

OPENING STATEMENT

Shayne Elliott, ANZ CEO: Appearance before House of Representatives Standing Committee on Economics

27 March 2019

Thank you for inviting ANZ to appear before you today.

With me are Alexis George, our Deputy CEO, and Colin Neave, our Customer Fairness Advisor.

Colin has joined us today as he is advising me on resolving cases that were raised before the Royal Commission.

The Commission has been a profoundly humbling experience for ANZ.

Customers have suffered because we have, at times, put our well-being ahead of theirs.

This has led us to examine our conduct and how we govern ourselves.

What we offer to our customers must help them achieve what they want, whether it is buying a home, running a small business or simply going about daily life.

When we fail, we must pay people back, hold ourselves to account and be open with the regulator.

And, in all that we do, we must obey the law.

To us, these are the core lessons of the Royal Commission and the clear rules for today's bankers.

We have not met all of them consistently.

To explain what we're doing to fix this, I want to highlight four actions.

First, we're paying people back.

We've invested in more staff and better technology so that we can get money back to customers faster.

Second, we're holding people to account.

We have been reviewing the issues raised at the Royal Commission and asking if the consequences for executives were strong enough and, if not, what else we need to do.

Because of this ongoing work, pay has been cut or clawed back.

Third, in February we announced a series of initiatives that we can act on now, without waiting for new laws.

We don't claim these are enough but, they are a start.

One of these initiatives is our new model litigant standards, which this Committee discussed last October. These will guide our lawyers so that we are fair to individuals and small businesses in court.

We will report publicly on our progress against these initiatives.

And finally, we're acting further on customer disputes and complaints.

As an initial step, I asked Colin and a leading consumer lawyer, John Berrill, to recommend how we could resolve the Royal Commission cases involving ANZ customers.

They are meeting with customers around the country and making recommendations to me.

Since I last appeared here, around 800 customers have sent me emails. We've resolved about 90% of those complaints and the rest are a work in progress.

And, as part of our February announcement, we wrote to AFCA offering our immediate support for its 10 year look back of customer disputes.

Our actions are important but only part of the picture.

The Royal Commission and the laws that Parliament has already passed are having the most fundamental impact on Australian banking since the global financial crisis.

There is more accountability, more attention from the regulators and more focus on customers.

While there are more laws to pass and more bank-driven reforms to go, we believe that we are changing to better serve society.

Before I finish, the availability of credit is on the minds of many.

Let me assure you that ANZ is ready to lend, especially for housing and small businesses.

Higher standards, based in the law, do apply, and some will find it harder to borrow than before.

Our challenge is finding the right balance of prudence and availability within the regulatory framework.

After a period of perhaps being too cautious, ANZ is easing back towards a sensible equilibrium.

If we are to serve society, we must support the economy by lending responsibly, and that is what we're aiming to do.

Thank you and we look forward to your questions.

ENDS