

Article Information

Author: Andrea Beatty

Service: Banking & Finance, Corporate & Commercial

Sector: Financial Services

Labor plans to require banks and regulators to report every six months

In the wake of the Banking Royal Commission, the Labor Party has announced plans to require banks and financial regulators to report every six months on their progress to remedy cultural problems. Partner, Andrea Beatty and Law Graduate, Chelsea Payne report on the proposal.

In the wake of the Banking Royal Commission, the Labor Party has announced plans to require banks and financial regulators to report every six months on their progress to remedy cultural problems. Partner, Andrea Beatty and Law Graduate, Chelsea Payne report on the proposal.

The Labor Party has announced plans to require banks and financial regulators to report every six months on their progress fixing cultural problems exposed by the Banking Royal Commission.^[1] Stakeholders will be required to report their progress to Labor's proposed Royal Commission implementation taskforce in the Treasury department.^[2]

Other plans proposed by Labor include:

- requiring financial services EDR scheme, the Australian Financial Complaints Authority (AFCA) to name and shame financial firms when decisions are made in favour of customers
- introducing bills to implement five Banking Royal Commission recommendations
- requiring the Big Four Banks, the Australian Banking Association (ABA) and financial services regulators to develop Royal Commission implementation plans by 1 August 2019, and
- the CEO's of the Big Four Banks and the ABA to report to the House of Representatives economics committee and attend public hearings every six months
- increase compensation to \$2 million
- propose an upfront broker fee.^[3]

If Labor are elected in the upcoming election, it is likely that more reforms will follow in line with the recommendations put forth by the Banking Royal Commission.

^[1] The Guardian, 'Banks and regulators forced to report every six months under Labor plan' (20 February 2019) <https://www.theguardian.com/australia-news/2019/feb/20/banks-and-regulators-forced-to-report-every-six-months-under-labor-plan>.

^[2] Ibid.

^[3] Ibid.