

SUBMISSION ON POLICY ISSUES IDENTIFIED IN THE INTERIM REPORT

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Submission for: My Self

Name of other person, business or organisation:

Do you agree to your submission being published: Yes

Do you agree to your full name being published: No

Your submission:

Dear Commissioner Hayne

Thank you for bringing to light the serious misconduct within our banking system. Sadly there are many more examples within the community where customers have suffered through fraudulent behaviours by the banks.

It is clear that the regulatory bodies currently in existence (APRA and ASIC) seem powerless or unwilling to correct the conduct of the banks.

In your interim report you pose the question "*What can be done to prevent the conduct happening again?*"

The answer to this question is to break up the banks under a Glass-Steagall model. Commercial banking must be separated from investment banking.

Under this model, commercial banks would only accept deposits and provide loans to customers (private and business). They would not be 'vertically integrated' with multiple financial services businesses.

Investment banks that engage in financial services (including wealth management, stock broking, insurance and superannuation) and speculation (including securities and derivatives trading) would be completely separate without any access to the commercial banking sector.

This separated financial structure would be much simpler and easier to regulate than the existing financial structure and provide much greater protection to depositors and borrowers within the commercial sector.