

## SUBMISSION ON POLICY ISSUES IDENTIFIED IN THE INTERIM REPORT

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Submission for: My Self

Name of other person, business or organisation:

Do you agree to your submission being published: Yes

Do you agree to your full name being published: No

Your submission:

On the minimum expense set by the banking system

While the Royal Banking Commission urges the bank to fully assess borrowers expenses and income, I think it is also necessary to remove the living expense floor. Otherwise it will be unfair for the borrowers that are highly financially responsible. Take me as an example, I am a public servant in Australia and my living expenses are lower than the Newstart allowance, which means my saving rate is higher than 80%. As a financially responsible person, I have a tracked record of low living expense. However, there is a default minimum living expense in the banking system, which significantly lower my borrowing capacity.

I highly recommend removing the living expense floor in loan assessment.