

## Transcript: Shayne Elliott with Karl Stefanovic – Today Show – 08/09/20

**KARL STEFANOVIC:** The mortgage holiday is almost over for half a million home owners who took advantage of bank's six-month loan deferral offer. It's going to be an incredibly difficult period for a lot of people from here on. Joining us now is ANZ CEO Shayne Elliott. Shayne, thank you for your time this morning. The next six months are going to be, well they're going to be difficult aren't they for some families? Some are going to go to the wall financially. How are you going to help?

**SHAYNE ELLIOTT:** Well, we are here to help, that's our job. And actually we've got amazing tools available. We've strengthened the bank so much over the last year, so we're ready and able to help. So what we've got, if people need more time, that's available to them. We can extend their deferral if that's what they need. If people need to restructure their loan, maybe they've got 10 years left on their mortgage and they want to stretch it out longer so they can reduce their payments, we can do that. If they want to move from a principal and interest payment to interest-only to reduce the cost, they can do that. So there's a lot of options available to all of our customers. And we're going to work with every single one of them to figure out what's in their best interests.

**KARL STEFANOVIC:** You're in Melbourne and it's so difficult in Melbourne, so very difficult. How are you going to prepare for foreclosures? They're inevitable and they're heart-breaking.

**SHAYNE ELLIOTT:** Look I'm not sure they're as inevitable as everyone is talking about. As I said, we've got a lot of options available. What's interesting this time Karl, as opposed to many other previous crises we've been through, interest rates are really, really low. What does that mean? It means that time is actually quite cheap. So we've got the ability to buy time for people to get back on their feet, get back into employment, get their businesses started again. So if we have to defer people for paying for three months, six months, that's what we'll do. So I don't buy the argument that there's a necessary tidal wave of foreclosures. That's the last thing that anybody wants, including us. And we'll do whatever it takes to push that out. And hopefully we don't have to get to that point.

**KARL STEFANOVIC:** Let's hope so too because as the Hayne Royal Commission pointed out, it was handled in some very, very bad ways in the past and hopefully you've learnt your lessons through that?

**SHAYNE ELLIOTT:** Yes, absolutely we have learnt the lessons from the Royal Commission. In this time of deferral, it gives us time as well to prepare. So we're already talking to our people, building the teams ready who can help our customers through these difficult times. Making sure they're ready to deal with each customer empathetically. We're not just going to be a factory, pumping through these difficult situations.

**KARL STEFANOVIC:** Good. Is it true you are going to be assessing individual postcodes in Melbourne in a tougher way?

**SHAYNE ELLIOTT:** Well we already do that, we already do that across the country. No two parts of the country are the same and so when we're looking at somebody ... the most important thing when somebody's going to buy a house is assessing their income. But of course we look at the value of their property and it's really hard to know what value is today so we're probably a little more cautious on that side and that affects some postcodes more than others.

**KARL STEFANOVIC:** What do you think the property market's going to do then? Does it just depend on where you are around the country?

**SHAYNE ELLIOTT:** Yes, it absolutely does. There is no single property market in Australia as we all know, but if you're talking about the capital cities there's no doubt there is going to be some pressure for prices to fall. But they already have so it's a really difficult one to predict because things change literally on a daily basis.

**KARL STEFANOVIC:** Let me ask this then; how do think the Victorian Government is handling the exit from lockdown? We just heard from Jim Penman then from Jim's Mowers, big business is clearly agitated. How do you think they're handling things?

**SHAYNE ELLIOTT:** I don't have access to the data they do. I think it's an extraordinarily difficult thing. What businesses need is clarity and at one level we've got some clarity – nobody likes it. We're just a bank, our job is to help our customers through whatever the environment is. This is going to be really tough. We're hearing a lot of feedback from customers who are really worried about their ability to survive through to October and November. Let's not forget, Christmas for many people is 45 per cent of sales for many of our customers and they're sitting there worried that they're not going to have a Christmas season. So look, there's a lot of anxiety out there. I share that anxiety for our customers and our job is to stand behind them and buy them as much time as we can.

**KARL STEFANOVIC:** Good on you for being on today Shayne, appreciate it. Good to talk to you.