

## Submission to Financial System Inquiry

In *The Courier Mail* 18<sup>th</sup> August 2014 the former Federal treasurer Wayne Swan warned of a class divide in which the poor people of Australia would rise up against the well to do.

This is easily a feasible future event if people's hard earned cash is placed with banks to look after it and they find out that it's been stolen by big executives who've gambled away fortunes and to save their own necks are allowed by law to keep their businesses going by taking the poor people's money.

Depositors' money should not be classified as unsecured creditors. We deserve better. There needs to be a full separation of investment banking from commercial banking. This would mean that the Big Four banks and Macquarie should be split up into completely separate new institutions: commercial banks to hold deposits and perform the normal business activities for communities; and investment banks that can be bankrupted from risky financial speculation. There should be no compromised directors having a foot in both types of banking.

Such a division of our current banking systems would be expensive. My answer to such a problem is to start another bank, similar to the original Commonwealth Bank – the people's bank. Those who took their deposits to such a bank would have them guaranteed and such a bank be disallowed by law to have speculative investments.

To put in Federal legislation to allow "bail-in" stealing from the poor to give to the rich is outrageous with millions of Australian people trying to keep their heads above financial water. The Federal Treasurer has found it extremely difficult to get his budget of "tax the poor for everything" passed and it has been shown publicly that he himself is a "Fat-cat." He has promoted the "bail-in" concept. Australia is for all Australians, not just the rich and the Federal government should not even consider the UK method of ring-fencing.

Thank you



Mrs M Cottrell

9 Heilbromm St

Stafford Heights Q 4053

18/8/2014