

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: Yes

Your submission:

Dear Commissioner Hayne,

It is with grave concern for the financial wellbeing of ordinary Australians that I write to implore the Banking Royal Commission to recommend in the strongest terms possible that Glass-Steagall banking separation of depositors funds, from the commercial activities and risk exposure of banks, be implemented for all Australian banks as soon as possible.

Implementing this form of banking separation is especially urgent due to the fact that, under the Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Act, APRA now has the power to order the bail-in of depositors' funds in order to prop up failing banks in the event of imminent bank collapse.

The Commission has already discovered how corrupt the actions of the banks have been. If the Government truly believes in the transparency and integrity of the APRA to protect the financial interests of ordinary Australians and if it believes that Australian banks are as well regulated and secure as it claims so vociferously, then it should have no difficulty in amending the Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Act to specifically exclude the assets of ordinary Australians from any bail-in provisions.

It is morally bankrupt of any government to allow innocent savers to be forced to pay for the imprudent, negligent and corrupt practices of the banking system whose operation it permits.

Please hold Australian banks to account by recommending Glass-Steagall banking separation and by protecting depositors' funds from bail-in by recommending simple amendment to the above Act. Only when the banks realise that they cannot rely on the government to bail them out or on depositors to bail them in, will they make changes to their ethos of profit at any cost, and return to their original function of safeguarding, and not putting at risk, the funds of their depositors and making prudent loans to businesses and individuals.

Yours sincerely,

Timothy Cragg