

## Banks accused of ethnic-minority discrimination

When Rashid Mehmood walked into an HSBC branch in Lok Fu two weeks ago to try to open an account, the bank employee's first question to him was, "What's your nationality?"

Taken aback, Mehmood - who came to Hong Kong in April on a dependent visa and had prepared all the necessary documents - told the member of staff he was Pakistani. The employee then asked him and his wife to wait, walked away and disappeared behind a door.

When the bank employee came back, she asked Mehmood why he wanted to open an account. Feeling indignant, his wife, who was born and raised in Hong Kong, shot back: "Why do you think? Why do people want a bank account?"

Mehmood's wife, an interior designer whose surname is Bibi, added: "And then she said because he is a Pakistani, they needed to know the reason."

The staff member then told them that Mehmood could not open an account on his own but his company could open one for him in the company's name. But because the company did not pay him via the bank's automatic payment system, this was not an option either.

The couple then went to Bank of China and Bank of East Asia and got similar responses. "I was very p\*\*\*\*\* off," said Mehmood, 30, an accountant at a logistics firm.

"I was just trying to open a simple account. If I had any problems, why did the government give me a visa? I just don't understand."

It felt as though the banks' staff were being racist, said Bibi, 26, who is also of Pakistani origin but has an HSBC account.

"It's like OK, they are Pakistanis, so let's keep asking them a lot of questions. We felt like criminals," she said.

HSBC refused to comment on customer-related policies.

A spokeswoman for the Bank of China said the bank followed a customer risk assessment system, but added that the bank would not deny any application based merely on nationality.

The Bank of East Asia could not be reached for comment.

However, banks often have to review every account opened overseas by citizens of countries such as Pakistan because they do not want to be accused by the United States of aiding South Asian terrorist organisations.

Global bank regulators have also tightened rules in recent years on foreign nationals opening bank accounts overseas in a bid to stop money laundering.

But Holing Yip Ho-ling, research officer of advocacy group [Unison](#), said banks were guilty of "differential treatment by nationality", which she believed could be discrimination.

She said it was not unusual for members of ethnic minorities to encounter difficulties when trying to open bank accounts or apply for credit cards or loans.

“Sometimes it’s blatant refusal and sometimes they need to try four or five branches before their requests are accepted,” Yip said. She added that a procedure that might take two days for a Chinese person would often drag on for months for people from South or Southeast Asian countries.

Hong Kong’s anti-discrimination laws do not cover discrimination on the basis of nationality so Mehmood, although from an ethnic minority, is not covered.

Before coming to the city, Mehmood had spent two years studying for a master’s degree in Manchester, England. He said he opened accounts at the Royal Bank of Scotland and Halifax without any difficulties.

Margaret Ng Ngoi-ye, who was part of the Racial Discrimination Ordinance’s drafting committee and a current board member of [Unison](#), said the racial discrimination law was “very backward” .

She criticised the definition as too narrow, meaning many discrimination cases were not protected.

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CONSUMER

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Shirley Zhao and Jennifer Ngo

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Rashid Mehmood had trouble with three banks. Photo: May Tse

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