



Strong banks – strong Australia

House of Representatives Standing Committee on Economics

Review of the four major banks (second report)

Australian Bankers' Association

ABA16QW: Why doesn't the ABA's Whistleblower Principles include provision for compensation to whistleblowers who face retaliation?

Answer: The ABA's Guiding Principles on Improving Protections for Whistleblowers¹ prohibits actions that disadvantage the whistleblower personally or financially. The industry supports the payment of compensation or other redress in circumstances where a whistleblower has been personally or financially disadvantaged.

Specifically, the Guiding Principles prohibit any actions "that disadvantage the whistleblower personally or financially in retaliation against their disclosure" (para 5.1). All reasonable steps must be taken to protect whistleblowers from retaliation or adverse action related to the disclosure, including matters relating to their employment. The remedy for reprisals or disadvantage may be compensation depending on the circumstances of the situation.

The ABA would expect that banks and other companies would fund their own compensation arrangements, and therefore we do not support the need for a broader and independent compensation fund.

The ABA does not support the provision of monetary incentives or financial rewards for whistleblowing. We consider this would undermine the integrity and intent of whistleblowing policies and programs. We note that the provision of incentives/rewards to encourage whistleblowing was recently rejected by the authorities in the United Kingdom.

¹ http://www.betterbanking.net.au/wp-content/uploads/2017/01/Final_Whistleblower_Guiding_Principles-Dec-2016.pdf