

# Citizens Electoral Council of Australia

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Independent Political Party

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## Thieves in pin-stripes: Joe Hockey—covering for the banks who intend to steal your deposits?

The Citizens Electoral Council's urgent mobilisation to expose the plan to steal your deposits to prop up faltering banks ("bail-in")—just like in Cyprus—has caused an uproar in Canberra, sending MPs scurrying in all directions.

Virtually no MP wants to be caught voting for "bail-in" legislation. Such legislation, as used in Cyprus in March and reportedly drafted and ready to enact in Australia, will provoke absolute fury among the public whose savings will be confiscated.

There is a real danger, however, that such legislation could be sneaked through Parliament this week with most MPs having no idea what they are voting for.

CEC representatives who are on the ground this week in Parliament House report that with more than 50 bills still being rammed through in the last three days, the bells are ringing constantly for votes in both houses, and the MPs, especially from the major parties, *do not have any time to read what they are voting for*. They get into the chamber, and they are told which way to vote.

The danger is that the legislation for bail-in powers that the Financial Stability Board in Switzerland reported on 15 April was "in train" in Australia, could be slipped through via a confidential agreement between current Treasurer Wayne Swan and probable future Treasurer Joe Hockey.

Right now in Canberra, Joe Hockey is going all-out to placate his colleagues who are asking him about the plans for "bail-in", assuring them *that everything is fine, there's nothing to worry about*, etc, etc. He is covering for the banks, of course. But what else is new?

This is the same Joe Hockey who on 21 August 2007 replied to a CEC member's warning that the U.S. sub-prime crisis was leading to a global financial crisis, "I however disagree vehemently with your analysis that the world is facing a collapse of the financial markets."



Hockey is surrounded by international bankers such as his chief of staff Grant Lovett, formerly of global giant UBS, and even his own wife is a superstar trader with the world's biggest derivatives gambler, Deutsche Bank.

The bankers and regulators with whom Hockey rubs shoulders are all demanding these bail-in powers to steal deposits to keep themselves afloat, especially now that the next phase of the global financial meltdown is underway, as evident in the present global financial turmoil.

Don't let your MP be swindled by Joe Hockey!

### What you must do to stop deposit-stealing

- Call Parliament House today on 02 6277 7111 and ask to speak to your federal MP's office. Ask the MP, or their staff, the following question: "Do you know for sure that the legislation you are voting on this week does not include powers to steal deposits to prop up banks?"
- Join the CEC as a member and an activist
- Take bulk copies of this flyer and the *New Citizen* newspaper "Do You Intend To Die For The Banks?" and give them to your local bank managers, local councillors, and everyone you know.

**\* Call APRA on 1300 558 849 to demand an end to this looting plan!**

Citizens Electoral Council Petition to Federal Parliament  
Tabled 3 June 2013

## **Australia Urgently Needs a *Glass-Steagall* Separation of Banks**

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of the Citizens Electoral Council of Australia draws to the attention of the House the threat facing Australia's banking system from the deepening global financial crisis, which puts at serious risk the bank deposits of the Australian people, and essential banking services for the real economy.

Australia is now vulnerable because our banking system is concentrated in just four banks, which between them hold the overwhelming majority of deposits and provide the majority of banking services, but which have dangerously exposed themselves to shocks in the global financial system, including through nearly \$20 trillion in derivatives speculation.

We therefore ask the House to take immediate action to protect deposits and essential commercial banking services, by enacting strict banking separation as did U.S. President Franklin Roosevelt's *Glass-Steagall Act 1933*. *Glass-Steagall* split deposit-taking, standard commercial banks from Wall Street's speculative investment banks, creating entirely separate entities under different roofs, thus successfully protecting the U.S. banking system until *Glass-Steagall's* repeal in 1999. We ask the House to apply the *Glass-Steagall* principle to Australia through legislation to divide each of the four major banks into two parts: 1) normal commercial banks as per *Glass-Steagall* standards, and 2) institutions involved in investment banking and other forms of speculation. Banks that speculate will then do so with their own money and at their own peril, with no government protection whatsoever.

