

African Bank Limited press release

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New safe and easy banking option for domestic staff

With over one million domestic workers currently working in the country, according to SA Stats, making sure their hard-earned money is safe, accessible and growing has to be a priority. What's more critical is that almost 80 percent of these domestic workers are the sole breadwinners in their families, typically supporting four people.

Neil Thompson, Head of Product and Customer Value Proposition at African Bank, says banking has to evolve to take into account the needs of this very important segment of the market. "We believe the traditional banking model has to date not provided adequately for this work force and so they have had to find alternate, and often unsafe, means of storing and saving their money," he says.

With this in mind, African Bank conducted research with South Africans, including domestic workers, to find out what they want from transactional banking. "It was very clear from the research that people want to transact and save together with their family, friends and their community, and as individuals. They want to bank together through shared banking," says Thompson. They are looking for banks that offer joint accounts and the lowest banking fees.

"Taking that a step further, we looked at how employers and employees could win through shared banking. This gave birth to our African Bank MyWORLD Pockets concept," he says.

When a Primary Account Holder opens a MyWORLD bank account, they get access to a primary account and two types of Pockets – a Power Pocket and a Savings Pocket.

A Power Pocket is unique in that it is the first Pocket account in the industry to offer the User full transaction capability. It comes with its own account number, debit card and PIN and earns 5.5% (NACM)** interest per annum on positive balances.

The Savings Pocket allows the Primary Account Holder to save at SA's best interest rate of 6.5% (NACM)** interest per annum on any positive balance while enjoying immediate access to their funds.

A Pocket User, who can be anyone that the Primary Account Holder designates, can be added to both a Savings Pocket and a Power Pocket. User status allows the person full access to the Pocket. The Primary Account Holder can also decide who is responsible for the pay-as-you-use transaction fees on each Pocket. "What this means is that an employer can load a domestic worker onto the Pocket account as a User. As a User, the domestic worker will have full access to the Pocket and won't have to pay any transaction fees," explains Thompson.

All the domestic worker will need to be added as a Pocket User is a valid ID document or passport. They will receive their own debit card and can bank online and via the MyWORLD Mobile Banking App. "So, for example, an employer can open an account and add domestic

workers as Power Pocket or Savings Pocket Users. The employer can pay their domestic worker's salary straight into the account and the staff member can transact using the Power Pocket throughout the month with no monthly account fees. If Savings is the goal then a portion of the salary could possibly go into the Savings Pocket and be saved, as mentioned, at SA's best interest rate of 6.5% (NACM)** interest per annum," says Thompson.

As an added extra, the Primary Account Holder can add up to 10 Members on any Pocket. Member status allows the Member to view the Pocket and to deposit, but not to withdraw or transfer any funds. "The domestic worker who is a Pocket User could use this functionality to form an informal savings clubs, for example."

"We strongly urge employers to consider this option and domestic workers to speak to their employers about this safe and easy-to-use set-up. Every cent earned is valuable and should be protected and allowed to grow," he concludes.

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PREPARED ON BEHALF OF AFRICAN BANK BY CATHY FINDLEY PR. CONTACT JACQUI RORKE ON JACQUI@FINDLEYPR.CO.ZA OR (011) 463-6372 WITH ANY CONSUMER PR QUERIES.