

Chairman's Message

On 13 August 2003, the members of the Scheme approved a significant change to our Constitution enabling non-banks to become members of the Scheme.

In line with the broadening of the member base of the Scheme, the name of the Scheme has been changed from the Australian Banking Industry Ombudsman Limited to the Banking and Financial Services Ombudsman Limited. I am delighted that these important changes have been approved.

In the year to 30 June 2003, it could be said that the Scheme has been through a period of consolidation followed by the commencement of a strategic review process.

That review is being conducted at a time when the Scheme has completed 13 years of operation, has a sound reputation, good infrastructure and has been formally approved under the Financial Services Reform legislation by the Australian Securities & Investments Commission.

In that regard, the Scheme is due for a review by consultants engaged by the Board but subject to ASIC requirements, during 2004. The Board believes its present strategic review process will enable the Scheme to respond appropriately to the changing financial services environment and to prepare it well to undertake the 2004 review.

I am looking forward to being able to report in next year's Annual Report on the projects conducted in the context of our strategic review and on the effect of broadening the membership of the Scheme.

In last year's Annual Report, the Acting Chairman of the Scheme, Mr Don Armstrong, AM, thanked the inaugural Chairman of the Board of the Scheme, Sir Edward Woodward, AC OBE QC, for his service to the Scheme. I would also like to record my thanks to him. Upon taking office as Chairman in September 2002, I came to appreciate the work that Sir Edward had performed first as Chairman of the Council and then as inaugural Chairman of the Board. I would also like to thank Don Armstrong who acted as Chairman of the Board between the time that Sir Edward retired as Chairman and when I took office.

During the year, Mr Rob Mathie, a Director nominated by member banks, retired. I would like to thank him for his service to the Scheme.

Mr Jeremy Griffith was appointed a Director to replace Mr Mathie. We have also welcomed Ms Su Mahalingham, Director, Consumer Credit Legal Service (WA) to the Board as a new consumer representative. Both new Directors of the Board have an important role to play in the future and have already made contributions to the affairs of the Scheme. I thank all the Directors for the commitment and support they bring to the Board.

On behalf of the Board, I wish to take this opportunity to thank the Ombudsman, Colin Neave, and his staff for their dedication and outstanding efforts during the year. We look forward to a dynamic and exciting year ahead.



Ms Jillian Segal
Chairman

A handwritten signature in red ink that reads "Jillian Segal". The signature is written in a cursive, flowing style.

Ms Segal was appointed Chairman of the BFSO Board in September 2002. She is also a Non-executive Director of the Australian Stock Exchange, a Director of the Audit Standards Oversight Board for Pricewaterhouse Coopers and is on the Australia Council's Major Performing Arts Board. She has previously been a member of the Dawson Committee, which reviewed the Trade Practices Act, a Commissioner and Deputy Chair of ASIC, and has worked as a corporate lawyer.