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Features Article

Know Your E-Banking Service Cost

Thinking of signing up for internet banking – well, be aware that it comes with a cost. You get charged by your respective banks when you use e-banking services.

The Council is advising the consumers to scrutinize and compare the set of fees/charges imposed by the major commercial banks offering online banking services.

Our advice follows a check we ran on all six licensed banks operating in the country (ANZ, BSP, Westpac, Bred Bank, Bank of Baroda and HFC), which showed that out of the six banks, five banks (ANZ, BSP, Westpac, Bred Bank and Bank of Baroda) are offering online banking service.

And, the four banks (Westpac, Bred Bank, BSP and ANZ) except for Bank of Baroda have a set of fees and charges attached with the e-banking service.

These fees and charges are:

- Online transfer transactions fees
- bill payment fees
- account history checking fees

Online transfer fees for different banks are as follows:

- Bank South Pacific and Westpac charges \$0.40 for each transfer transaction carried out;
- ANZ charges \$0.30 for each transfer within ANZ accounts, and \$0.40 for each transfer to other bank accounts, and
- Bred Bank - \$2.00 if transferring up to \$100; \$5.00 if transferring between \$101 - \$1,000; \$10.00 if transferring \$1,001 - \$10,000; \$15.00 if transferring \$10,000 plus.

In other words, BSP, Westpac and ANZ have a **flat rate of \$0.40** for transferring money from one account to another with an external bank.

Bred Bank, on the other hand, is the only bank which has varying charges for its online customers, transferring money from one bank account to another bank account - depending on *the amount being transferred*.

Another notable feature is that Westpac allows its customers *six free electronic transactions* in a month – these six transactions include both online transactions as well as ATM transactions. After these six transactions – the customer using online services will have to pay \$0.40 for every transaction.

- **Online bill payment fees are as follows:**

For online bill payment fees, BSP, Westpac and Bred Bank charges \$0.40 per payment while ANZ charges \$0.30 per payment.

- **Fees for checking account history**

To check account history BSP and Bred Bank charges \$0.40 while this service is free of charge for ANZ and Westpac customers.

- **Balance Inquiry**

It must be noted that all four banks (Westpac, Bred Bank, BSP and ANZ) are not charging any fee if consumers conduct “balance enquiry” online.

Meanwhile, Bank of Baroda is the only bank which currently offers *free of charge* on all its online banking services to its customers because they only deal with **internal transactions**. Bank of Baroda’s online service **does not include** bill payments or transferring of money to the external banks.

It is important for consumers, in particular those signing up for the internet banking service to closely look at the plethora of fees/charges in place so that they clearly understand the cost associated with this service.

The best advice is for consumers to visit the customer care and ask questions, seek clarification and demand for disclosures before they sign up for the online banking service or check for necessary information on the bank’s websites or information leaflets.

At the end of the day, banks must fully disclose all necessary information but consumers have to be smarter to ask for detail information.