

Dear Committee,

I believe relaxing current laws and passing this bill is wrong for the following reasons:

1. Financial institutions cannot be trusted to do the right thing as has been shown by the Banking Royal Commission which found relaxing responsible lending laws would be immoral and dangerous;
2. Financial institutions will no longer apply due diligence in determining if a customer can meet their obligations in paying a debt and will unscrupulously loan out funds in order to make a quick profit and potentially asset strip defaulting customers;
3. It isn't needed as a help to financial institutions due to record low interest rates and government subsidies for home buyers, bank lending has substantially increased;
4. This bill reduces legal rights for consumers, removing the right to take legal action for compensation for financial institutions breaching responsible lending standards;
5. This bill removes many criminal and civil penalties, particularly for banks, which reduces incentives for lenders to comply with good lending standards because it reduces the likelihood that banks will face court penalties for breaches of lending standards.

Kind Regards,

Frank Bernabei.