

SUBMISSION TO FINANCIAL SYSTEMS INQUIRY

- I wish to strenuously disagree with any form of 'bail-in' legislation.
- However I would like a similar system to the 'Glass-Steagall' legislation implemented as a matter of urgency.
- Legislate to separate Merchant & Commercial banking sectors.

To support the following recommendations:

- Assist ADIs that are not accredited to use IRB models in attaining IRB accreditation, increase minimum IRB risk weights, introduce a tiered system of standardised risk weights, lower standardised risk weights for mortgages or allow smaller ADIs to adopt IRB modelling for mortgages only
- Cap merchant service fees or cap differences in interchange service fees between small and large merchants
- Provide the Australian Securities and Investments Commission (ASIC) with additional product intervention powers and product banning powers
- Raise minimum education and competency standards for personal advice (including particular standards for more complex products or structures such as Self-managed Superannuation Funds), and introduce a national examination for financial advisers providing personal advice.
- Conduct periodic, legislated independent reviews of the performance and capability of regulators.
- Provide policy incentives to encourage retirees to purchase retirement income products that help manage longevity and other risks.
- Issue longer-dated Government bonds, including inflation-linked bonds, to support the development of retirement income products.
- Amend regulation that specifies using certain technologies with the aim of becoming technology neutral. Amendments should enable electronic service delivery to become the default; however, they should include opt-out provisions to manage access needs for segments of the community.

- Improve domestic regulatory process to better consider international standards and foreign regulation — including processes for transparency and consultation about international standard implementation, and mutual recognition and equivalence assessment processes.
- Amend the role of an existing coordination body to promote accountability and provide economy-wide advice to Government about Australia's international financial integration.