

**Media Release
8 November 2017**



Mutual reform puts consumer interests first

P&N Bank CEO, Andrew Hadley, welcomed the Government's positive response to the 2017 Hammond Inquiry stating that it was a game changer for the 4 million Australians who currently bank with customer-owned organisations.

Today's announcement by Treasurer Scott Morrison outlined that the Government would adopt all 11 recommendations of the Inquiry into Reforms for Co-operatives, Mutuals and Member-owned Firms, conducted by Greg Hammond OAM.

Mr Morrison stated that until now Australian mutuals and co-ops have been under appreciated and ignored by our Federal laws, placing them at a disadvantage to their much bigger competitors.

Mr Hadley agrees with the Treasurer, stating that competition in retail banking is vital for the economy and in providing Australian consumers with genuine choice.

"The adoption of new legislation and regulations that recognise the mutual or co-operative model will create a more level playing field between mutual banks and the listed banks," Mr Hadley said.

"The amendment to the Corporations Act will pave the way for a new capital instrument for mutual businesses which has the potential to unshackle some very real impediments facing our sector.

"Until now P&N has been unable to easily raise capital by issuing securities to members without risking our mutual status. This has clearly hampered our growth and development potential in this fast-paced age of fintech disruption and digital banking.

"In countries where specific co-operative and mutual legislation exists, vibrant and sustainable mutuals not only serve their members but contribute to economic growth and diversity.

"On behalf of all Australians, we are especially heartened by this development and look forward to optimising the benefits that the changes will bring."

Ends

1. [Media Release 8 November 2017: The Hon Scott Morrison MP "Backing co-ops, mutuals and customer owned banks to increase competition"](#)
2. [Australian Government response to the Senate Economics References Committee Report: Cooperative, mutual and member-owned firms](#)

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P&N Bank

- the largest locally owned and operated bank in Western Australia.
- Best Mutual 2017 RFI Australian Lending Awards.
- is an Approved Deposit Taking Institution (ADI) regulated to the same high standards of security as other banks, by such government agencies as APRA, ASIC, the Reserve Bank of Australia, AUSTRAC and the ACCC.
- is run on a customer-owned banking model. Profits are reinvested for the benefit of those who bank with P&N, its members.
- has 14 branches in WA and offers a wide range of financial products and services, including home loans, personal loans, term deposits, credit cards, financial planning, insurance and foreign exchange.
- is part of the rediATM network.
- is a member of COBA (Customer Owned Banking Association) and the Business Council of Co-operatives and Mutuals (BCCM).

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