ANZ RESPONSE TO TREASURY
CREDIT CARD CONSULTATION PAPER

1. ANZ welcomes the opportunity to make a submission to the Treasury consultation paper *Credit cards: improving consumer outcomes and enhancing competition*.

2. This submission comments on key issues arising in the Senate Inquiry into *Interest Rates and Informed Choice in the Australian Credit Card Market* (**Inquiry**) and responds to the questions set out in the Treasury consultation paper.

3. In this response, ANZ confirms our intention to deploy a pre-hardship program during 2016 to move potentially vulnerable customers with credit card debt to a sustainable financial footing.

CREDIT CARDS BACKGROUND

HOUSEHOLD CREDIT CARD DEBT

4. The Inquiry looked into the incidence and level of credit card debt. ABS data made available since the Inquiry shows that the mean credit card debt for the lowest quintile by income household was $1200 (2013-14 data, refer Attachment).

    - This is 2.5% of liabilities, 0.25% of net worth and 5.6% of median annual income.

5. Compared to all households, credit card debt for the lowest quintile household is a slightly:

    - Higher proportion of total liabilities (2.5% compared to 1.9%)
    - Lower proportion of net worth (0.25% compared to 0.33%)
    - Lower proportion of median annual income (5.6% compared to 6.2%).

6. The way in which credit cards are used has altered significantly with changes in regulation, the economic outlook, consumer behaviour and competition. RBA data indicate that over the last five years:[1]

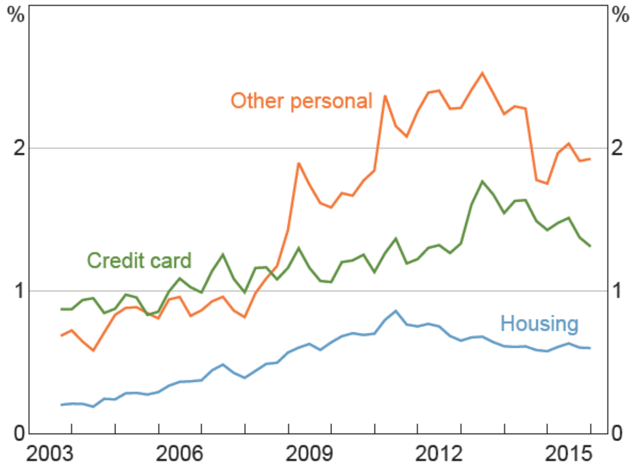
    - Balances accruing interest have declined in absolute terms from $36bn in April 2011 to $33bn in April 2016.
    - Balances accruing interest have declined significantly as a proportion of credit limits. Balances accruing interest were 27% of credit limits of $135bn in April 2011 and 22% credit limits of $149bn in April 2016.
    - Total outstanding balances have declined as a share of credit limits. Total outstanding balances reduced from 37% of April 2011 credit limits (that is,

[1] Refer RBA, Financial Stability Review, April 2016, pp 24-25.

$49bn of $135bn credit limits) to 35% of April 2016 credit limits (that is $52bn of $149bn credit limits).[2]

7. The overwhelming majority of customers repay credit card debt and the level of 'non-performance' is low. The 90 day delinquency rate on ANZ's low rate cards is under 1.5%. This is consistent with the April 2016 RBA Financial Stability Review (see chart below) that shows that the level of non-performing credit card loans across the industry has declined since 2013. The non-performing rate in RBA data is now between 1% and 2% of all credit card loans.

Banks' Non-performing Household Loans
Domestic books, share of loans by type



Source: RBA Financial Stability Review April 2016, based on APRA

CREDIT CARD ECONOMICS

8. Credit card interest rates and market cost structures were key areas of investigation for the Inquiry. ANZ believes that the Inquiry shed light on these areas but more needs to be done.

9. We would encourage the Australian Government to consider developing a data series measuring effective interest rates. Effective interest rates are the actual interest paid by consumers on outstanding balances taking into account interest free periods and interest rate discounts. More than one data series may be needed to track effective rates for different types of cards; for example, low fee or low rate cards.

