

Alan Raine
Senate Economics Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

7 March 2024

By email: economics.sen@aph.gov.au

Dear Mr Raine

COMPETITION AND CONSUMER AMENDMENT (FAIR GO FOR CONSUMERS AND SMALL BUSINESS) BILL 2024

The Mortgage and Finance Association of Australia (**MFAA**) appreciates the opportunity to make a submission with respect to the Committee's consideration of the Competition and Consumer Amendment (Fair Go for Consumers and Small Business) Bill 2024 (**the Bill**).

The MFAA is pleased to support the Bill which gives effect to establishing a designated complaints function within the Australian Competition and Consumer Commission (**ACCC**).

For context, the MFAA is Australia's peak body for the mortgage and finance broking industry with circa 15,000 members, 98% of which are mortgage and finance brokers, the vast majority of these are small businesses.¹ Brokers play a critical role in intermediated lending, providing access to credit and promoting choice and competition in both consumer and business finance. The industry makes a significant contribution to lending in Australia, with brokers currently facilitating 71.5% of all home loans in Australia² and more than four in ten small business loans.³

The MFAA actively seeks to identify and address issues impacting competition in the mortgage and finance industry, where those issues adversely impact on our small business members and their customers. For example, the MFAA raised issues in relation to and subsequently contributed heavily to the ACCC's inquiry into the home loan discharge process. That inquiry and the MFAA's contribution culminated into significant recommendations by the ACCC now the subject of the Federal Government's response focusing on improving outcomes for customers in the Australian home loan market.⁴

In our view, this function will provide an important and formal channel by which associations such as ours can raise with the ACCC and the Government competition issues affecting our members, and their customers such as the one above.

¹ Further information about the MFAA can be found in Attachment A.

² [MFAA Industry Intelligence Service Report 16th Edition](#) pg 4

³ Productivity Commission research paper [Small business access to finance: The evolving lending market](#) pg 44

⁴ See [media release](#) by the Treasurer the Hon Jim Chalmers titled the Australian Competition and Consumer Commission Retail Deposit Inquiry, 15 December 2023.

The MFAA therefore supports the establishment of a new designated complaints function under the Bill and sees the initiative being well received by our industry.

CLOSING REMARKS

If you wish to discuss this submission or require further information, please contact either me at [REDACTED] or Stefania Riotta at [REDACTED]

Yours sincerely

[REDACTED]

Naveen Ahluwalia
Executive, Policy and Legal
Mortgage and Finance Association of Australia

Attachment A - About the MFAA

The MFAA's membership includes mortgage and finance brokers, aggregators, lenders, mortgage managers, mortgage insurers and other suppliers to the mortgage and finance broking industry. The MFAA's purpose is to empower our members to prosper and thrive, ensuring Australians benefit from competition and choice.

The MFAA's role, as an industry association, is to provide leadership and to represent its members' views. We do this through engagement with governments, financial regulators and other key stakeholders on issues that are important to our members and their customers. This includes advocating for balanced legislation, policy and regulation and encouraging policies that foster competition and improve access to credit products and credit assistance for all Australians.