

7 November 2016

Mr Russell Cousins
Director, Bank Victims Pty Ltd
101/15 Albert Avenue
Broadbeach Qld 4218

Dear Mr Cousins,

Your covering letter and the correspondence regarding the issues Mr Chris Priestley and Ms Claire Priestley have had with their Bank, addressed to the Hon Sussan Ley MP has been forwarded on to me.

The Priestley family live in my electorate and I am aware of the differences they have had with the National Australia Bank over the years.

The Coalition Government knows that the financial sector has not always lived up to the expectations of the Australian people, which is why we are delivering the most significant package of reforms in the sector's history to help protect Australian consumers.

We are delivering these reforms now, not years from now as would happen if a Royal Commission was held.

In coming to Government the Coalition commissioned the Financial System Inquiry (FSI), a root and branch review of the financial system. Labor opposed the FSI saying it wasn't necessary.

This is despite the fact that there were several financial scandals including Opes Prime, Storm Financial, Trio Capital, Great Southern Group, as well as the scandals within CBA financial planning, MF Global and Macquarie Equity Limited and Banksia that occurred during the period of the former Labor Government. These were all serious scandals and yet former Labor Treasurer, the Hon Chris Bowen MP, claimed "The financial system is strong, well-regulated and well managed and I have not seen a case for a full-blown inquiry."

The Government, however, has acted and is implementing 43 recommendations from that comprehensive review.

In addition, since coming to office this Government has:

- completed a capability review of ASIC;
- provided a comprehensive, \$127 million funding package to ASIC to bolster its enforcement capabilities;
- agreed to provide ASIC with a product intervention power to help prevent harm to consumers;

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- passed legislation that allows ASIC to better regulate the insolvency profession;
- passed legislation to improve the stability of the financial system and to bring Australia's derivative-trading sector into line with internationally agreed standards;
- commissioned ASIC with a systemic review of the life insurance industry,
- commissioned ASIC with a review of the specific allegations against CommInsure;
- prepared legislation to deliver a new Commonwealth body that will lift the education, training, ethical and professional standards of financial advisers, which will be introduced this year;
- prepared legislation to correct the misalignment of interest between consumers and life insurance advisers, which will be introduced shortly;
- announced that the major banks and other financial firms will annually appear before the House Economics Committee to explain pricing decisions and to discuss their progress in responding to issues raised in various inquiries, which commenced on 4 October 2016;
- commissioned an independent examination of egregious cases and a review into the adequacy of the laws and regulations that govern small business lending practices, conducted by the Small Business and Family Enterprise Ombudsman, due to report this year;
- appointed an independent expert panel (the Ramsey Review) to look at the merits of a one-stop-shop for consumer complaints, with draft recommendations due before the end of the year; and
- announced the development of rules to regulate the Bank Bill Swap Rate – a key financial benchmark that serves as the reference rate for the pricing of a range of financial products – which will ensure that past conduct by the banks in manipulating benchmarks is prevented in the future.

The Coalition Government's focus is on implementing reforms that will strengthen our financial system and provide security for all Australians – a Royal Commission risks delaying this important work.

I have forwarded all the correspondence on to Senator John Williams as he is collating cases where constituents have had experiences which clearly indicate the Banks have not acted in the best interests of their clients.

Thank you again.

Kind regards,

A handwritten signature in black ink, appearing to read 'Mark Coulton', written in a cursive style.

Mark Coulton MP
Federal Member for Parkes