

**Treasury Laws Amendment (2021 Measures No.1) Bill 2021 – Senate Hearing
10.06.21 – Sydney - Fraser Suites, 488 Kent Street.**

The Complete Bank Reform Now Presentation

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I would first like to thank the Committee and Senators for inviting us to speak here today. I believe that it is a no-brainer that corporations and their directors should be held accountable for their actions. For this to occur - honesty and transparency are critical. Thus – we believe that corporate AGMs should be run using a hybrid format – virtual and physical in real time. Similarly – accountability is promoted by maintaining corporate obligations to provide mandatory continuous disclosure.

Fortunately - we live in a free liberal democracy. Most people would expect that they should be able to interact with each other, corporations and government without any person or entity using force, fraud or coercion in those dealings and relationships.

Government has a fundamentally important role - the imposition and maintenance of a framework in which people can work with trust in their institutions – both public and private. In order for this to work accountability and transparency are essential and must be integrated into the legal structures and culture of our society. If government effectively facilitates this there will be an accessible legal means for aggrieved clients or citizens to achieve justice when a dispute arises.

What the government is now proposing is the removal of some key elements which can assist with the identification of misconduct or illegal practices in the private sector. Of course we are equally concerned about these types of issues in the public sector.

With regard to continuous disclosure – it is clear that share prices can move quite dramatically after certain company announcements. The government’s proposal could mean that only “insiders” will have access to this knowledge - perhaps for a significant time before shareholders and the community. Whose interests does this legislative change serve - the community that you represent or the “insiders?”

With regard to electronic provision and signing of documents it is critical to understand the importance of document integrity and identity verification. Without these issues being well thought out you are heading into a minefield. Cyber-criminality is booming and will only get worse. Documents can be intercepted and manipulated. Imposters could participate in various identity theft scenarios that involve falsely executing contracts and deeds.

Many times in history professional conmen have been looked upon as pillars of society. The ability to do business without the effective validation of documents and identity will empower these types of people even more.

Perhaps the blockchain will assist with these issues – time will tell.

The key point I would now like to illustrate – using the financial services sector as an example – is that we can’t afford to relax our demands for accountability and transparency

because over the last forty years there have been many examples of unconscionable corporate skulduggery that has led to many hardworking, decent people being stripped of their life's work.

Please review the –

NAB Vs Biritz case – this shows what can happen when a dodgy developer colludes with an equally dodgy banker. NAB's lawyers continue with unreasonable denials and of course the CEOs appear to believe their lawyers rather than review the facts themselves. This family has been tortured for 37 years – that spans a lot CEOs. The latest CEO Ross McEwan has demonstrated some goodwill and he still has an opportunity to finally settle with the family. The case also demonstrates what can be done to a customer with falsified documents – which of course is relevant regarding digital documentation as discussed earlier. More information here >> <https://www.bankreformnow.com.au/node/474/>

Westpac Vs Latinovich case >> <https://www.bankreformnow.com.au/node/494/> How is it that a bank can get away with not fulfilling its primary role making sure customer accounts are secure against criminal manipulation? Josh Frydenberg's office is aware but so far failed to meet with the family.

Bank Of Queensland Vs Michael Sanderson who lost his property when his bank manipulated valuations to construct a default. He had never missed a payment but now he is missing his farm and home >> <https://www.bankreformnow.com.au/news/banking-news/boq-exposed>

These CBA cases –

Dr Robert Cooke >> <https://www.bankreformnow.com.au/node/545/> Again multiple CEOs have gone down the play hardball route. Matt Comyn right now has the ball – I personally put the case into his hands.

The CBA / Tony and Dorothy Rigg case is a serious legacy case. Tony has been dealing with the unscrupulous conduct of CBA for over 35 years. In 1985, he was given a simulated foreign currency loan and agreed to pay five to six per cent interest to build his factory near Nowra. What he didn't realise was that this was in the middle of Australia's foreign currency loan scandal. Before long, he was paying fifty per cent interest! Tony was unconscionably set up by his bank. It ruined his business and has had a profound impact on his life and that of his family. He remains a tortured soul.

BRN Summary >> <https://www.bankreformnow.com.au/node/290/> Complete Bank Victims Document Repository >> <https://www.bankvictims.com.au/commonwealth-bank-of-australia/item/11747-tony-rigg-vs-commonwealth-bank-of-australia-the-true-story-of-tony-dorothy-rigg>

It is worth mentioning here that the Foreign Currency Loan scandal of the 1980s – mostly involving CBA and Westpac - was very well documented in ex-Senator Paul McLean's book *Bankers and Bastards*. Senators do have the ability to expose corporate skulduggery And in fact holders of public office have a fundamental obligation of trust and the '*ultimate obligation of those who hold office in any branch of government is to serve the best interests of the people,*' not the financial services industry..... or indeed other industries where corruption is common such as the arms industry.

Other financial services scandals include: Trio Capital; CBA and its efforts with Storm Financial, Colonial First State, Comminsure and Bankwest.

Why weren't these and others satisfactorily managed by our regulatory and legal apparatus to limit the damage caused and assist victims to get a proper remediation?

It is worth considering some reasons that companies and governments often seem uninterested in exposing the sale of dodgy or harmful products such as Simulated Foreign Currency (and other predatory) Loans or even junk insurance.

Every dodgy product or service sold increases economic activity and GDP. Therefore these often harmful or useless "business" activities also lead to increased profits, dividends and tax revenues.

The big picture strongly implies that our economy actually relies on people being fleeced. This is why millions of complaints about corporations behaving poorly over many years seldom seem to lead to any real change or significant reform.

Bankers, here and worldwide, have been shown to be involved in: fraud, forgery, predatory asset stripping, money laundering, rate rigging, drug trafficking, terrorism funding, superannuation rip-offs, financial planning abuses, insurance scandals, farmer evictions and many resulting suicides and most recently in facilitating the predatory exploitation of children. Can you really make a reasonable case for any decrease in accountability when dealing with an industry with this track record?

And by the way - how can anyone justify the phasing out of cash when doing so locks people into a system such as this? Perhaps it would be in the best interests of the people if MPs and Senators encouraged some competition in the sector by backing calls for a National Australia Post Bank. The type of operation Christine Holgate was working toward before she was so rudely interrupted.

It is also now worth mentioning the role of whistleblowers. They are another essential element in exposing public and private sector misconduct. It is not enough to talk about respecting free speech, transparency and accountability. Governments and corporations must not harass journalists, public servants and corporate players that blow the whistle on misconduct.

Actions demonstrate to voters that you are on their side. Please give us a sign that you are by axing the changes which would diminish corporate accountability.

At the same time - get off the backs of whistleblowers currently under attack you know who they are.

Let me finish on a high note. The Senate has actually given us two recent signs that you are able to make a difference.

Crossbench Senators have made sure that the government's plans to axe Responsible Lending Laws have been well and truly knocked out.

In addition a Senate inquiry has just made clear that Christine Holgate was terribly treated by the government and the Australia Post board.

I would like to see the Senate continue the path set by Paul McLean. Help expose crime and misconduct in the finance sector and assist the victims like Tony Rigg, Dr Robert Cooke and Erika Biritz receive justice and remediation.

Governments must make it a top priority for the corporate elite to be accountable for their actions and decisions while operating their businesses ethically, honestly and transparently.