



End of the road for self-reliance **THE AUSTRALIAN**

Before 2012, for about a decade, the Transport Workers Union consistently ran a public campaign about trucking safety and pushed for more regulation of our road transport sector. This campaign, at first blush, appeared genuine and, indeed, a component of it probably was. Who wants the roads filled with truck drivers high on drugs? Who can disagree that good safety practices are essential? Who can argue against the need to reduce accidents and save lives? <http://tinyurl.com/l9nsuxw>

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Deal cost cleaning staff \$400m <http://tinyurl.com/hwqmqaq>

The Royal Commission into union corruption has been contacting key executives connected to controversial cleaning company Cleanevent to give evidence ahead of today's appearance of Opposition Leader Bill Shorten. The Australian can also reveal Mr Shorten's AWU Victoria's slashing of employee conditions under a 1998 enterprise agreement with Cleanevent cost 5000-odd workers as much as \$400 million, substantially more than previously thought.

Open Letter

Australia's largest Superannuation fraud

Bill Shorten MP
Member for Maribyrnong
Minister for the National Disability Insurance Scheme.

8 November 2022

Dear Bill Shorten,

Under your watch as the Minister for Financial Services & Superannuation (14 September 2010 – 1 July 2013) you made a distinction between the Australians harmed by the same Trio Capital fraud. You divided the Trio victims into two groups, the union run superannuation funds that lost money for no fault of their own and the second group consisted of Self Managed Superannuation Fund Trustees and Direct Investors and according to your assessment, they chose to invest in a troubled fund. Reminiscent of the shameless union biased tactics used in the attempt to destroy the small business trucking industry (forcing the little guys to join the trucking giants) and the Australian Workers Union secret side-deal with Cleanevent – a cleaning services company, to save it millions of dollars in wage costs in exchange for making a "donation" to the union. The deal cost 5000 workers \$400 million (cleaning staff were forced to accept below the award wages).

The tactics of disadvantaging one group for the benefit of another, based on baseless insults or the unlawful use of 'caveat emptor' when legal precedents state '**caveat emptor has no application where contract is induced by fraud**' are no longer tenable. Nor is it tenable for The Australian Securities and Investments Commission (ASIC) to fail to ensure all consumers get treated equally, respectfully and lawfully.

You created a financial system Apartheid from a devastating serious financial crime where all Australians were equally exposed to the same hideous fraud. The tactic benefited the APRA regulated funds. They gained from the harm done to the second group. That harm became a market signal, warning that the SMSFs are dangerous. The end result means more Australians go into APRA regulated superannuation funds and then the Labor Party receives bigger financial benefits from the APRA regulated superannuation funds. Labor has no vested interest in SMSFs, perhaps indicative as to why the second group were harmed by union biased tactics.

ASIC did not / could not / would not provide any evidence of where the disappearance of millions of dollars from the Trio scheme. Not a single cent was found and returned to Trio's creditors. A similar problem was faced in 2010 when the Senate Committee pointed to the 1988 Harmer Report that had warned ASIC to provide information about where money goes in a collapse. However, by 2010 ASIC still had no central data collection to enable a comparison of costs of administrations versus returns to creditors and investors. At the time there was a call to sack ASIC's Chairman Tony D'Aloisio.

In October 2022 ASIC's Warren Day suggested the Adams' Report was 'simplistic'. However, Senator Andrew Bragg took the Report by Economist John Adams seriously. Two inquiries will run consecutively. On 3 November 2022 The Senate Economics References Committee Inquiry, established by a 43-20 vote in parliament, and chaired by Senator Bragg, called for submissions. The second inquiry is by the Parliamentary Joint Committee on Corporations and Financial Services and will be chaired by Ms O'Neill.

Mr Shorten, two inquiries into ASIC's handling of complaints is an opportunity for you to act in the public's best interest and help stop the continuation of lies and misinformation that protects financial crimes in Australia.

ASIC has a history of being reluctant to act against misconduct in banking, superannuation and the financial services industry. For example, in 2010 the Reserve Bank paid \$23m in bribes to military arms dealers in Malaysia, a known fraudster in Nepal and met with Saddam Hussein's brother in law in Iraq to secure the sale of polymer bank notes that Note Printing Australia and Securrency marketed worldwide. The story was aired by Four Corners and titled 'Cover Up'. Another example is the Wolf of Woy Woy ABC Four Corners story that aired in 2022. The Wolf of Woy Woy story was about a company that encouraged consumers to invest in a safe business, only to see their money disappear. In both Four Corners stories, the Australian financial regulators did nothing.

- Is doing nothing why ASIC's Chairman Greg Medcraft's received lengthy overseas trips?
- Are overseas trips the reward for allowing financial crimes to operate unchallenged?
- Why didn't ASIC investigate the connection between Hunter Biden, the son of the then Vice-President of the United States and the Trio scheme? See Letter to Mr Longo Oct. 2021.
<https://tinyurl.com/m23n43nd>

When John Hempton, founder, co-owner and CIO of Bronte Capital, informed ASIC of the link between Hunter Biden with the Trio fraud, was the option of an investigation ruled out because it might jeopardise your connection with the United States as reflected in The Library of US Diplomacy 2009 biography of you - available on WikiLeaks?

http://wikileaks.org/plusd/cables/09MELBOURNE69_a.html

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