

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:

Vertical integration 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. Vertical integration in manufacturing can have benefits; in finance it is a criminal scam. In manufacturing it enables a company to value-add to every stage of production from raw materials all the way to the final product; in finance, you are the raw material, and it enables the institution to fleece you at every stage of your financial dealings. When the vertical integration of Australia's financial system started in the late 1990s, financial institutions promoted it to the public as a way to keep financial services cheap and efficient. Two decades later the verdict is in. Far from keeping costs low for customers, it has been a cheap way for banks to gouge customers. And not just banks. [REDACTED] reported on [REDACTED] shocking looting of its customers, including for years after they were dead, which vertical integration also made possible. To stop all the above looting, gouging, fleecing, and bleeding of their customers, • Banks should not be involved in Superannuation, • It is ONE reason why banks should be structurally separated, mandated by legislation. • Bob Katter introduced The Banking System Reform (Separation of Banks) Bill 2018 into the Australian Parliament on 25 June 2018 to achieve a Glass-Steagall separation of commercial banks from all other financial activities for Australia. • It is necessary to include a legislated structural separation, and it is desirable and necessary to address inherent problems. Regards. Garth Gilbert.