

### Financial Services Royal Commission Interim Report

I commend Commissioner Hayne and his team for the way they have exposed the failure of the Banks and governing institutions in upholding the principle of the General Welfare or Common Good , despite the short time frame and very restricted Terms of Reference.

As Martin Luther King, in most recent history stated: "The arc of the moral universe is long, but it bends toward Justice".

Thus the battle being fought is against "powers and Principles" imposed as "Rule of Law" for the benefit of the few over the many versus Natural Law. The idea that the few have been born to rule and the many to be ruled. The limits of the Tyrants power has been reached globally and thus reflected internally here in Australia.

A return to the harmonious, cooperative, considerate, respectful attitude to and between members of a truly human society is what is really being addressed here. The right to be human, governed by the spirit of creativity, embedded in us all.

Thus, **"What can be done to prevent the conduct happening again?"**

The first step in this process is to re-regulate the banks by the structural separation of necessary Commercial or retail banking from Investment Banking and its current "vertically integrated" and speculative activities. This will indicate that our Government is returning to its moral responsibility to the people, not the banks. i.e It's "Heavenly Mandate" of which it seems to have conveniently forgotten, in favour of short -term gain.

The legislation for this is currently in the Federal House of Representatives as a Private Members Bill tabled by Mr Katter, seconded by Mr Wilkie.

It was noted by Commissioner Hayne in Chapter 9, Section 6.7 "Business structures", page 323 of Vol 1 of his interim report: ..."structural regulation of banking activities is not novel", referencing the USA Glass-Steagall Act 1933 and the UK Financial Services (Banking Reform) Act 2013.

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**1st Question:** Is the law governing financial services entities and their conduct too complicated? Does it impede effective conduct risk management and regulatory enforcement? YES

"oh what a wicked web we weave when it is our intention to deceive". Cannot recall whose quote this is, however by intention, the legal jargon used, the fine unreadable print, complexities and excessive verbage exposes the willful act to deceive.

: Is the regulatory regime too complex? YES. Should there be radical simplification of the regulatory regime? YES Cui Bono? Again, willful intent as above.

**2nd Question:** Are APRA's regulatory practices satisfactory? NO.

Under the guise of financial stability APRA has altered the cultural outlook of banking from a service industry to the people and to the economy as a whole, into a parasite on both, purely for profit!

"What does it profit a man to gain the whole world, yet lose his own soul?"

In the physical world it is like unleashing a container of termites into a beautiful historic building, which edifice disintegrates to dust !

Should not regulatory practices be overseen by our Federal legislative bodies ?

: Are APRA's enforcement practices satisfactory?

No, most certainly not when the banks it was regulating have amassed the biggest housing bubble in the world and a \$40 trillion derivatives bubble to boot, absolutely undermining financial stability. All on the back of a 25 million population.!!

:Does the conduct identified and criticised in this report call for reconsideration of APRA's prudential standards on governance?

APRA must be brought under the control of our Federal Legislative bodies immediately, until it is severed entirely, being an agent of the Bank of International Settlements.

( Foreign control of Government anyone! Anyone??)

### **3rd Question:** 7.5 Business Structures

In response to questions on business structures, whether structural changes and the ability to manufacture financial products.

Why would an institution created by our forefathers to take deposits,give a small interest payment for the priviledge of using that equity, to give loans to productive enterprises at a higher interest rate,which nets a profit that covers the banks expenses plus more, to distribute to the shareholders, want to involve themselves in insurance, gambling on their involvement in the stock market ,etc, other than an insidious greedy lust for money per se by seeking to monopolise other entities.(Vertical Integration)

**4th Question:** What responses should be made to the conduct identified and criticised in this report? Are changes in the law necessary? YES

:Should the financial services law be simplified? YES

Should the regulatory architecture change? YES

Is structural change in the industry necessary? YES

The Banking System Reform (Separation of Banks) Bill 2018 , that is already before Federal Parliament needs, urgently, to be debated and passed before the onrushing , 40% bigger, next Global Financial Crisis hits and crushes our already collapsing physical economy.

