

## 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:

Upon hearing about Glass-Steagall Act I researched the subject and came across two organisations, Citizens Electoral Council and Digital Finance Analytics (DFA) and their published information which convinced me that the application of Glass Steagall would improve the Australian banking environment.

A senior citizen, I have been following Commissioner Heynes work on Banking Royal Commission with considerable enthusiasm, also, considering that there is currently much support from multiple forces in parliament re Glass-Steagall, I wish to add my voice in the hope that society can re-establish much needed trust in the banking and allied sectors, as this has come lacking in recent years. I myself have suffered from improper behaviour by my Big 4 bank but I was able to sort things out to my satisfaction, albeit never being offered an apology. Their subsequent PR drives on how "we have changed" ... only served to increase my distrust.

I really feel that unless a reliable structural change is made to promote change of culture, the banks will continue to profit unfairly from their clients, and we clients will be hampered in our financial interactions by distrust of the banks. That is not a good situation and will fester away unless serious change takes place.

I quote the Summary from Martin North of Digital Finance Analytics in his submission as I cannot improve on his text:

1. The culture in the finance sector needs to change, to put the customer first. Mortgage brokers for example should have a best interest duty and commissions should be banned.
2. The current focus on "financial stability" is myopic, favouring large players, over small, and building structural risks into the system; the regulators have failed.
3. The large players are too big to fail and too complex to manage, and need to be broken apart. A modern Glass Steagall separation would achieve this, and is proven to reduce risk, and drive better customer outcomes and right size our finance sector.
4. The existing regulatory structure, operating in the Council of Financial Regulators needs to be changed, as its narrow focus on financial stability, and a massive "bet" on inflating the housing sector now at risk. None of the regulatory actors are without blame.

I agree totally with the completed submission made by DFA.

Thank you