

**Open Letter to Stephen Jones MP, Federal Member for Whitlam, Shadow Assistant  
Treasurer and the Shadow Minister for Financial Services. 15 July 2019**

Dear Stephen Jones,

Victims of Financial Fraud (VOFF Inc) congratulate you on becoming Shadow Assistant Treasurer and the Shadow Minister for Financial Services. Parliamentarians have a trusted position where they can serve the public particularly members of their constituency. I would like to remind you of your speech to Parliament on 4<sup>th</sup> July 2011 where you supported the Trio Capital fraud consumers in your electorate, here is an extract:

*"I have the greatest compassion for those good folk who have lost their life savings through their investments in the Trio-Astarra investment funds. These people, hardworking and honest, thought they were doing everything right. They were not looking for a quick buck—they were not white shoe brigade—they were simply looking to put aside savings for their retirement. They did everything by the book. They followed the rules set out by ASIC—indeed, they ticked all the boxes in ASIC's advice to investors".*

In 2011 the Minister of Superannuation, Bill Shorten suggested that the approximate 92% of Trio victims in APRA supervised funds were victims through no fault of their own but the remaining 8% in self-managed super funds and direct investors in Trio had placed their money into troubled funds. VOFF wrote to Mr Shorten and suggested a 'distinction without a difference' this seemingly distracted from the magnitude of problems with the investment regulatory framework. VOFF is still waiting for a reply.

In a 2013 newspaper article you made disingenuous and inaccurate comments towards the 8% of Trio victims, suggesting, *"The reason these people lost their money is because they followed some very poor financial advice" ... "What sort of financial advisor in their right mind would encourage someone to put their entire life savings into a single asset?"*<sup>1</sup> Grossly misleading, especially when Mr Shorten had already suggested the 92% were deluded victims.

The regulatory problems that VOFF had pointed out to Mr Shorten, particularly ASIC and APRA's reluctance to act against misconduct was finally acknowledged in 2018 by the Banking Royal Commission. In the Trio matter, the custodians, auditors, research houses, star-rating firms, and fund managers including both regulators failed to identify that Trio had set up a fraudulent scheme within the Australian financial system. The total failure of the entire system is testimony to a systemic failure.

The Trio fraud demonstrates that Australian politicians with no law enforcement or forensic investigation skills make politicised and dishonest decisions about "fraud". The document ["The Madoff Ponzi v Trio a Government in Chao"](#) shows that accuracy and transparency serves the community better than politicising a crime.

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<sup>1</sup> Thompson, Angela Illawarra Mercury Trio anger spills over as victims protest 16th Feb 2013.