

Bernie Bourke  
505 Staughton Vale Rd  
Balliang VIC 3340  
4-8-2014

---

### Submission to Financial System Inquiry

When nations lose Financial Sovereignty they are soon taken over. The present global debt financing system is outdated as debt soars and people are being made to pay.

An example is the Government stealing depositors funds from accounts that have been dormant for over three years.

To restore an equitable financial system banking scams such as a "bail in" of depositors funds needs to be outlawed. Propping up a collapsing banks derivative exposure through "bail in" is fraudulent and a breach of fiduciary obligation.

Derivatives are like maggots on the rump of a flyblown sheep eating it to death. To save the sheep — get rid of the maggots.

Outlined on the next page are 4 steps that need to be introduced. These are:-

1. Immediate introduction of Glass Steagall legislation to separate sound commercial banking from speculation, eg derivatives
2. The establishment of a Government owned national credit bank to fund essential services and infrastructure.
3. A immediate moratorium on all bank foreclosures on homes, farms and businesses.
4. An Origin of Funds Declaration on all bank loans stating that, "The sum of the loan was created out of nothing under a capital adequacy ratio of eg 10 to 1. See attached pages.

Glass Steagall legislation is the starting point, not a ring-fence scam.

Yours Sincerely  
Bernie Bourke  
Sovereign Elector.

Extract From a Submission sent to  
Senate Economics References Committee.

What needs to happen now is the re-regulation of the nation's financial system by:

1. the immediate separation of sound commercial banking which benefits the average Australian, from the speculative merchant banking activities which have grown like a cancer under financial deregulation, both in this country and worldwide and which have largely caused the present, ever-deepening global financial crisis; the well-known precedent for such a separation is the 1933 U.S. Glass-Steagall Act, which president Franklin Delano Roosevelt used to bring his nation and the world out of the Great Depression, and whose adoption is presently being debated in numerous countries around the world;

2. the immediate re-establishment of a new, government-owned national bank to provide credit for urgently needed great infrastructure projects as the engine to drive a great new renaissance in our agro-industrial, *physical* economy; we must have a sovereign Australian national credit system, not a London/Wall Street-controlled *monetarist system*, to enable us to secure the well-being of *all* Australians instead of just the privileged few, as under the present, monetarist system;

3. an immediate moratorium on all bank foreclosures on homes, farms and businesses;

4. an 'Origin of Funds Declaration' on all bank loans stating that "The sum of this loan was created out of nothing under a capital adequacy ratio of e.g. 10 to 1".

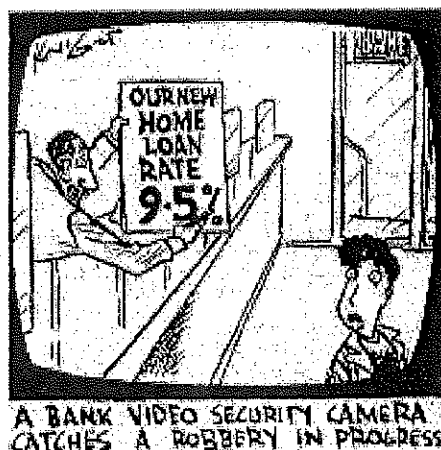
Talk of bank disclosure and transparency is meaningless without the above declaration. What is wrong with people being told the truth about origin of bank loans?

The present global situation highlights that people are getting fed up with spin and inaction by politicians selling out to bankers instead of supporting the general welfare of the people.

Yours Sincerely,

*Bernie Bourke*

Bernie Bourke



## Households forced to go deeper into debt

# Aussies doing it tough

KARINA BARRYMORE

AUSTRALIAN household finances have worsened with the latest statistics showing more than half spend at least every dollar they earn on living expenses, leaving no money for savings or emergencies.

Within these households, 12 per cent did not even earn enough to cover their costs and were forced to go deeper in to debt every month or to redraw on mortgages or savings.

The findings come from the latest ME Bank Household Financial Comfort Report, which found overall financial comfort has fallen 3 per cent back to December 2012 levels.

According to the survey 54 per cent of households have no ability to save, the highest level since ME Bank began its survey.

Within this group, 42 per cent reported breaking even each month and 12 per cent said they overspent, or went backwards, each month.

ME Bank economist Jeff Oughton said household finances had been hit by a tough jobs market and rising costs. Most families also expect their finances to get worse because of the Federal Budget.

Their grim outlook on the Budget added to the drop in financial comfort as people said they worried about the future.

Mr Oughton said "Household income has been negatively impacted by relatively low average wage growth, moderate job gains,

rising unemployment and corresponding falls in job security," Mr Oughton said.

"There is a strong link to the Federal Budget, with 67 per cent of households expecting their financial situation to worsen over the next year as a result of proposed tightening of government assistance," he said.

Consumer and finance advocate Consumer Action Law Centre said one of the biggest burdens on households have been increased utility bills, es-

pecially during winter. An inability to save also meant there was little chance of improving their financial position.

"There's no doubt many in our community are living hand to mouth and for these people saving for a rainy day simply isn't an option," Consumer Action spokesman Dan Simpson said. Anyone who needs free financial help can speak to a free and independent financial counsellor through Financial Counselling Australia 1800 007 007.

## INFORMATION PAPER NO 1

# MONEY - WHAT IT IS, HOW IT COMES TO BE

*Produced for the Australian Bankers' Association*

*by*

*Garry Bell  
Institute of Education  
University of Melbourne*

### ORIGINS OF MONEY

Money has held an irresistible fascination for the human race throughout history. There are obvious reasons for this. In the first place, money is a means of holding wealth and the accumulation of wealth has been a primary objective ever since people found it was preferable to being poor. Secondly, since people are consumers, they find it convenient to use money as a medium of exchange for goods and services. These two primary functions of money - a store of wealth and a medium of exchange - serve to satisfy two basic human instincts: to hoard and to acquire.

Historically, money has taken many different forms - cattle, stones, shells, whales' teeth, tobacco, rum, cigarettes and metal, to name a few. The primary test of money is whether it is acceptable and this, in turn, depends on its ability to retain value, whether it is convenient to carry, whether it is capable of precisely measuring value and how well it stands up to wear and tear. In the early history of money, metal - especially a precious metal such as gold or silver - fulfilled these requirements admirably.

The coinage which developed was **standard**, as distinct from today's token, money, i.e. the coins were worth their weight in gold and silver. But in time, standard coins became too valuable and too much subject to abuse to serve as a medium of exchange. It became popular practice among kings to debase the currency by reducing its gold or silver content and substituting a less valuable metal, usually copper. The king's loyal subjects played their part by adulterating the coinage through "clipping" and "sweating".

As gold became scarce and its value as a metal increased, metal tokens and then printed notes became the universally accepted currency. This development was hastened when governments took over the sole responsibility of minting and printing money.

\* "Clipping" involved shaving off small pieces of the coins. "Sweating" meant shaking the coins together to leave residue of small pieces or dust. Profit was to be made from the accumulation of small pieces of the precious metals.

# BANKING MATTERS

Information  
paper  
prepared by  
Australian  
Bankers'  
Association  
55 Collins St  
Melbourne  
Telephone:  
008 033 652