

BANKING WATCHDOG ON-HOLD

A planned Banking Tribunal for low-cost compensation to victims of the unscrupulous banking industry is still on-hold by the Federal MP for Hughes, Craig Kelly, who first proposed it in 2016.

Almost \$100million in fees were charged by big banks for no services to about 200,000 clients, as was revealed by the Hayne Royal Commission recently.

MP Kelly is on record calling publicly for the new tribunal, when he opposed the Hayne inquiry as a "lawyers' picnic" which would not help victims.

He was asked in a letter recently about progress on his 2016 plans allowing his Banking Tribunal "to make a binding decision on the bank to pay a certain amount of compensation", as he said then on his Facebook page and in a radio interview with 2GB's Alan Jones.

MP Kelly has also been asked if he would make his Banking Tribunal an issue at the next Federal election.

The article below detailed the promises, "Banks to Repay Victims, MP Kelly tips" -- on the WVRA Inc website on 5 October 2016.

By Don Pagé, 23 February 2019

<http://www.abc.net.au/news/2016-10-05/banking-tribunal-considered-government-could-force-compensation/7903662>

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BANKS TO REPAY VICTIMS, MP Kelly tips.

5 October 2016

The banking tribunal mooted by the Federal Government could force banks to pay compensation to victims of unethical behaviour, revealed local MP and Liberal backbencher Craig Kelly.

The tribunal could also subpoena documents and make decisions about past financial scandals such as the 2008 Timbercorp collapse, he argued on ABC Radio's AM program, fleshing out hints by senior government ministers recently.

MP Kelly dismissed the Federal Opposition calls for a royal commission as an expensive "lawyers' picnic", which would not compensate victims of banking practices. He posted comments on his Facebook page, and appeared on Alan Jones 2GB radio in an interview, leading a concerted media campaign.

The Government backbencher is a member of the House Economics Committee, which is conducting a three-day inquiry into banks this week, and is local Federal MP for Hughes.

LOW-COST SOLUTION FOR VICTIMS

"We need a banking tribunal that enables people in the Timbercorp case to actually take that case to a low-cost tribunal where they can subpoena documents and get a result in the case," he told AM.

He says a tribunal with strong powers would strip banks of their unfair advantage in the legal system, where aggrieved customers are often scared off court action because they cannot compete with the banks legal resources.

Many of the 18,000 investors in the collapsed Timbercorp agribusiness scheme are still battling the ANZ bank for compensation, eight years after it collapsed.

Mr Kelly said the tribunal could be back-dated to help get a resolution in the case and that it could have "the power to make a binding decision on the bank to pay a certain amount of compensation".

He said such powers would give the tribunal far greater clout in changing the culture in the banking industry which has lead to a string of high profile scandals in recent years. ANZ CEO Shayne Elliott is due to front the inquiry this morning, where the Timbercorp collapse is expected to be among the issues about which he is questioned.

On his Facebook page, MP Kelly said: “A Bank Royal Commission is nothing but a ‘lawyers picnic’ costing many tens of millions that will tell us anything that we don't already know, and might provide good media opportunities, but it won't provide one victim with a single cent in compensation - and would be a one-off. “

“In contrast, a Banking Tribunal would be on-going. It could be low cost, enabling a customer to have their dispute heard without the risk of an adverse costs order (unlike the current Court system which is structured in a way that protects the interests of the banks). A Tribunal would have the power to make enforceable orders for the banks to pay compensation for wrong doing.”

Labor has persistently called for a royal commission into banking and says a banking tribunal would be inadequate to address systemic issues in the industry.

"A banking tribunal would deal with people once they've been burnt by the system, once they've lost their savings, their business, their house," Shadow Financial Services Minister Katy Gallagher said.

"It won't actually stop some of these from occurring in the first place and I think that is at the heart of what royal commission ... would deliver."