

Shorten won't rule out Labor support for a bank royal commission

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Opposition leader [Bill Shorten](#) has criticised the government for quickly ruling out a royal commission into banks and has not confirmed whether Labor would introduce one.

Treasurer, Scott Morrison, has said the government "is not proposing" a bank royal commission, although pressure has grown with [MP Warren Entsch calling for one](#) on Thursday.

The prime minister said "we have to acknowledge that there have been too many troubling incidents over recent times for [concerns to] simply to be dismissed".

Recent bank scandals include [the Commonwealth Bank financial planning scandal](#), allegations [CommInsure may be routinely denying legitimate claims from sick and dying customers](#) and an [Australian Securities and Investment Commission \(ASIC\) suit against Westpac for alleged rate rigging](#).

Turnbull did not comment on specific cases but said bankers had not always treated their customers as they should, including that some "have taken advantage of fellow Australians and the savings they've spent a lifetime accumulating".

"Redressing wrongs is important especially where it is done promptly and generously."

Entsch welcomed Turnbull's recognition of problems in the sector but said "an apology from the big banks and a commitment not to do it again in the future is not enough".

"I believe we need to go further – we need a full royal commission into the profit-driven and immoral activities of the big banks and they must pay an appropriate level of compensation to clients for past wrongs."

On Thursday, Morrison told Sky TV he did not need to rule out a royal commission because the government was not proposing one. Wrongdoing in the financial sector is already policed by Asic, he said.

Speaking in Brisbane later on Thursday Shorten said he was "a bit surprised the government has quickly ruled out having a royal commission".

He said Turnbull's comments at Westpac acknowledged serious issues with banks' behaviour but didn't propose doing anything about it.

"I think Australians are sick of politicians who talk tough and do nothing...It's time for Turnbull to stop ruling out quickly the option of the royal commission and instead start listening to what every day Australians are saying and they don't like the bad behaviour of banks."

Shorten did not commit to institute a royal commission into banks, but said "I don't think you can rule it out quickly".

"If there was a building worker tradie, the government is over them like a rash examining their behaviour. But the top end of town, the banks, the government is so quick out of the blocks to rule out a royal commission, it's breathtaking."

Morrison labelled Shorten's comments "a massive distraction campaign" from the Australian Building and Construction Commission bill and said he was "engaging in politics around something so central to our financial system".

Last year [Labor combined with the government to vote down](#) a Greens proposal for a royal commission into banks, meaning Labor's refusal to rule one out could signal a shift in position. Nationals senator John Williams crossed the floor to support the proposal.

Greens finance spokesperson Peter Whish-Wilson said for 18 months the Greens had supported a bank royal commission to get the resources and investigative powers "to get to the bottom of ... a whole series of scandals".

"The prime minister made it very clear he does believe there's a cultural issue in the big banks ... what's it going to take to actually get a royal commission to make an example of those people who have got away with fraud, misconduct and a whole series of other breaches?"

Whish-Wilson said there was [crossbench support for a royal commission](#). He said Turnbull and Shorten were "great talkers but what are they going to do about it?"