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Mr David Murray
Chairman

Financial System Inquiry
Commonwealth of Australia

I have been hesitant to put pen to paper although for many years I have been gravely concerned about the financial order of things, both on the world scene and our Australian economy and the direction we are heading, I know I am not alone it is the shared view of a lot of people I have seen across over the last seventy five odd years. I may not have a lot of time left, so I thought your inquiry maybe just one opportunity to get a view across for consideration. I fear very much for the future of our younger generation and the ones yet to come, with the closure of many of our major industries the car industry being just one, with the unbridled rape of our natural resources for very little more than the value of dust & asbestos, when considering the Billions of tonnes leaving the country. The few Australian and Australian enterprises and largely foreign consortiums companies being the main beneficiaries having control of the mining operation etc. I believe our Politicians and administration heads should take a trip to Norway to see what they have

done & are doing in that country on the back of the oil shelf on their coastline.

I understand they have kept some area to develop sufficient for their own needs now & in the future allowed the big oil companies to come in and drill for oil but have demanded up to 60 percent of the value of takings a lot of huffing & puffing but there all there.

I am not suggesting we can do the same with Iron ore, coal, gas, Uranium, etc the infrastructure and costs of mining would be higher.

But we the Australian government should be demanding a much fairer & more equitable return and be a bit more conservative in the development of the reserves with much more concern for the environment, as the Great Barrier Reef, & the huge holes left in the ground with no attempt at levelling, refill or reconstruction for some useful purpose.

There needs to be a lot more study concerning the water table underground the possible effects and decontamination of the water coming up with the gas.

It seems to me China is taking giant strides building great infrastructure in the form of cities factories industry, technical infrastructure & education, trade skills, universities research into science & medicine.

The building of the Birds nest Olympic Stadium attest to their ingenuity and their use of a lot of steel and their capacity to build heavy equipment to do the work.

they are in effect, in every field of endeavour
 supplying goods for the lazy world or
 underserved countries of the world largely
 on the back of cheap natural resources obtained
 from Australia & other parts of the world.
 What a smart race of people they are, what
 a knuckle heads we are particularly the politicians
 of the last forty odd years or so.
 We should be out there in front of the pack, instead
 we seem content to say come and get all you can
 just chuck us the value of a tin dust & few more
 crumbs rather Australia should be gaining
 that fair share & equitable slice of the pie and
 with the proceeds doing in part what China is
 doing. We would be much better off as well
 doing something more for ourselves instead of
 getting lost in the global merry go round
 We may not sell as much of our natural resources
 but we still have some Iron Ore & other
 resources left for collateral for future generations
 It is a great shame because the other great resource
 we have is our people, we are energetic &
 intelligent people the pity is much of our intelligent
 design end up having to go overseas for development
 & production because of the lack of facilities
 and marketing expertise and encouragement.
 There is a hell of a lot more one could go on
 about, thank you for your patience
 However the concern I have most is the fact
 that under our present financial system,
 both in this country and world wide, the
 economic systems are failing most countries

I have huge budgetary problems, and we are in a position where in a manner of speaking 80 percent or more of the world's financial wealth is directed and controlled by 20 or less of the world's population, be it individuals, companies, consortiums etc, of which the Private Banks exercise the largest influence, much of it speculative in Australia's case, in financial derivatives based on inflated property values. Furthermore your inquiry should investigate the solution, which does have broad support from many countries around the world and growing. That is of the complete separation of all retail banking from all investment and related banking, as was required in the successful United States Law which lasted for sixty six years beginning in 1933. The Glass Steagall Act as it was known and still is. Wouldn't it be wonderful if nations including ours could dig up Political leaders with the intestinal fortitude of President Roosevelt, and people with insight to back them. When Australia's Private Banks were in trouble in 2008, the then Rudd government kept them solvent with an emergency guarantee, now there is talk of a Bail out Bail in legislation, now knowing what happened in Cyprus when banks failed over there, despite government assurances here that could not happen here, if the acid was poured on Australian citizens' super funds the like could be at risk.

Australia needs a better Financial System on world standards. ~~we~~ we are a young country blessed with a dynamic people and wonderful natural resources a big country with scope to move & develop, we have challenges with the nature of our land & climate, we need to broaden our vision. We have not taken up the challenge since the Snowy Mountain Hydro Electric scheme, for so long.

The World and Australia need a better financial system where there is a fairer dispersment of capital wealth where industry can flourish and grow and education system that encourage innovation & research, skills training technical colleges, universities available to all to bring about growth.

That can be best done in a free & democratic country which we are. The Glass Steagal act could be the instrument to help bring this about coupled with innovation & good government.

In Australia's case the Glass Steagal act would protect our banks longivity & effectiveness as against Bail in Policy which could destroy them, confidence by depositors would be shattered. The other urgent need for Australia is to gain a considerably fairer return from our natural resources they are our strength and they belong to Australia not individuals or companies conglomerates from wherever.

In this drought prone land we could be doing much more to divert & store water so our farmers can produce for an increasingly hungry world. Plus a transport system that makes sense.

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a few weeks trip to Peru by our leaders
might convince them to change their thinking
about a lot of things, particularly the path to
Poverty Lane

I notice in Tasmania there is talk of 60% youth
unemployment. I spoke to a 68 year old man
a couple of days ago who told me he had
moved to Warwick two years ago from
Brisbane has been trying to get a job ever since
said he has now given up, the interviewers
just say I'm sorry but we would prefer to
have a younger person, not good signs in
the present climate.

I simply believe there has to be a better way
than where the rich get richer and poorer and
the Poor get poorer and increase.

Thank you for the opportunity to get a few
things off this old chest and maybe contribute
in some small way. You have a lot to
deliberate on and your findings may
well be crucial to the destiny and well
being of our nation. God Bless.

Yours Faithfully
Martin Thompson