10. In the absence of official data on the effective interest rate paid, public debate is focused on headline rates. This is a misleading indicator of the cost of credit cards to consumers. Publishing a data series on effective interest rates would inform policy making generally.

11. As ANZ stated at the Inquiry:

    - Properly measured - taking into account interest free periods and similar features - the average rate paid to ANZ is around 11.5% in 2015 (substantially less than the 18.79% on a typical rewards card, and lower than the 13.49% of the low rate card).

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[2] RBA, Table C1 credit and charge card statistics.

- In recent years, the average industry interest rate actually paid has trended down with increasing competition (for example, balance transfer competition), and changing consumer behaviour (such as high pay-down rates).

- Funding costs are less than 25% of the total product costs for credit cards. The remainder of costs include security, protection from fraud, sales, purchase of rewards and loyalty points and investment in new technologies.

- As funding makes up only a quarter of credit card costs, changes in the official cash rate (or other funding costs) will have a smaller impact on effective credit card rates than is the case for other products (for example, mortgages for which funding is 85% of costs).

- The credit card business represents 5% of the bank's Net Profit After Tax for and 5% of risk weighted assets (that is the balance sheet adjusted for risk). This indicates that profitability of the credit card product is around the average across all products.

KEY REGULATORY PROECTIONS

LENDING PRACTICES

12. Following the introduction of responsible lending laws in 2011, all banks accelerated efforts to ensure lending was tailored to the individual's circumstances. ANZ's standard lending approval process involves gathering information from the customer, statistical tests and scorecards, credit bureau checks, disposable income calculations and income verification. We decline between 30 and 40% of credit card applications.

13. ASIC has also reflected recent jurisprudence concerning responsible lending practices in its regulatory guidance. This requires credit licensees to make more extensive inquiries than was previously the case concerning a customer's financial situation, including both income and expense details.[3]

14. Once approved, the credit limit is set as the lowest of: the customer requested limit; the limit derived from assessing the customer's disposable income; the limit assessed after considering certain risk factors (such as whether the customer is a student or non-resident); or the particular card's maximum limit. Where there is doubt or higher risk, we will undertake more detailed work or talk to the customer.

CUSTOMER INFORMATION

15. The 2011 amendment of the National Consumer Credit Protection Act 2009 required 'Minimum Repayment Warnings' on the first page of credit card statements. This gives consumers valuable information about interest charges and repayments which can help them better understand the cost of interest payments on their cards.

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[3] http://asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/rg-209-credit-licensing-responsible-lending-conduct/

16. ANZ voluntarily extended new ‘payment hierarchy’ rules to existing customers to benefit our customers. This means that all customers benefit from paying down the highest interest portion of their credit card balances first. The ANZ minimum credit card monthly repayment is the greater of $25 or 2% of the outstanding balance. A rate higher than 2% is used when credit limits are being assessed.

17. As noted in our comments on proposals 5 and 6, it is clear that more can be done to present information in an easy to understand format and assist consumers to make informed decisions. ANZ supports work in this area, drawing on behavioural economic insights.

    - A particular area for investigation should be the effectiveness of current minimum repayment requirements and information. Improvements in this area could encourage people who could afford to make higher repayments than the minimum to do so.

VULNERABLE CUSTOMERS

18. Financial vulnerability and hardship of customers is an important area for further investigation. ANZ is keen to work with the Australian Government and stakeholders to improve understanding and data on hardship and vulnerability.

19. Information from the 2014 ANZ Survey of Adult Financial Literacy indicates that the majority of customers fully pay of the balance of their main credit card each month.[4] The remainder pay some interest or other charges.

    - 65% of card holders said they had always paid the balance on their main credit card in full (12 months to November 2014); 23% said they had been charged interest in at least some months; 14% made only the minimum repayment on at least one occasion; 20% had been charged a late payment fee; 7% had been charged a fee for exceeding their card limit; and 11% had used their main credit card for a cash advance.

20. The ANZ noted in its Inquiry submission that our internal analysis showed that few customers appear to only make minimum payments from one month to the next. In July and August of 2015, only 1.3% of customers paid the minimum monthly balance in both months.

