

OPEN LETTER: Hon. Prime Minister Anthony Albanese MP, Prime Minister of Australia

1 February 2023

Dear Prime Minister,

Re: Integrity, dignity and a fair go: retrospective financial redress demanded for victims amongst those who drove calls for the Hayne Royal Commission

Assisted by Industry Super Australia, HNAB-AG representatives, our spokesperson Naomi Halpern and I, met with parliamentarians, in Canberra and locally, including then Leader of the Opposition, Bill Shorten, over 2014-2017, in regard to sophisticated multi-lender / product collaboration with notorious so-called “*independent*” adviser Peter Holt. We made the case for integrity, reform, accountability and redress in relation to horrendous financial impacts with serious to dire consequences across all aspects of life for victims and their families.

Those victims worst affected (*relative to their situation, not necessarily dollar amount*) – through loss of home, lifesavings, retirement, so-called “*investments*” – and some bankrupted, are the most adversely impacted by AFCA’s grossly inadequate cap of \$500,000. A CSLR cap of \$150,000 is even more insulting tokenism.

Eligibility parameters exclude the very victims who stood up against financial misconduct since 2008. The CSLR cap of \$150,000 is not enough to replace a home (property values have almost trebled – *or more* – since forced to sell or bankrupted due to losses and deceptive debt). Nor is it adequate for retirement for victims in hardship or who are homeless enduring hardship or facing poverty.

Closer to a fair go compromise is Labor’s 2019 proposed cap for restitution of \$2million (for direct, indirect and compounding losses) with compensation of \$1million for personal injury.

Recent research over 20 years in the prestigious *Journal of American Medical Association*, shows middle-aged and older people experiencing an adverse financial shock losing 75% or more, and particularly their home, are at grave risk for serious physical and mental health repercussions including suicide and early death. *AFCA* and *CSLR* ignore such data – and us.

Older Australians don’t have time to rebuild or start over. Renters and singles face poverty on the pension. Women are even worse-off if divorced (common in trauma), or if single: should any superannuation remain after misconduct, women have an average 47% less than men.

I seek to meet you, the Treasurer the Hon. Jim Chalmers, the Minister for Finance the Hon. Katy Gallagher, and Assistant Treasurer and Minister for Financial Services the Hon. Stephen Jones to discuss the urgent matter of retrospective financial redress for victims like us.

We must not be re-victimized – *yet again* – by the CSLR or a failure to create a mechanism to ensure redress for victims in our shoes. Nor should our plight depend on individual politicians’ personal experience, or that of their loved ones, to be able to recognize ethical action is urgently needed. We have been kicked down the road too long by too many governments.

This 14+ year nightmare is no fault of our own. We accepted professional advice and management in order to be responsible for our financial futures. Traumatized victims should not have to fight relentlessly for good people to do something about bad things others chose.

Yours faithfully,
Susan Henry
Chair, HNAB-AG

c.c. Treasurer the Hon. Jim Chalmers
Minister for Finance the Hon. Katy Gallagher,
Assistant Treasurer and Minister for Financial Services the Hon. Stephen Jones