

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Financial System Division
Question No: 249
Topic: Product Intervention and Power
Reference: Written
Senator: Ketter, Chris

Question:

1. What consultation has Treasury undertaken in the lead up to the release of the proposals paper relating to product intervention and power, released in December 2016?
2. Which groups did Treasury consult with?
3. What were the different views provided?
4. Are media reports suggesting that the banks have been opposing this power accurate?

Answer:

1. Treasury engaged with a number of stakeholders for preliminary consultation sessions on the product intervention power, prior to the release of the consultation paper in December 2016. These stakeholders represented a variety of interests, including: industry bodies, financial product manufacturers, consumer groups and regulators.
2. See above response.
3. A range of views were provided to Treasury during initial consultation on the proposal; these views reflected the significance of strengthened measures that promote consumer outcomes and the importance of balancing potential regulatory costs and impacts on innovation.
4. The views of the Australian Bankers' Association and a number of individual banks on the product intervention power are publicly available via their submissions to the consultation on the Financial System Inquiry final report. These submissions can be accessed via the Treasury website.