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***** MEDIA RELEASE *****

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Labor calls for an inquiry into Westpoint, Fincorp and ACR collapses

Labor has today called for a full and comprehensive inquiry into all aspects of the collapse of three property investment schemes over the past two years – Westpoint, Fincorp and Australian Capital Reserve (ACR).

The inquiry should be conducted by the Joint Parliamentary Committee on Corporations and Financial Services.

Up to 20,000 investors have lost up to \$1 billion in savings – much of it superannuation.

It is mainly the elderly who have been hurt.

There are a complex set of issues to examine including;

- The role of the regulator, the Australian Securities & Investment Commission (ASIC),**
- Powers of the commonwealth to regulate,**
- The role of research houses, trustees, auditors and “investigative” accountants, and**
- Complaints/dispute resolution procedures and compensation arrangements.**

Labor believes that such an inquiry should hear from and examine all those involved including victims who have suffered losses.

It is clear that a full, comprehensive enquiry is now necessary in order to identify regulatory weaknesses, recommend change in order to minimise such collapses from occurring in the future.

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