



The Hon Nick Sherry
Minister for Superannuation and Corporate Law
Parliament House
Canberra ACT 2600

Dear Minister

I welcome the opportunity to provide comment on the proposals contained in the Government's Green Paper *Financial Services and Credit Reform – Improving, Simplifying and Standardising Financial Services and Credit Regulation*.

By way of background, with a membership of 280,000 and growing National Seniors has been operating for the social and economic benefit of seniors for more than thirty years and has a strong track record in representing the interests of seniors across Australia in a broad range of community, business and government forums.

As you will be aware, National Seniors has for some time been raising concerns with respect to reverse mortgages, as well as unlisted and unrated debentures on behalf of our members and the broader seniors' community. In this regard, National Seniors has had ongoing dialogue with both the Australian Securities and Investment Commission (ASIC) and the Uniform Consumer Credit Code Management Committee (UCCMC), and has held regular meetings with representatives from your office.

National Seniors welcomes the release of the Green Paper and commends the Government on its inclusive approach to engagement with relevant consumer representatives. I also believe this initiative represents a significant step towards ensuring a clear, simple and standard approach to regulating financial services and strongly anticipate it will lead to strengthened consumer protection. In particular, I would like to convey National Seniors support for the following proposals:

- § a simpler, more uniform credit system;
- § harmonisation of the regulation of promissory notes, regardless of value;
- § extending the licensing requirements for debenture issuers;
- § requiring debenture trustee companies to be licensed; and
- § reviewing the duties of trustees.

I would also like to take this opportunity to seek assurances that the proposed changes in respect to debentures will be done in a timely manner, and that the proposed process for transferring responsibility for the regulation of credit to the Federal Government will be a priority for the Council of Australian Governments (COAG) at its next meeting.

Should you wish to discuss any of the above in more detail I encourage you to contact our National Policy Manager, Peter Brady, on (02) 6282 7677.

I look forward to a positive outcome with this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read "Michael O'Neill". The signature is fluid and cursive, with the first name "Michael" being larger and more prominent than the last name "O'Neill".

Michael O'Neill
Chief Executive Officer

1 July 2008