

# **Banking Amendment (Deposits) Bill 2020**

Committee Secretary

Senate Standing Committees on Economics

Department of the Senate

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Parliament House

Canberra ACT 2600

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To the Senate Committee,

I am an Australian, 61yrs old, married 35 years and have children and grandchildren and it is with great concern for their future but also I'm standing up for the rights and freedoms of all Australian's that I write to you today.

I believe that the bill, **Banking Amendment (Deposits) Bill 2020**, will close the loop-hole and ambiguity that exists in the Financial Sector Amendment (Crisis Resolution Powers and Other Measures) Act passed in 2018 – commonly known as the 'Bail-in' law.

In particular, I bring your attention to the loose phrase "any other instrument" contained in the bail-in act. If the government interprets this a not including deposits, i.e. customers money, then rather than leave it up to interpretation of the day of a good and benevolent government – it should be legislated that deposits are enshrined protection from being included in "any other instrument" and therefore not bailed-in; a kind on Glass-Steagall for instruments!

This is what Malcolm Robert's Banking Amendment (Deposits) Bill 2020 is all about, see his bill's reference to my point highlighted here:

Schedule 1—Amendments 2 3 4 Banking Act 1959 5 1 Section 11CAA 6 Insert: 7 bail-in, in relation to a deposit account, means to convert or write 8 off the deposit account. 9 2 Section 11CAA (at the end of paragraph (b) of the definition 10 of conversion and write-off provisions) 11 Add “(not including a deposit account)”. 12 3 Section 11CAA 13 Insert: 14 deposit account means an account that is kept: 15 (a) by an account-holder (whether alone or jointly with one or 16 more other account-holders) with an ADI; and 17 (b) under an agreement between the account-holder and the ADI, 18 requiring the ADI to pay the account-holder, on demand by 19 the account-holder or at a time agreed by them, the net credit 20 balance of the account at the time of the demand or the 21 agreed time (as appropriate). 22 4 After subsection 11CAB(1) 23 Insert: 24 (1A) To avoid doubt, the reference to an instrument in subsection (1) 25 does not include a deposit account. 26 5 At the end of Subdivision B of Division 1A of Part II 27 Add: 28 11CAD No bail-ins of deposit accounts 29 (1) Nothing in this Act or any other Commonwealth law gives APRA 30 power (whether by way of a prudential standard or otherwise) to: Schedule 1 Amendments 4 Banking Amendment (Deposits) Bill 2020 No. , 2020 1 (a) implement a bail-in of deposit accounts; or 2 (b) authorise or direct the implementation of a bail-in of deposit 3 accounts; or 4 (c) authorise or direct the amendment of any contract, agreement 5 or other instrument to provide for a bail-in of deposit 6 accounts

By recommending the passing of the Banking Amendment (Deposits) Bill 2020 you will be standing up to the banker's bureaucracy for the Australian people, for whom you were elected to serve, and go down in history as true statesmen and women who made an economic miracle possible.

Sincerely,

Mrs. Janet Pukallus

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