

**SUBMISSION ON POLICY ISSUES RAISED IN ROUND 5**

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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:**

The Australian banks should be separated into 2 institutions as - One, for personal, home savings and other consumer purposes including home loans and small business loans up to a ceiling amount (to be advised) (Consumer bank). The second as a separate institution for commercial, mercantile, equity provision, seed funding, for business, large corporate purposes (Investment bank). The separation should be based on and guided by the Glass-Steagall legislation instituted after the 1930's financial crash and the Depression that followed. The world financial system operated relatively without further incident until the Glass-Steagall legislation was repealed in the US in the late 1990's. Within a decade and after the banks / financial institutions expanded and escalated their activities beyond reasonable limits, in 2008 the Global Financial Crisis occurred. Public funds were then used to bail out these irresponsible institutions and Obama, inexplicably did not prosecute any of the captains at the helm of these sinking ships. This augurs that the democratic representation of the voters / the people is controlled and manipulated by these financial institutions beyond the regulatory control / oversight of the voters' representatives. Also that these institutions knew that they would be bailed out by the public. Through recent legislation in the Australian Federal parliament, apparently depositors' funds can be seized by the banks in a national or global crisis. As shown through this Royal Commission, regulatory control of the Australian Banks and financial institutions has clearly failed to protect the people who have invested, trusted and relied on them. It is damning that they did not take responsibility within each of their institutions. The Australian Banks and financial institutions have been exposed as irresponsible, and fraudulent. What influence do they have over our Governments and regulatory bodies? They are incapable of self-regulation. Further to this the Australian Banks should be separated from all superannuation, insurance and associated financial investment and advice structures. They have demonstrated that they cannot be trusted to also conduct these financial vehicles. They have forgotten whose money they are entrusted with - in the least, that of the average person. Under Glass-Steagall type separation the average person is potentially and more substantially serviced and protected by the Consumer bank model. Enterprise, ingenuity and development is best serviced by the Investment bank model. This is a plea that the Commission do all within the scope of its powers to recommend, guide and steer Australia toward a better banking and financial regulatory future, from which it is hoped that genuine, decent and responsible prosperity can ensue for the benefit of all.