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Mr David Murray,
Financial System Inquiry

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Dear Sir,

I am very interested in putting a submission to this important enquiry.

Upon researching United States recovery from the very severe depression of the 1930's a main factor was to control the banking system which was a major part if not complete reason for the collapse of the 'system'.

An act, called the 'Glass-Steagall' was put in place to separate the investment side of banking from the everyday commercial side. This allowed for real economic growth and financial security as evidenced by the United States very quick recovery. Unfortunately as time went on the investment side of the banks got into trouble and sought and obtained the removal of this act so that they could access the money in the commercial banks.

To jump to Australia we see the major banks all have huge debts due to their 'investment' side. This side is out of control and keeps getting bigger which is threatening the banks existence and thus the very economy of this country.

If this separation of banking is not put into place now it is very difficult to see how a massive collapse of our economy can be averted. The so called 'ring-fencing' only goes part way towards this as it does not lead to a real separation of banking interests.

When Australia built one of the wonders of the modern world (The Snowy Mountains Scheme) it did not have to rely upon foreign banking input but instead did it by simply having our own bank. We do not have to be bullied into conforming to foreign regulations from certain countries - we have the right (and responsibility) to provide for the people of this nation by having our own 'Commonwealth Bank' once again. This bank was only privatised due to pressure from the other banks that did not want any competition from a 'real' bank. This privatization just maintained the power of all private banking interests over every aspect of our lives our economy and the government.

So because the major banks have got themselves into financial trouble they want to be saved. They want us to pay for their mistakes. Thus 'Bail in' or maybe 'Bail out'. 'Bail out' means taking some of all the tax payers money - 'Bail in' means taking some of the account holder money.

Both of these options are catastrophic, as we can see what has happened in Cypress and Greece. Japan on the other hand managed some years ago to avoid such a calamity by going through individually and sorting out every 'gambling' debt that the banks held.

People in Australia have put their money into the banks on the understanding that it is safe and protected by our very government - not to have a government then sneak up and prepare legislation that will legalize the theft from their savings. These public hearings on the FSI should be nationally advertised and any such draconian proposal to steal our savings should go to a referendum.

Banks are just a money making business. They are not a 'holy grail'. If they have become out of control and 'too big' then it may be time to have a complete separation. Commercial banking for our every day needs and national growth. Investment banks for speculation and gambling on the stock market.

A final note. As for the Financial Claims Scheme deposit guarantee - we simply do not have enough money 'in the store' to do this.

Yours faithfully,

Brian Moxham