3 September 2017

Senior Adviser

Banking, Insurance and Capital Markets Unit

Financial System Division

The Treasury

Langton Crescent

PARKES ACT 2600

Dear Sir/Madam,

The *Financial Sector Legislation Amendment (Crisis Resolution Powers and Other Measures) Bill 2017* does not provide the necessary measures to address the now onrushing global financial crisis.

Why are we now considering “crisis resolution powers” if the economy is as strong as the government claims? The notion that Australia has had 26 years of continuous economic growth is a fraud. We have record debt, an unprecedented housing bubble, and a derivatives bubble that threatens the entire banking system. As of March 2017, derivatives in Australia’s banks (Off-balance Sheet Business) were at $34.9 trillion, compared with $14.2 trillion in 2008 at the height of the Global Financial Crisis.

Crisis resolution powers such as bailout and bail-in are an assault to the Australian people. Any government that implements such policy should be held accountable and those individuals found guilty should be jailed following the precedent of US Chief Counsel Ferdinand Pecora during the Great Depression of the 1930s.

A solution to the current economic crisis exists. Full bank separation following the US Glass-Steagall model is essential. In addition, a government-owned bank must be established to direct credit to grow the physical economy.

Yours sincerely,

Jeremy Beck

Mobile: 0419 399 059