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Australian Securities Investments Commission  
GPO Box 9827  
Melbourne VIC 3001  
[data.publication@asic.gov.au](mailto:data.publication@asic.gov.au)

## Summary

This submission welcomes ASIC's proposals to enhance transparency and accountability in how financial services firms handle Reportable Situations (RS) and Internal Dispute Resolution (IDR) obligations. However, it urges ASIC to go further.

My own extensive engagement with bank complaint processes across dozens if not hundreds of victims of bank malfeasance over more than a decade——has shown systemic dysfunction that fails to align with ASIC's Regulatory Guides or legislative expectations. Poor recording, management and resolution of complaints are not isolated issues. It affects thousands of customers in dispute right now and potentially  customers, who may have legitimate grievances that one day fall into an intentionally complex, frustrating and demoralising, not fit-for-purpose process.

CP 383 is an opportunity for ASIC to reset industry culture from obfuscation to openness, from minimal compliance to meaningful reform. This submission builds on my experience as a long-term advocate and victim of unresolved misconduct and malfeasance and proposes actionable transparency reforms that would deliver more accurate consumer data, enhance regulatory insights, encourage financial institutions to compete with honour and enable genuine accountability.

## Key Recommendations

### 1. Mandatory Complaint and Breach Reporting in Annual Reports

Each financial institution should publish on a dedicated complaints and accountability page in their annual report with the following:

#### Internal Dispute Resolution Metrics

- Number of IDR complaints received
- Number resolved within 30 days
- Number resolved within 90 days
- Number unresolved beyond 180 days
- Number of complaints escalated to the Customer Advocate

- Number of Customer Advocate complaints resulting in policy changes or new policies: both internal and external

### **AFCA Engagement Metrics**

- Number of complaints lodged with AFCA
- Number unresolved by AFCA after 90 days
- Number of AFCA claims over \$100,000

### **Court and Enforcement Metrics**

- Number of complaints referred to the Administrative Appeals Tribunal (or successor body)
- Number of cases where customer initiates legal proceedings against a bank
- Number of cases where the bank initiates legal action against a customer
- Number of default notices issued
- Number of notices of property repossession
- Number of court orders for property repossession
- Number of full time employees dedicated to complaints

### **Senior Executive and Director Engagement**

- Number of complainants personally met by CEO
- Number of complainants met by each board director

### **Accessibility and Fairness**

- Number of branches closed
- Number of branches open part-time only
- Number of new branches opened
- Number of branches per 10,000 customers
- Online complaints processes should adhere to international accessibility standards including the Web Content Accessibility Guidelines (WCAG) known as ISO/IEC 40500 to make this accessible to individuals with disabilities, including those with visual, auditory, cognitive, and physical impairments
- Mental health should be prioritised and proactively integrated into dispute resolution processes, particularly for complaints where a customer is facing potential foreclosure or the complainant is disputing a product relating to their principle place of residence

## **2. Inclusion of Breach and Whistleblower Data**

ASIC's published RS data must include:

- Number of breaches
- Time taken to identify breach (from occurrence to recognition)
- Time taken to report breach to ASIC
- Root cause of breach

- Number of customers affected
- Amount remediated
- Amount not yet remediated
- Number of breaches still under investigation
- Number of whistleblower reports received

These breach statistics should be compared year-on-year and against industry size and customer base to support competitive benchmarking.

### **3. Scam Data Transparency**

ASIC should require publication of scam-related metrics:

- Total customer losses to scams (per institution)
- Total value of losses prevented by each institutions intervention
- Number of scam-related customer complaints
- Average and longest time taken to respond to scam reports
- Range of channels to report scams

Such data is essential for evaluating real-world effectiveness and consumer protection outcomes.

### **4. Public Dashboards and Downloadable Data**

ASIC's dashboards should be fully interactive, downloadable, and include:

- Industry-level and firm-level data
- Timeline filters (30/90/180+ days)
- Complaint subject categories
- Breach categories by obligation
- Time-to-resolution heat maps
- Complaint outcomes (resolved, unresolved, referred)
- Comparative rankings by volume, resolution speed, and impact
- Post complaint Customer satisfaction metrics
- Number of times Legal Professional Privilege (LPP) is claimed
- Number of breaches of Model Litigant Principles by agency law firms and breakdown of types of breaches

ASIC must not allow sanitised summaries or delay firm-level publication. Transparency without specificity is not accountability.

### **5. Legal Expense Reporting**

ASIC should seek to include the following data:

- Total cost of legal advice from complaint lodgement to resolution.

Banks should report on the legal costs allocated towards resolving individual and complex disputes. There is a perception that banks with spend disproportionate amounts on legal advice where a complaint can be settled for less. These amounts should be published and transparent for customers and shareholders to ensure banks are acting as Model Litigants.

## A Case Study

### Legislative and Cultural Accountability

The failure of [REDACTED] to meet even basic customer service standards highlights the need for stronger enforcement of the Financial Accountability Regime (FAR - previously BEAR) where not one single tangible public consequence of significance has occurred in six years. Model Litigant Principles in complaint handling have no transparency whatsoever despite the largest, most expensive and most expert legal firms being engaged - to the contract specific exclusion of banks customers.

ASIC must also publish which firms are serial under-reporters or delay-reporters. A licensee that only reports one or two breaches a year—while large peers report hundreds—should be a red flag, not a model of compliance.

We cannot regulate what is concealed. Public data is the antidote to corporate opacity. Parliamentary transparency and interrogation is needed

### Final Note

Publishing complaints, breach, and dispute data is about restoring fairness and rebuilding public trust. The data is already collected. Now it must be used.

ASIC's proposed dashboards are a welcome step, but they must become a tool for structural change—not just an optics exercise.

Transparency is only the beginning. The test is what you do with it.

Sincerely

Craig Caulfield

Founder, Bank Warriors