21. Across all financial products, the 2014 ANZ Survey reported that around three quarters of people feel comfortable with the total amount of money owed (credit cards not specifically identified) while 15% felt uncomfortable (refer table below).

    - The survey reported that those most likely to have felt uncomfortable with their current debt included parents with household incomes of $65,000 or less, unemployed people (23%) and those with $300,000 or more currently outstanding on a mortgage (25%), particularly those servicing this level of mortgage outstandings from an annual household income of less than $100,000 (35%).

How comfortable are you with the total amount of money you owe? Would you say you are ….

	2005 (n=3513)	**2008** (n=3500)	**2011** (n=3502)	**2014** (n=3400)
Very comfortable, Don't owe any money	39	42	46	47
Fairly comfortable.	33	30	29	28
NET: Comfortable	*72*	*72*	*74*	*75*
Very uncomfortable.	6	7	5	6
Somewhat uncomfortable.	11	11	12	9
NET: Uncomfortable.	*17*	*18*	*17*	*15*
Neither comfortable nor uncomfortable	10	9	8	8
Can't say	1	1	1	1

Source: Table 7.5.a, 2014 ANZ Survey of Adult Financial Literacy

[4] 2014 ANZ Survey of Adult Financial Literacy in Australia (full report available at ANZ.com). The survey is a survey of 3400 randomly selected adults. The 2014 survey was the fifth since 2002.

HARDSHIP

22. To support customers experiencing difficulty, ANZ has a dedicated hardship program, Customer Connect. This program aims to support customers and gives them options to consolidate debt, benefit from repayment moratoriums and convert outstanding balances into fixed-rate loans.

23. Unexpected events are the primary cause of difficulty for nine out of ten of customers experiencing financial hardship. Unexpected events include loss of income from unemployment, divorce or illness. Financial over-commitment at the time when the loan (including credit cards) was first provided is not a major cause of hardship.

    - Around 0.4% of our credit card customers (as at May 2016, around eight thousand customers compared to two million credit card customers) have sought assistance through our hardship program.

    - The number of customers seeking hardship arrangements has increased, particularly in the mining areas following the resources downturn. As at May 2016, Queensland and Western Australian accounted for around half of home loan related hardship by volume.

24. The information available to us through our hardship program and operations indicates inappropriate credit card limits at origination are not now a major cause of hardship. There are however cases where hardship arises where there are pre-responsible lending credit limits that are no longer appropriate, or where a customer does not inform a credit provider of lending from other providers. Credit cards can also be used to pay debts (for example, utility bills) when a customer faces difficulties, leading to a later financial problem.

PRE-HARDSHIP PROGRAM

25. As stated in our 16 October 2015 evidence to the Inquiry, we are developing a pre-hardship program. The program aims to help customers at risk of moving into hardship. We work with the customer to develop a tailored program to help them better manage their debt and cashflow. It is intended to put a customer on a path to financial health, maintain their credit rating and avoid unsafe or high cost forms of credit.

26. In the program, we will contact customers where we detect signs of high risk behaviour and offer them alternative arrangements. The alternative arrangements will include a substantially lower interest rate, reduced payment amounts and committed repayments. We aim to introduce this program in 2016.

FINANCIAL LITERACY

27. ANZ is an industry leader in financial literacy programs. MoneyMinded and Saver Plus are Australia's largest, longest running money management and savings programs run in partnership with the Australian Government and community sector organisations. ANZ has invested $34 million over the past ten years in these programs.

28. The programs aim to improve the basic budgeting, saving and money management skills of lower income participants. It includes equipping them with skills to live

within their means, increase their savings and assets, manage credit and debt, and plan for the future.

29. MoneyMinded is delivered by community sector partners including The Smith Family, Brotherhood of St Laurence, The Benevolent Society, Berry Street, Kildonan, UnitingCare and Anglicare. An estimated 36,500 Australians participated in MoneyMinded last year. We have launched the program online to increase its reach.

