

# **SUBMISSION**

**Senate Inquiry**

## **“Competition in The Banking Sector”**

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12<sup>th</sup> January 2011

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Years ago it was about protecting the public from being ripped off or at least minimizing those rip offs. Yet today we see the Banks almost too cocky in their attitude of being too big, too powerful to fail. People now are running in fear. There is no policing of their policies, yet surely this is a MUST! Where is the Legislation enforcing things here? There is none! They are a Law unto themselves. Corruption runs rife, it seems if one bank changes things, they all follow suite, covering up for each other. This is a dirty game they play. Their Low Doc lending schemes, are just that, schemes to increase their revenues, for them and their Directors. It was the banks who created these products. They provided the structure, contracts and all the strategies. Then promoted them under the Low Doc System, their BDM's promoted the scam through Financial Brokers and legal advisors, in order to rip off peoples homes. Financial Advisors, living high on hefty commissions which promote further greed and questionable behavior. Many giving false, misleading and deceptive advice. Advice that erroneously leads the investors to believe they will benefit. Information is filled with bribery and corruption, which the lay person is totally unaware of. Where the Adviser is only thinking of the commission they can earn.

It would appear ASIC has only one purpose, to collect application fees from Companies and Corporations. Turning a blind eye to those who lure investors, into parting with their life savings. Not to mention Pensioners who have had fraudulent Loan Applications, with out even knowing it. Lured by advice, given on the pretence of obtaining some small return to boost their pension. There is no Insurance for the Investor, no protection against these predators, when the Company or Advisor is corrupt. Regulating and policing is a must. Even the layman in attempting to gather information on their file is unprotected. Companies or Advisors by neglect or intent thwart his attempts to obtain Loan Application Forms. As long as the corporation or company meet the predetermined format and content defined by ASIC, they the Banks are completely free to conduct business in anyway they choose even if it is clearly not in the best interest of the Investor.

A clear example is of Fraudulent Loan Application forms on aged pensioners. The advisor submitted the applications. There were no personal Interviews, no contacts with clients. No checks were done by the Banks. The Banking Industry has Legalized Theft, using the middleman, the broker, as the conduit in order to stay clean themselves. Now people are loosing their homes. Advisors get paid handsomely and ASIC and the Government does nothing. It should be those that perpetrated the fraud that are held accountable. Not the investor, who acted innocently, upon the advice given them. Government needs to make the Banks and Companies responsible for these fatalities. ASIC & other Government Bodies need to stop protecting the privacy of these companies and directors exposing them for what and who they are.

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In "Responding To The Financial Abuse Of Older People," August 2008, this paper is directly directed at Guardianship Administration. Why not other Seniors? I note that 50% of financial abuse is perpetrated against the older Australian. In particular against the older single women, people who are vulnerable because of, incapacity, dependence and trust in a third party, which was illegal or fraudulent, women who gave their lives to rearing the future generations of Australian men and women.

The BSFO state "more could be done to protect its older and vulnerable people." Yet it is not.

The Australian Government's Response to Fraud states: "The Australian Government has developed a multi-faceted national strategy to combat fraud, in particular banking sector fraud." Where is it? Who does it cover?

In June 2005 the Australasian Consumer Fraud Taskforce was established to provide a whole Government approach to raising awareness about consumer fraud, what about financial advisors & banking fraud.

It would appear this has failed. I believe the Government Bodies and powers to be continue to turn a blind eye to the plight of the lay person. Or for that matter the basic Human Rights, of the hard working everyday Australian Citizen. Even the Constitution of Australia is unbalanced as it protects Banks, Corporations & Companies over and above integrity, honesty and protection of the hard working average Australians,

Parliament could act upon this by nationalizing banks as they cannot be trusted. Remove the protection of those Companies, Corporations and Banks. Expose the corruption that lies behind their actions so our country, its people can move forward or else it will have disastrous consequences for all. The Proceeds of Crime Act 2002 provided a scheme to restrain and confiscate the proceeds of crime against Commonwealth Law. What about Human Rights and the Law.

Remember Justice is: "The protection of rights and the punishment of wrongs."

Yours Faithfully,

Kay Robinson