

SUBMISSION ON POLICY ISSUES IDENTIFIED IN THE INTERIM REPORT

Submitted By: [REDACTED]

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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,

By way of brief introduction my name is [REDACTED], I am 52 years old, an Australian Citizen, and a fit and proper person; someone who is suitable to serve jury duty. At the peak of career I worked as an IT Analyst so that is where I have expertise. I ask that you consider that I do not have a legal back ground, at times it will require that the spirit of my responses be read. The last major Banking reforms that occurred were in the early 1990's after the Pyramid Building Society collapse, and I view this Royal Commission as the opportunity to reset banking for the coming decades. It is no secret that banks never lose in a Court of Law for their wrong doing anywhere in the World under normal legal conditions, which increases the importance of this Royal Commission. Banks are granted a license to create credit (which is money), which gives them the power to create something from nothing, this is the power only God has (to those of a faith). I greatly appreciate how you have executed your proceedings, without fear or favour, and my wish is that you hack of as many heads off this wretched banking hydra as possible.

Commissioner Hayne:

- Is the law governing financial services entities and their conduct too complicated?
 - Does it impede effective conduct risk management?
 - Does it impede effective regulatory enforcement?
- ...
- Is the regulatory regime too complex? Should there be radical simplification of the regulatory regime?

Response: I viewed an interview with Dr. Wilson Sy who worked in APRA, who said that it was too complicated for them. My view is YES to each of the questions and would welcome the Commissioner to invite Dr. Sy to speak of his experiences in APRA. The regulation should be simplified, if at all possible to point that a reasonable person could read and understand.

Commissioner Hayne:

- Are APRA's regulatory practices satisfactory? If not, how should they be changed?
- Are APRA's enforcement practices satisfactory? If not, how should they be changed?
- Does the conduct identified and criticized in this report call for reconsideration of APRA's prudential standards on governance?

Response: If an average person has been wronged by a bank and presents their case to APRA, and they do nothing, which from my understanding is what has happened, then all of the above points need to be addressed so that APRA is able to, and does its job. Throughout human history if people do not have skin in the game they will likely seek the path of least resistance. The cop (APRA) doesn't have a Cop to police it. Their needs to be some form of adversarial policing of APRA with sufficient disincentive to have APRA's staff give its best.

Commissioner Hayne:

7.5 Business structures

- Do the events that have happened raise any issue about business structures?
- Do the events that have happened invite consideration of whether structural changes should now be made?
- Do the events that have happened suggest that manufacturers of financial products should not be permitted to provide, whether by employee or authorized representative, personal financial advice in relation to products of a kind it manufactures?

Response: My sense is that structural changes may not do that much because they will game this sooner rather than later. I would like to see all financial products or advice given explained in plain English who is paid for what for when the

product or advice is sold, and for how long (e.g. rolling commissions). There should be a star rating system for the risk involved in the product that is easy to understand (Banks can pay for that from an Authorized and trusted entity / ratings agency or Gov). An online dashboard from an authority to compare financial products, e.g. The Reserve Bank of NZ has an online dash board to allow people in NZ to compare banks (ratings agencies among other metrics). The Victorian Government has an online tool to compare power retailers. I think incentives and commissions are ok, with clear and full disclosure, but most importantly if something is wrong a person can go to the regulator and have the regulator help the public. An ordinary public person will never be able succeed against a bank in Court, as the banks have the power of God and are incentivised to keep any of their wrong doing in Court until the Plaintiff takes their own life or runs out of money.

Commissioner Hayne: What responses should be made to the conduct identified and criticized in this report?

- Are changes in law necessary?
 - Should the financial services law be simplified?
 - ...
- Should the regulatory architecture change?
- ...
- Is structural change in the industry necessary?

Response: Yes to the points above.

Mr. Bob Katter MP. Has tabled the Banking System Reform Bill 2018 (separation of banks) which I ask the Commissioner to consider and represent on my behalf as a way forward, as this opportunity will probably not occur again in my life time. The Financial Services Laws should be simplified and expressed in plain English so that the average person can understand.

Thank you for this opportunity

Yours Sincerely

