

MEMBERS INCLUDE

Australian Bankers' Association
Australian Finance Conference
Australian Financial Markets Association
Australian Securitisation Forum
Customer Owned Banking Association
Financial Services Council
Insurance Council of Australia

5 December 2013

Mr John Lonsdale
Head of Secretariat
Financial System Inquiry
The Treasury
Langton Crescent
PARKES ACT 2600

Email: fsi@treasury.gov.au

Dear John,

Financial System Inquiry – Draft Terms of Reference

The Finance Industry Council of Australia (FICA) welcomes the opportunity to comment on the Draft Terms of Reference (the Draft Terms) for the Financial System Inquiry, issued on 20 November 2013.

FICA welcomes the Inquiry and looks forward to contributing to the Inquiry's deliberations. In relation to the Inquiry, the focus of FICA will be on ensuring Australia has the best financial system to meet its future needs. This means having a financial system that supports the national economy while maintaining resilience in the system and protecting Australia from international financial instability.

Notwithstanding the current strength of the Australian financial system, an inquiry at this time is prudent to ensure that this strength is maintained. FICA is supportive of the Government's statement that the Inquiry's recommendations will look to "foster an efficient, competitive and flexible financial system, consistent with financial stability, prudence, integrity and fairness".¹

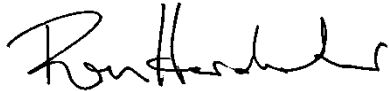
FICA is also supportive of the Draft Terms which are largely consistent with sector's thinking on the scope and direction of the Inquiry.

¹ <http://jhb.ministers.treasury.gov.au/media-release/023-2013/>


Yours sincerely,



Steven Münchenberg
FICA Chairman and
Chief Executive Officer, Australian Bankers' Association



Ron Hardaker
Member and
Executive Director, Australian Finance Conference



David Lynch
Member and
Executive Director, Australian Financial Markets Association Limited



Chris Dalton
Member and
Chief Executive Officer, Australian Securitisation Forum



Louise Petschler
Member and
Chief Executive Officer, Customer Owned Banking Association



John Brogden
Member and
Chief Executive Officer, Financial Services Council



Robert Whelan

Member and

Executive Director and Chief Executive Officer, Insurance Council of Australia Ltd

FICA Secretariat

Level 3, 56 Pitt Street, Sydney NSW 2000

+61 2 8298 0401

lsteen@bankers.asn.au