COMMENTS ON PROPOSALS

30. ANZ is strongly committed to offering products that suit customers' financial needs and provide differentiated value. As noted previously, ANZ offers a market leading financial literacy program, comprehensive hardship assistance, and will implement a pre-hardship program this year.

31. ANZ believes that the policy framework should encourage competition among card issuers to be known as leaders in providing fair and ethical services. Competition offers the opportunity to raise standards and use new technologies. We suggest that the approach taken to implementing the proposals should allow card issuers to respond to issues flexibly and competitively.

32. ANZ suggests Treasury and the Behavioural Economics Team of the Australia Government (BETA) could work with industry and stakeholders. The aim would be to conduct trials of different approaches using de-identified data and in an operating bank environment.

Proposal 1. Tighten responsible lending obligations to ensure card issuers assess suitability based on a consumer's ability to repay the credit limit within a reasonable period

33. Credit risk management is one of the core capabilities on which banks compete. The credit policies of card issuers are proprietary, operating within the regulatory framework including the responsible lending laws.

34. As noted in the Treasury paper, credit providers must ensure that consumer credit is 'not unsuitable' for the consumer. Providing credit would be unsuitable where, at the time of the assessment, it is likely that the contract does not meet the consumer's requirements and objectives or that the consumer will be unable to meet their payment obligations, either at all or only with substantial hardship.

35. Assessment of a customer's ability to meet their obligations without hardship is central to ANZ's processes today. Applications to ANZ for credit cards are evaluated based on factors including the customer's current income and expenses, an assessment of unencumbered monthly income and the relevant product and interest rate. As noted above, ANZ declines a high proportion of applications for credit cards and credit limit increases.

36. Lending to customers who are unable to manage or service the debt that is offered to them would be contrary to the customer's interest and to ANZ's regulatory obligations and commercial interests.

37. 'Time to repay' is implicit in affordability calculations for credit limits today. Time to repay can be calculated as an amortising loan based on the credit limit, the applicable interest rate, the unencumbered monthly income and the assumed rate of repayment. The time to repay will vary by customer depending on these factors.

38. ANZ seeks to understand whether the proposal would result in a set of principles or a firm rule. A firm rule would for example mean that all card issuers would be required to determine limits by reference to a particular payback period.

39. ANZ believes that it would be appropriate for the industry and government or regulators to undertake specific analysis on a proposal for a 'reasonable time to

repay' rule or set of principles. This analysis should assess the impact that a proposed rule would have on credit availability and is necessary for testing input assumptions (such as purchase rate).

40. ANZ also suggests that there are a range of alternative actions that could be contemplated depending on the policy goal, for example:

    - Further work may be usefully undertaken on improving the effectiveness of minimum repayment requirements and warnings.

    - Electronic notifications to those making minimum repayments could be tested to assess whether they result in behavioural change.

    - Encouraging card issuers to offer programs to assist customers likely to suffer future, financial hardship (see response to proposal 9).

41. ANZ suggests that changes should apply to new customers. If changes were to apply to existing customers, specific analysis of impacts should be undertaken to avoid the risk of disadvantaging these customers. Customers could be disadvantaged if they were budgeting on the basis of a particular repayment level but a higher mandatory repayment level was required.

Proposal 2. Prohibit issuers from making unsolicited credit limit increase offers including the ability to seek prior consent

42. ANZ agrees that unsolicited credit limit offers should not be made to customers without prior consent and supports a 'technology neutral' regulation to this effect.

43. ANZ only makes offers to increase credit limits where the customer has 'opted in'. Offers are subject to responsible lending obligations. ANZ will reconfirm employment and income information before increasing a credit limit. This year ANZ plans to extend the information requested to include expenses. This will strengthen processes to ensure that credit limit increase offers are appropriate and affordable.

44. ANZ offers higher credit limits to customers who opt in after assessing credit behaviour and undertaking responsible lending analysis. In effect, additional credit is offered where repayment history and credit quality is good. Our experience is that credit quality is on average of a lower standard where customers approach the bank to increase credit limits.

