

Article Information

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

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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.