



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
RESOLUTIONS OF THE SENATE
Banking and Financial Services
Consideration of Senate Message
SPEECH

Thursday, 1 September 2016

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Shorten, Bill, MP

Source House
Proof No
Responder
Question No.

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (17:56): We will never, never, never give up seeking justice for the victims of banks and financial services. We will never, never, never give up seeking a banking royal commission. How pathetic is this government? In our time in government they opposed every reform we made to financial services. The only other issue on which they fought as hard was action on climate change. And then the Prime Minister has the sheer hide of coming in and saying he is the only person who will do anything on banking. You can see the fingernail marks in the concrete as they are dragged kicking and screaming to action on reform of banking.

Every time there was a vote in the previous parliament, 2010 to 2013—every time; not once, not twice but on 21 separate occasions—these cowards and defenders for malfeasance in the financial services sector voted against labour reforms, and since then we have seen more and more scandals. And today I had the privilege and was humbled to meet victims of financial crimes and financial malfeasance. And this government has the cheek to patronise the victims. What they said is, 'There are other means.' Don't they understand that the victims we have been seeing have tried to do everything? They have been to the Financial Ombudsman. They have been to the lawyers and they have dealt with the liquidators. They have been let down to from pillar to post. Labor has arrived at the position recognising that every other measure has proven inadequate. There is a pathology in our banking and financial services system, which is sick. It does not mean that we do not want to see banks do well, but I cannot accept the proposition that the only way our banks can be successful is by leaving a trail of misery. The cost of thousands of people losing their financial services and accounts and poor treatment by banks is measured not just in the change down the back of the couch at a Liberal Party function; it is real: divorces, anxiety and depression. The most common victims are people in their 50s and 60s, people on the land, people in small business, people who have paid the school fees, people who have worked hard and have wanted to put some money aside for their retirement. They get no justice and they get ripped off.

Then there are these pale apologies over here. They say there is nothing we can do about the banks. They say that a banking royal commission will change nothing. Well, nothing else has worked. We have seen this government retreat in an untidy fashion. On 10 April the Prime Minister said: 'Nothing to do here. It is all working okay.' On 20 April he then said, 'Maybe we need to look at giving the regulator some more powers.' Then after the election they dream up the idea of a neutered parliamentary committee, controlled by the party for big banks, and then they propose to have a tribunal. Talk to the victims. The Financial Ombudsman Service can compensate only up to \$500,000. They never give awards. The victims of banking and financial scandals are browbeaten into settlements of \$10,000 and \$20,000, and the people here know that.

This is the party who represent the seedy end of financial planning. They will not go to the centre of the issue, which is the big banks. There is a business model in this country which puts profits ahead of people. We will never give up on this royal commission. The Senate has voted this way. We may succeed tonight or we may not, but I give the government fair notice, on behalf of people who want justice, that we do not regard this royal commission as anything other than the last resort, long overdue, for justice for a generation of people, a generation of our fellow Australians who have been mistreated and let down by the system. This Commonwealth of ours is a Commonwealth for the people, not a Commonwealth for the banks, and we will never give up.