45. Appropriate increases to credit limits can serve customer interests. Where customers regularly exceed their credit limits, a higher limit may reduce costs. At an economy-wide level, rising credit limits would be expected to match economic growth. Credit limit increases can benefit customers where, for example:

    - Younger people incomes grow as they gain job experience and they may increase their spending. They would expect credit limits to change to reflect their changing needs. Appropriate credit limits offer convenience and the ability to smooth cashflows.

    - A customer is taking a credit card for the first time with a card issuer but has no credit history. Low credit limits may be assigned initially that are adjusted as the customer establishes a credit history.

46. If issuers are to be prohibited from making offers even where customers have given permission, it will be important to clarify how regulation might operate in a practical sense.

47. The Consultation Paper states that proposal 2 is not intended to constrain a customer's ability to request higher credit limits. In order to exercise an informed choice, customers need to be aware of their ability to increase their limit and be provided with relevant information. A customer may raise credit limit related issues in a conversation with a staff member and would expect to be provided with information.

- Regulation should be clear about how card issuers are permitted to provide information to customers and assist them.

48. Customers expect credit limits to reflect their purchasing patterns, and to be offered responsibly, taking into account their capacity to repay. As noted above, increased credit limits are often offered as young customers increase income, gain skills and form families. Credit limits set for new-to-bank customers may initially be set at a relatively low level, reflecting limited information available to the bank about the customer's behaviour level. A higher level may be more appropriate for the customer once a credit history is established.

- ANZ suggests that regulatory proposals consider how card issuers should respond to these situations.

49. In ANZ's view, a prohibition on all credit limit increases should apply to new customers so that existing customers who have opted in are not disadvantaged. This is consistent with the approach taken previously to changes in the payment hierarchy regulation.

50. As an alternative to a prohibition on all offers of credit limit increases, processes for giving consent or reducing credit limits could be improved and mandated. As is the current ANZ process, this might involve a customer actively opting-in to first receive the invitation and second to accept the increased limit.

- Active opt-in mechanisms allow customers to express a clear preference concerning the relationship they have with their bank. This approach could be supported by improved process for revoking consent and providing better information to consumers about an increased credit limit.
- Processes for reducing credit limits could be required to be readily accessible or information prominently displayed in all channels, internet, in branch and through the call centre.

Proposal 3. Prohibit issuers from backdating interest charges and charging interest on the portion of the balance that has been paid off

51. A credit card issuer incurs financing costs from the time a purchase or advance is made until the customer repays the loan. Components of this financing cost can be considered as a funding cost and a credit default risk cost. As is the case in all unsecured lending, the credit default risk cost is a major component of financing cost and reflects the risk that the loan is not repaid in full.

52. In ANZ's case, interest (reflecting funding and credit default risk) is calculated on a daily basis and accrued. The accrued interest is deferred to the next billing cycle.

53. At the next billing cycle, if a customer fully pays off their closing balance from the previous cycle, the accrued interest is waived. If a customer does not fully pay off their previous closing balance, the accrued interest is billed to the customer and will then appear on their next statement. Interest is not 'backdated', but is billed if the customer does not fully repay the balance.

54. The apparent 'interest free period' is an incentive to fully repay. It recognises that the biggest unsecured financing cost, the credit default risk, is removed when a customer fully pays off a balance. The card issuer of course still incurs funding and other costs during the period prior to full repayment, and will need to fund this cost from other sources. Where full payment is not made, a credit default risk remains, proportionate to the size of the outstanding balance.

55. Repayments by the customer are applied so that the highest interest cost balances are paid off first. As a highest interest cost balance is paid off, interest can no longer be charged on it. Interest will only be charged on outstanding balances (including interest charges that have not been waived).

56. ANZ is uncertain about the interpretation of the proposed change and would welcome the opportunity to clarify it. Two interpretations are:

    - All interest charges must be calculated based only on the balance as at the statement date for the account. It may mean no interest would be allowed to be charged to reflect financing costs between the date of purchase and the statement date. This would make the concept of 'interest free period' redundant. It is not clear how financing costs would then be calculated and allocated to customers, and how this would affect incentives for full repayment.

