

Banks' ire is all the endorsement Glass-Steagall needs



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It will keep you updated of strategic events both in Australia, and worldwide, as well as the organising activities of the CEC.

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10 April 2019, Vol. 21 NO. 15

Irish financial expert Eddie Hobbs, who recognises in Australia signs of the banking crash Ireland suffered in 2008, wrote in the 9 April Irish Examiner: "The worst-case scenario is that Australia could be the location of the next impact crater for the IMF to fret over and the first since Cyprus 2013 to experience haircuts on deposits [i.e bail-in, see Almanac]."

This warning underlines the urgency of the CEC's Separation of Banks bill, but Australians are seeing their concerns treated with contempt. The government, regulators and banks rigged the royal commission (RC) to protect the banks from real reform, namely a Glass-Steagall separation of deposits from speculation. The major parties have since tried to sound tough, but two parliamentary inquiries into post-RC banking changes have just gone through the motions, continuing the protection of the banks.

The establishment is hoping that the royal commission was enough to placate the public rage that forced the government to establish it back in November 2017. They have miscalculated badly however, and their actions are fuelling a massive political backlash.

The two parliamentary inquiries into banking issues are the Senate Access to Justice inquiry, which reported 8 April, and the Senate Separation of Banks Bill inquiry, still underway. The Access to Justice inquiry was supposed to address the way that the thousands of bank victims around Australia could finally achieve justice against the powerful banks. The Senate committee only provided 10 days for the public to make submissions, and while it did hold hearings, the resulting report was described as a "bitter disappointment" by Dr Peter Brandson of bank victims advocate group Bank Reform Now. "We are sick of the phony inquiry run-around", said Dr Brandson, who over the last six years has personally attended hundreds of hours of royal commission and parliamentary inquiry hearings.

The Separation of Banks Bill inquiry is getting the same run-around. The Citizens Electoral Council blasted inquiry chair Senator Jane Hume on 9 April (p. 3), demanding she recuse herself or be replaced due to her conflict of interest as an ex-banker and her rigging of the inquiry to suppress submissions and block hearings. Hume decided that of the many hundreds, perhaps more than a thousand, of submissions that the committee received, only 30 would be published. The reason is clear from reading those 30— only two are opposed to banking separation.

One of those is from the Australian Banking Association (ABA), the bankers' club which is one of the biggest donors to the major political parties. The ABA had been ecstatic following the royal commission. ABC reporter Stephen Long on 4 March described the parliamentary lockup on 4 February, when Commissioner Hayne's final report was released to the media and industry. "According to several people in the room, some 35 minutes into the lock-up, Anna Bligh, chief executive officer of the Australian Banking Association, sat back, relaxed and looked around the space", Long recounted. "Bligh's brow unfurrowed and the tension in her shoulders slipped away. ... [She] had seen enough to know that it was a good outcome for the banks."

After seeing this, how would the public feel about the ABA's view of the Separation of Banks bill? Their submission states: "The ABA does not support this Bill and has concerns with the drastic regulatory intervention it proposes." Naturally, to banks that are accustomed to getting off scot-free even when they are exposed for massive criminality, any reform, if it is real, would be considered "drastic". The ABA also opposed the provision in the bill to strengthen parliamentary oversight of APRA. The banks are very happy with a regulator that won't regulate them, and the ABA makes it clear they don't want any changes to APRA.

What the establishment doesn't get is that the ABA's opposition to the bill is all the endorsement that the public needs to know that banking separation is necessary.

Articles include the following:

- Ex-banker Jane Hume is rigging Senate inquiry into bank separation—she must go
- US experts respond to Australian Senate banking inquiry
- Submission from former IMF economist
- An Open Letter to Australians: Only Glass-Steagall can save you from the banks
- US mega banks admit derivatives could blow up Wall Street again
- Proposal for real estate 'derivative' is no solution to crash
- Why more nations will defy orders and join Belt and Road
- Why the British establishment is threatening Jeremy Corbyn
- British Labour takes on banking
- NATO harks back to Cold War heritage
- War powers vote shows a shift, and hypocrisy, in Washington
- In People vs Banks, we have the upper hand—the numbers!
- Infrastructure banks can finance all infrastructure needs
- ALMANAC - Legal opinion: Australian deposits can be 'bailed in'

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Printed from <http://citizensparty.org.au/print/pdf/node/291>, on 27 Apr 2024 at 02:04 pm