

Financial Services Royal Commission

PO Box 5446

Kingston ACT 2604

Wednesday 24 October 2018

Re: My Personal Submission

Firstly, I would like to thank Commissioner Kenneth Hayne for the questions posited in his Interim Report of the first four rounds of hearings of the Financial Services Royal Commission.

Secondly, I give full authorisation to have all this submission or part there of, be published or used as the Commission feels appropriate.

The banking system in Australia has gone awry ever since the Federal Governments sale of the Commonwealth Bank.

I have two fields of thought. The following will articulate both, including why they should adopt it and the viability of each option.

Option 1:

The Australian Government could "Buy back the Farm". By this I mean buy back the shares in the Commonwealth Bank so that it once again becomes 100% government owned. 100% ownership will ensure greater stability on the planning, control, leadership, organisational direction and ethical behaviour of the bank. Ethical behaviour meaning uniform movement in line with fluctuations being determined by the Reserve Bank of Australia. The banks have demonstrated as late as the last change in interest rates by the Reserve Bank which were only partially passed on by most of the banks. Most of the banks raised interest rates for no known reason as recently as last month while the Reserve Bank kept them on hold. Blatant abuse of the Australian Peoples' amid having a microscope being passed over them only demonstrates their level of their arrogance. This is nothing short of despicable and should be deemed illegal.

Having the Commonwealth Bank back in government hands, we would hope to see consistent rate fluctuations with the Reserve Bank. It would be unwise if the other banks did not follow as they would lose some of their market share. This would inevitably open compliance by stealth.

We would then see a more moral approach to valuing the customer rather than the shareholder.

The Commonwealth Bank could then re-direct profits directly in to capital infrastructure projects across the country and even out to our brother and sister countries in the Pacific. Projects such as a Water Pipeline from the Burdekin to the Murray-Darling. This would help sure up the security of future food prosperity by drought proofing the east coast of the country.

Option 2:

Instruct/legislate that the commercial banking institutions be solely restricted to manage traditional banking and savings bank mode of operations. Legislate that all affiliated investment banking to become an entirely separate entity from all the commercial banks.

This would eliminate vertical integration of the bank's where conflicts of interest were never previously considered. The best interests of the customer were put aside to reach sales targets and increased commissions through exploitation.

Mechanisms to achieve this are already before the legislature. Namely, *The Banking System Reform (Separation of Banks) Bill 2018*. This needs to be immediately enacted to protect monies being held in the banks by many of the public across the country. Unsound, purely speculative investments on housing loan derivatives etc would remain in the investment banking arena.

In conclusion, it is imperative that the Financial Services Royal Commission make a priority recommendation that immediate structural regulations be established to protect the citizens of Australia and protect the banking institutions from themselves.

The banks have had ample time to self-regulate. Instead, they have turned a blind-eye to their ethical and moral responsibilities to the every-day bank account holders in favour of speculation and greed.

Yours sincerely



Ronald J Doyle



Phone: 

Email: 