

To: Financial System Inquiry

Online: <http://fsi.gov.au/consultation/submissions/>

RE: Financial System Inquiry

LIXI is a collaborative non-profit organisation that enables lending industry participants to work together to solve industry-wide problems, particularly with respect to the interchange of information. Our standards enhance efficiency and customer service, as demonstrated in the establishment of the LIXI-based electronic message system that shares information across the lending industry, including banks, non-bank lenders, mortgage brokers, lawyers, valuers and mortgage insurers.

As an industry body with around 80 members representing every aspect of residential mortgage lending in Australia, we offer our expertise and experience to the Financial System Inquiry. At any level of statutory or regulatory control LIXI is well positioned to support government. We are experienced in resolving collaborative issues and enabling standard messaging between industry parties and service providers.

As an independent, representative organisation, LIXI promotes solutions that have a long-term beneficial outcome for the lending industry. We are confident that LIXI's experience and member base can support any Government initiative designed to foster an efficient, competitive and flexible financial system in Australia.

The LIXI collaborative approach that brings industry members together to achieve common goals is already proven. This collaborative approach could benefit several areas outlined in the Terms of Reference, including:

Balancing competition, innovation, efficiency, stability and consumer protection

In conjunction with regulatory bodies, LIXI can facilitate collaborative efforts in this area to enable the development, design, and efficient use of national data transfer standards within the finance sector.

Any government initiative in this area will likely involve the transfer of data and LIXI can play a role to ensure the collaboration of all parties involved in developing and use of standards.

Meet the needs of users with appropriate financial products and services; and create an environment conducive to dynamic and innovative financial service providers

LIXI can also work with our members to standardise the terminology used to describe financial services and products, and to accurately and precisely define both the terms and how they are used. By ensuring industry-wide agreement on these definitions, LIXI can improve transparency and aid consumers to better understand and accurately compare information. This will enable Australia's potential home loan customers to make more informed choices.

We look forward to an opportunity to work with you during the Financial System Inquiry.

Yours sincerely,

Erik Fenna
CEO, LIXI Limited