

Banks have been & still are the most profitable businesses in Australia. Laws force us to keep our money in the banks, yet banks have never been required to declare what they have been doing with our funds. TBTF banks have been investing deposits freely in derivatives even after the GFC without declaring the risks to their depositors when they are just as likely to fail as other businesses which gamble.

There is only one solution to TBTF banks to protect both the economy and bank deposits: the introduction of the Glass-Steagall Act in Australia, to separate investment banking from commercial banking, as mandated in America's 1933 Glass-Steagall Act.

Under Glass-Steagall, the Big Four banks and Macquarie would be split up into separate new institutions: commercial banks that hold deposits and perform the safe banking functions that service the community; and investment banks that engage in risky financial speculation. The two types of banking should have no cross-ownership, no shared directors, no joint ventures.