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Subject: DELAY IN PAY FOR DEFENCE PERSONNEL BANKING WITH THE
NATIONAL AUSTRALIA BANK

Comment:
Action Area DGPS

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HOT ISSUE BRIEF

ISSUE: DELAY IN PAY FOR DEFENCE PERSONNEL BANKING WITH THE NATIONAL AUSTRALIA BANK

SENSITIVITY: The regular fortnightly salaries for Defence personnel, both ADF and APS, who have their pay accounts with the National Australia Bank (NAB) or an institution using the NAB as a clearing house have not been processed to individual accounts.

There are a large number of ADF and APS employees impacted by this delay. There may be media interest due to the focus on Defence payroll systems.

KEY ISSUES:

- Defence transmitted the salaries to the Reserve Bank of Australia for processing to financial institutions, including the NAB. Salaries were expected to be in individual bank accounts on 25 November 2010.
- NAB have received the funds, but not allocated to individual bank accounts.
- This impacts all deposits (salaries and supplier payments) to the NAB and institutions using the NAB as a clearing house.

- We have received unconfirmed reports that ANZ and CBA have also been affected. This cannot be confirmed by Treasury and Banking.
- Treasury and Banking have confirmed with NAB that this is a NAB issue. This is not a Defence pay issue.
- NAB is aware of the issue and is working to resolve it. NAB does not yet have an estimated recovery time.
- The delay in processing will impact Defence personnel banking with NAB or an institution using the NAB as a clearing house.

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TALKING POINTS

ISSUE: DELAY IN PAY FOR DEFENCE PERSONNEL BANKING WITH THE NATIONAL AUSTRALIA BANK

- This is not a Defence payroll issue.
- Defence transmitted the salaries to the Reserve Bank of Australia for processing to financial institutions, including the NAB. Salaries were expected to be in individual bank accounts on 25 November 2010.
- Salaries and supplier payments to accounts with the National Australia Bank (NAB) or to institutions which use NAB as a clearing house have not been processed to individual bank accounts.
- NAB is aware of the issue and is working to resolve it.

- Defence will continue to liaise with NAB on this issue.
- There are a large number of ADF and APS employees impacted.
- Impacted members should contact their banking institution to discuss the delay and options available.

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