

Frequently Asked Questions Financial Services Royal Commission

What has been CUA's involvement?

CUA lodged a written submission in February 2018, addressing questions from the Royal Commission and outlining the steps we have taken to address instances where behaviour or business activity had fallen below community standards. CUA's submission is publicly available on the Royal Commission's website.

Has CUA been named in the Royal Commission?

CUA was not named in neither the Royal Commission's final report or interim report. CUA was also not asked to appear before any of the public hearings.

Does it help that CUA is a credit union?

As a mutual, we are 100% owned by our members with each member having an equal share in the organisation. Because CUA is owned by our members, not shareholders, we don't have the conflict of balancing competing interests. We have always, and will continue, to strive to make sure we put the best interests of our members at the heart of everything we do.

How will the recommendations impact CUA and our members?

At CUA, we are entirely supportive of banking regulation, but it's important this is targeted appropriately, and is not a one-size-fits-all approach for the whole sector. We agree CUA should be held to account just like all financial services providers. However, we are also a smaller organisation focused on home loans and savings accounts to Australian families. As a member-owned organisation, our sole focus on members is a different model to the shareholder owned companies which were the focus of the Royal Commission.

Is CUA concerned about what regulatory reform might flow from the Royal Commission?

To ensure the need for fair and proportionate regulation for mutuals like CUA is not overlooked, we will continue to liaise closely with government and regulators on implementation of the recommendations. Larger financial services entities can more readily absorb additional regulation than smaller players. This is why CUA is supporting the advocacy campaign by our industry body, the Customer Owned Banking Association, which is calling on the Government for proportionate banking regulation.

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What recommendations are most relevant to CUA?

We are closely examining the recommendations that are aligned to our business including mortgage brokers, consumer lending, insurance, BEAR accountabilities, regulators, and culture, governance and remuneration. Many recommendations relate to products not sold by CUA such as superannuation, financial advice, funeral insurance and agribusiness products.

Where can I find more information?

If you have a question that is not covered in our Frequently Asked Questions or would like to know more, you can phone our dedicated Royal Commission Information Line on 1300 494 781.