    - Interest would be able to be charged from the date on which a purchase is made but in the case of a partial repayment in one billing period followed by a full repayment in the next, interest would not be able to be charged for the duration between the full repayment and the previous statement date. This could decrease incentives for full repayment while affecting card issuer financing costs. This could also encourage customers to carry more debt.

57. The calculation of interest is not easy to understand because of the different factors to be considered. These include the relevant rates that apply (such as a cash advance compared to a purchase), the application of repayments to the highest interest bearing balance, the waiver and deferral rules around interest free periods, and the interaction of different cashflows over time. ANZ considers that there is scope for making these calculations more transparent which may assist in resolving the issues that have been raised.

Proposal 4. Require issuers to provide consumers with online options to initiate a card cancellation or reduce their credit limit

58. ANZ agrees that consumers should have online options to initiate a card cancellation or reduce their credit limit.

59. Customer contact will generally still be required with online options; for example to resolve any outstanding balances, and ensure customers are aware of the need to contact merchants with whom they have recurring payment arrangements or transfer points balances. As most customers make changes in response to poor service or changes in life circumstances, ANZ believes it is important for a card issuer to make service calls to solve problems and understand the customer's experience.

Proposal 5. Require that issuers provide information on the annual cost of a consumer's credit card use and to prominently display annual fees

Proposal 6. Require issuers to clearly disclose in advertising and marketing material a card's interest rate and annual fee

60. ANZ supports measures to improve customer understanding of credit card offers and make informed choices. ANZ already highlights interest rates and annual fees in its marketing material, and has sought to provide information in simple language. Annual fees are, for example, currently displayed as a memo line on the statement annual.

61. Many consumers will find it difficult to absorb detailed information even where it is written as simply as possible. It is widely recognised that there is no single 'best' way to provide information and the quantity of information being provided challenges consumers.

62. This recognition has led to exploration of behavioural economics and similar techniques to assist consumers. The Department of Prime Minister and Cabinet has established the Behavioural Economics Team (BETA), as the Australian Government's central unit applying behavioural economics to improve public policy. ASIC has commenced using behavioural economics insights in investigating financial services.

63. ANZ believes that government and ASIC should encourage card issuers to test different disclosure methods to identify which methods best improve consumer understanding and promote informed choices.

64. Trials in a bank operating environment that are evidence based are preferable to one-off research. The context in which a consumer receives the information is important and cannot be realistically replicated in lab-based experiments.

65. ANZ considers that card issuers should be able to compete with different approaches to legally-compliant disclosure. Promoting competition would encourage a consumer-centric approach, likely generate more improvements and allow new technologies to be employed.

66. Treasury and BETA could re-engage with industry after an appropriate period of time to assess evidence on the effectiveness of disclosure methods. Alternatively, it may be appropriate for BETA to work with card issuers to help design in-use trials. This would help ensure that effectiveness testing is conducted on homogeneous basis across industry.

Proposal 7. Require issuers to provide information about potential savings from switching to lower-cost products

67. Customers' choice of credit cards is based on how they value a bundle of benefits and costs. Important benefits include convenience, security, interest free days, fraud protection, rewards points, complimentary comprehensive overseas travel insurance and the ability to make international and online transactions. Competitors will focus on features such as points or balance transfers because research indicates particular customer segments place a relatively high value on these features.

68. Card products offer different payment features such as the card fee, interest rates and interest free periods. One feature may be important for some customers but not for others. Some customers want a low interest rate, while others want a low fee, or a longer interest free period.

69. Credit card comparison sites allow customers to compare cards across issuers using a range of benefits and payment features. This type of user-driven comparison helps customers identify the card that suits their needs taking into account the features that are important to them.

70. Requiring issuers to provide information to customers about potential savings from other cards would seem challenging. Many assumptions would need to be made about a customer's preference for benefit and payment features. Customers receiving suggestions would have to be informed about any loss of features resulting from a move to an alternative. It is unlikely that most consumers who choose premium products would welcome offers suggesting they move to a lower featured product.

