

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

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Your submission:

I wish to address the following... 825.18 If certain structures do raise inherent problems, is structural change of entities, mandated by legislation or otherwise, something that is desirable? As I have read in the Citizens Electoral Council of Australia Media Release Wednesday, 1 August 2018, the following... Quote. "Superannuation is yet another example of how the structure of banks, known as vertical integration, enables them to loot, gouge, fleece, and bleed their customers on an industrial scale. The term vertical integration refers to banks owning multiple financial services, such as financial advice, funds management, stock broking and insurance, which enables them to advise their customers to use the financial services owned by the bank. The banks charge fees for the financial advice, and then more fees for the services they have advised the customers to use. This is a huge conflict of interests, which has enabled banks to push their customers into unnecessary financial products that profit the bank." And "When the revelations of vertical integration abuses by [REDACTED] banks and [REDACTED] first emerged from the royal commission hearings in April, many experts, including former Competition regulator Allan Fels and former Reserve Bank chairman Bernie Fraser, called for the obvious solution: break up the banks. End vertical integration, to remove the conflict of interest between serving customers and gouging profits. The Glass-Steagall legislation introduced by Bob Katter will do that. The Banking System Reform (Separation of Banks) Bill 2018 will stop the big banks from owning any other financial services, including superannuation funds. Although it doesn't cover non-banks like [REDACTED] and [REDACTED], their conflict of interests with superannuation can be fixed by applying a Glass-Steagall rule to all super funds, that superannuation trustees (owners) cannot also be service providers. If trade unions and the Labor Party are genuine about defending industry funds—the only part of the flawed superannuation system that works, as far as it goes—they should support Bob Katter's Separation of Banks bill. This goes for all Australians. To end vertical integration and the financial looting it has enabled, demand your MPs debate the bill in Parliament, and vote for it." I therefore submit that the Commission look into and report on the benefits of the Glass-Steagall legislation introduced by Bob Katter. Regards Bruce Whitehead.