



SENATOR THE HON JAMES MCGRATH
ASSISTANT MINISTER TO THE PRIME MINISTER
ASSISTANT MINISTER FOR IMMIGRATION

Reference: MC16-054870

Mr Russell Cousins
Director
Bank Victims Pty Ltd
101/15 Albert Avenue
BROADBEACH QLD 4218

Dear Mr Cousins

Thank you for your letters to the Prime Minister, the Hon Malcolm Turnbull MP, regarding your concerns about deceptive conduct in the financial sector. The Prime Minister has asked me to reply on his behalf.

As you may be aware, the Prime Minister has expressed his concerns about claims of misconduct in the financial sector. Financial markets cannot work well unless participants act with integrity and individuals have trust in the financial system. This is why the Government provided the Australian Securities and Investment Commission (ASIC) with an additional \$121.3 million in funding so that they can enhance their surveillance capabilities and monitoring.

ASIC has commenced legal action against the banks which were alleged to have engaged in market manipulation and has commenced an investigation into the allegations surrounding CommInsure and the broader life insurance sector. The Government will review the findings of the ASIC investigation into CommInsure to assess if there is a systemic issue in the sector which needs to be addressed.

The Government has set to work implementing the recommendations of the independent Financial System Inquiry, including those aimed at improving consumer outcomes. Legislation to better align the interests of financial firms and consumers will be reintroduced into the Senate once Parliament resumes. The Government has also announced new professional standards requirements for financial advisers, including the establishment of a new professional standards body.

The Government will continue to work to ensure that the regulatory environment keeps pace with the needs of the financial sector. You may wish to raise any suggestions you have for regulatory reform with the Minister for Revenue and Financial Services, the Hon Kelly O'Dwyer MP.

Yours sincerely

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

JAMES MCGRATH

4 / 8 / 2016