

Labor to hold its own 'hearings' for bank victims

Written by Michelle Grattan, Professorial Fellow, University of Canberra

Labor will flush out more victims of the banks and other financial institutions by holding a series of roundtables in cities and towns that have not been visited by the royal commission.

Opposition leader Bill Shorten has announced that shadow minister for financial services Clare O'Neil will lead these meetings. He said they would give victims the “opportunity to share their stories and consider options for reform to ensure that the shocking misconduct exposed by the royal commission is stamped out.”

The opposition argues the commission should be given extra time. The government says this is up to Commissioner Kenneth Hayne – who has not up to now indicated he wants his inquiry – due to make its final report early next year - stretched out.

Shorten pointed out that so far the commission had only heard from 27 customers despite more than 9,300 customers making written submissions. Moreover, the hearings had been only in three capital cities (Melbourne, Brisbane and Darwin), meaning “regional and rural customers have not had a sufficient chance to have their say”.

“Misconduct in the financial services sector is a national issue – and Australians across the country deserve their chance to be heard. Unlike the Liberals, Labor will listen to victims,” Shorten said.

“Labor now wants victims to have a seat at the table when the royal commission considers what reforms are required to clean up this sector. Scott Morrison doesn't want to give bank victims a voice. He always has been, and always will be on the side of the big banks”.

O'Neil is set to start the roundtables this week with Adelaide on Wednesday the first location, followed by Geelong on Friday. Local Labor MPs and senators will be used to speak to victims in areas O'Neil can't get to. Labor may put in a submission to the commission from its consultations. Submissions close late this month.

Read more: [*Royal Commission shows banks have behaved appallingly, but we've helped them do it*](#)

GST legislation

On another front, the government on Monday announced it will legislate its new plan for dividing the GST revenue between the states and territories.

In July it unveiled a deal to give Western Australia a bigger share - with more funds being provided all round to smooth out the politics of improving WA's position. It initially flagged this could be put in place by an agreement with the states and territories.

Read more: [*Turnbull government says no losers in its new GST carve-up plan*](#)

But despite the additional money for all jurisdictions, a fresh argument erupted.

Tasmania said it wanted extra time to work on the new arrangement. In the wake of the prime ministerial change, a leak revealed there had been a slanging match between Scott Morrison when he was treasurer and the Tasmanian treasurer.

The move to legislation is another example of Morrison acting to clear away irritants where he can. This is especially important on the GST deal, given the Liberals have several seats at risk in WA. Morrison is campaigning there in the early days of this week.

In a statement, Morrison and Treasurer Josh Frydenberg said: "Unfortunately it became clear some states intend to grandstand and play politics on this issue, including in the lead up to this

week's scheduled meeting of the Council on Federal Financial Relations.

"We will now introduce legislation that locks these reforms into place, providing the certainty needed for the new GST distribution system. It prevents the system becoming a political football.

"The government is not going to get into running multiple GST arrangements," Morrison and Frydenberg said. "The new system is fairer and because of the \$9 billion over the next ten years in additional contributions by the federal government, all states and territories benefit."

Morrison told reporters in Perth the legislation would cover the "whole package" he had earlier announced, including "the floor, the allocation and the change to the formula, the transition period and how the transition period is broken up over those six years."

He said he was pleased to hear Bill Shorten "says he's on a unity ticket with this [...] I hope it's true."

Asked what had changed since he said in July that legislation might not be needed, Morrison said: "Well back then, the Labor Party were all over the place on this issue. ... I didn't want to get us into a situation where this whole process could have been disrupted by people playing political games.

"But given the Labor Party says they're going to support our plan, well, that means that we can go forward with legislation and we can lock it in".

Shadow treasurer Chris Bowen said the decision to legislate was "a big back down for Scott Morrison but a big win for Western Australia and the nation".

"Bill Shorten has consistently argued for the deal to be legislated," Bowen said.

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But Labor was concerned the proposed legislation “fails to explicitly guarantee that no state will be worse off. As we review the legislation, we will be seeking answers about why this guarantee has been excluded”.

Read more: [WA's economic mismanagement is not a reason to review how the GST is carved up](#)

Michelle Grattan does not work for, consult, own shares in or receive funding from any company or organisation that would benefit from this article, and has disclosed no relevant affiliations beyond their academic appointment.

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