Proposal 8. Require issuers to provide consumers with timely electronic notifications regarding the expiry of introductory offers and credit use

71. ANZ provides expiry notification of promotional offers on customers' statements and believes it would be appropriate to expand the range of notifications to customers. As noted above, we believe that issuers should be encouraged to conduct in-use 'experiments' to identify the best form of notification.

Proposal 9. Require issuers to provide consumers with alternative payment tools, and proactively contact consumers who are persistently making small repayments

72. As noted, ANZ plans to introduce a pre-hardship program this year directed at customers displaying high risk behaviour that could lead to default or hardship. The development of this program is expected to involve a series of 'in-use' trials to identify the most effective approach. For example, we will need to test whether particular groups of customers, identified through data analytics, consider themselves vulnerable and wish to receive assistance. We will need to test the best way to contact customers and the appropriateness of different forms of assistance.

73. Consistent with this approach, we believe card issuers should be encouraged to provide consumers with alternative payment tools and to contact consumers who

make small repayments. We believe more work should be carried out to identify the best approaches and if regulatory intervention is needed.

HOUSEHOLD INCOME, WORTH, ASSETS AND LIABILITIES BY INCOME QUINTILE
(Estimate in $'000)

	Household income quintile (equivalised)					All
	Lowest	**Second**	**Third**	**Fourth**	**Highest**	**households**
Equivalised disposable income						
Mean (annual)	19.5	32.0	43.8	58.2	105.9	51.9
Median (annual)	21.6	31.8	43.9	57.9	87.8	43.9
Household net worth						
Mean net worth	483.5	551	681.9	770.6	1596.6	809.9
Median net worth	322.7	395.7	457.9	490	877	461.5
Financial assets						
Accounts with financial institutions (inc offset accounts)	30.6	40.1	44.9	49.3	91.6	50.8
Business assets	29.9	20.9	27.5	35.9	172.1	57.5
Total superannuation	42.1	87.8	138.6	175.3	373.6	159.9
Other financial assets	18	16.8	29.5	45.4	171.2	55.7
Total financial assets	*120.6*	*165.6*	*240.5*	*305.9*	*808.5*	*323.9*
Non-financial assets						
Value of owner occupied dwelling	281.8	320.1	380.6	412.5	619.4	399.3
Other property	67.7	58.9	90.2	128.5	321.2	132.5
Other non-financial assets	61.8	76.7	97.8	108.9	156.6	99.1
Total non-financial assets	*411.3*	*455.7*	*568.6*	*649.9*	*1097.2*	*630.9*
Total assets	*531.9*	*621.3*	*809.1*	*955.8*	*1905.7*	*954.8*
Liabilities						
Owner occupied dwelling (principal on loans)	27	44	81.1	113	153.7	81.6
Other property (principal on loans)	16.3	17.5	32.9	53.3	122.8	47.9
Study loan debt	1.2	2.6	3.2	4.4	4.4	3.1
Amount owing on credit cards	1.2	2	2.9	3.5	4.4	2.7
Vehicles (principal on loans, excl. business)	0.9	1.8	3.2	4.3	6.4	3.2
Investments (principal on loans, excl. business property)	1	0.8	3	5.5	15.3	5
Other (principal on loans)	0.8	1.5	0.9	1.3	2.1	1.3
Total liabilities	*48.4*	*70.3*	*127.2*	*185.2*	*309.1*	*144.9*
Credit cards debt						
% of mean annual income	6.2%	6.3%	6.6%	6.0%	4.2%	5.2%
% of median annual income	5.6%	6.3%	6.6%	6.0%	5.0%	6.2%
% of total liabilities	2.5%	2.8%	2.3%	1.9%	1.4%	1.9%
% of net worth	0.25%	0.36%	0.43%	0.45%	0.28%	0.33%

Source: ABS 6523.0 Household Income and Wealth, Australia, 2013–14, Table 5.1 and 5.2
Notes: Equivalised basis adjusts for the numbers of people in households. Annual income figures calculated as 52 weeks x weekly figures in Table 5.1