely it should be the other way around.

2. Internet banking charges are also very expensive. Furthermore, while the bank details all cheque, cash withdrawal, cash deposit and debit order charges individually on the bank statement, there is no detail regarding charges for internet transactions on the same statement; there is simply a lump sum internet banking charge. I feel the bank is trying to dupe the consumer in terms of the real cost of internet banking by not detailing these charges in the same way as for transactions previously mentioned.

3. Absa also charges an administration fee for posted hard copy bank statements, even though we do not wish to receive these since they can be obtained off the internet. It is a waste of paper (environmentally unfriendly), waste of postage, waste of manpower, etc. We would prefer not to receive posted statements on our current account, nor be charged for them. However that is not an option that is offered. If it is possible with Absa credit card statements, why is it not also possible with current account statements?

4. Regarding SAVINGS and Mr Manuel's continual gripe that we don't have a culture of saving in this country: my three children (one scholar and two full-time students) have to pay an administration fee on their savings accounts, both Nedbank and Absa. The interest on these accounts is not worth mentioning and neither do they receive posted hard copy statements for these accounts. So what is this so-called administration fee for, especially since they pay a bank charge for every transaction they make? The bank charges on their savings accounts are far higher than ours on a current account. No wonder there is no culture of saving in this country - the banks actually whittle away the capital in young people's savings account exactly when they should be learning how to save - there is no incentive for anyone to save.

Yours faithfully
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