



5 December 2013

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Head of Secretariat
Financial System Inquiry
The Treasury
Langton Crescent
PARKES ACT 2600
By email: fsi@treasury.gov.au

Dear Sir/Madam

Financial System Inquiry

Suncorp Bank welcomes the Financial System Inquiry as a means of fully assessing competition, funding, capital and regulation, all key elements of economic prosperity.

Australia wants and needs a strong multi-tiered financial services sector and this Inquiry presents a once-in-a-generation opportunity to do something meaningful in support of that objective. Future proofing the competitiveness of the regional banking sector should be high on the agenda. Regulation has a disproportionate impact on regional banks. The very advantageous capital requirements of major banks versus smaller institutions further undermine competition and the future of regional and smaller banks. There's also an opportunity to address inequity in the tax treatment of deposits, equities and superannuation to support funding of the economy.

We believe the Terms of Reference provide adequate scope to assess the inter-relationships of the key elements of the financial system.

We look forward to working with the Government and the Inquiry committee to build a financial system that cements Australia's strong economic position and serves the nation's prosperity for generations to come.

Yours sincerely



John Nesbitt
Chief Executive Officer
Suncorp Bank