
To the Senate Committee investigating matters relating to Credit Cards Interest Rates,
Australian Parliament House,
CANBERRA, A.C.T.

Monday, 7 December, 2015.

I have submitted two late submissions to the above Inquiry.

They are:

1. Legislating for a MAXIMUM of 10% Interest Rate chargeable by Credit Card Issuing Institutions; and
2. 'Two Silver Bullets . . . ' thought paper. This paper was prepared for Ms/Mrs. Kelly O'Dwyer.

Both submissions were originally prepared for other Government departments. However, both papers are designed to bring to our Government's notice a layman's, a voter's views and considered thoughts, as to simple means to achieve renewed momentum in our Nation's struggling economy.

I write per email today to acknowledge that both papers/submissions also contain other aspects relating to our sluggish economy.

For this reason, apprehensive that the Economics Committee conducting this particular Inquiry may consider the other aspects touched upon as extraneous, and not directly addressing Credit Card Interest Rates' matters, I wish to ask of the Committee the favour of culling judiciously, paragraphs of those topics considered extraneous. This is my permission.

This favour is sought with the object that the remaining paragraphs SPECIFICALLY focused upon the Inquiry subject might be considered for acceptance to the Inquiry.

I would not write today were I not of the view, that the solution offered in my submission in point 1. , is one of the best ideas that the approximately 7 million credit card holders would hope to find among all submissions tendered to your inquiry.

My submission states that lowering the cash rate by the Reserve Bank of Australia NO LONGER HAS ANY BENEFICIAL EFFECT for the greater economy.

The Government has two main choices to help in this matter. They are:

1. Impose a super profits tax upon all credit card issuing institutions which are charging circa 20% rate of interest, or failing this;
2. Legislating a MAXIMUM OF 10% rate of interest chargeable on all credit cards, and allow the remaining 10% to remain in the possession of the 7 million credit card holders, to pay down debt, save for deposits on their long-hoped for own dwellings, and spend otherwise at their discretion, back into our Nation's economy.

I trust this will find favour with the Committee, albeit at this late hour.

Thank you.

Yours sincerely,
Jeff Leddin.

Dear Prime Minister,

23 June, 2014.

Attention all Senators, current and elect, and minor parties.

WITHOUT PREJUDICE.

Originally prepared in September, 2013, this paper and its recommendations has been revised for the purpose to reflect the potential deleterious effects that the Liberal-Coalition's 2014 Budget will have on every Australian whom can least afford to bear the "heavy lifting" that the Budget's measures implies and requires.

This writer understands the Nation's need to restore the Nation's economy by producing more income, and restore a balance in the Nation's finances.

The ONLY WAY that the Government can hope to achieve these goals is to restore more income back to the majority of its citizens, required to self-fund the offset for the reduction in Government relief, and whom are asked to do the "heavy lifting". The ONLY WAY to achieve this is by requiring the CREDIT CARD ISSUING BANKS to partner with its card holders during the period of AUSTERITY Budget measures, and SHARE THE HEAVY LIFTING with its credit card holders. 17 – 20 per cent interest charged to its card holders is no longer conscionable. To continue to do so is obscene in the present economy of Australia, and for the foreseeable future.

It is with respect that we wish to place before you, and for your Government's consideration, the long overdue necessity to legislate a ceiling, stipulating the maximum rate of interest that credit card issuers in Australia are allowed to charge card holders.

We recommend that this ceiling/maximum should be 10 % [TEN PER CENT per annum] at any time. The cardholder should not be penalised any longer.

Two interlinked benefits would result from this Prime Ministerial initiative. These are:

1. Immediate financial relief for the 7 million cardholders (2012 figure); and
2. 7 MILLION VOTERS would thank you, Mr. Prime Minister, for the rest of their cardholding days. Think upon these things.

In an honest analysis of past Labour Prime Ministers' financial and monetary policy decisions, Australian voters have been financially disadvantaged and impoverished. The following examples are cited:

1. Under P. Keating as Prime Minister (1991—1996), the peoples' bank, the Commonwealth Bank of Australia, ("by, of, and for the people"), was privatised between 1991 and 1996. It was thus taken out of the hands of its owners, all the citizens of Australia. Whilst ever the

peoples' bank was in public ownership, it was able to set interest rate levels to which all other banks dare not exceed. Its existence/presence kept all the other 'b-----d' banks honest. Thus, all the other banks had to get the Commonwealth Bank "nobbled", so that they could then raise interest rates to whatever levels they wished. Keating obliged, and privatised the C'wealth Bank.

2. For the above in 1. to occur, Keating deregulated the banking system.
3. In December, 1983 R.J. Hawke's Government deregulated/floated the Australian dollar. Instead of the Reserve Bank determining its value, the international money market set the exchange rate. Our Dollar's rate of exchange was taken out of the control of the citizens of Australia, and gifted to international currency screen jockey gamblers, and also multinational corporations to manipulate our currency's worth for their advantage. For example, during the period when our Dollar's exchange rate was 62 cents, it began to mysteriously sink lower to 57 cents ! Why ? Lo and behold, out of the woodwork came a bid by Shell Oil to buy our Woodside Petroleum ! Treasurer Costello said sorry, Woodside was not for sale. IT WAS NOT IN THE NATIONAL INTEREST TO SELL WOODSIDE ! Shell tried a second time. If our currency had not been deregulated, how much more of our Nation's productive natural resources and manufacturing assets might still be owned by Australia ?
4. From the mid-1980's, banks were free to set their own interest rates ON ALL LENDING.
5. In G. Whitlam's campaign speech in 1972, under section, "Law and Order", he said, "We will hold referenda to . . . give the Commonwealth Parliament constitutional powers over interest rates, and conditions of employment."
6. Sending thousands of Australian manufacturing jobs to low-wage cost Asian countries. Under R.J. Hawke's Presidency of the Australian Council of Trades Unions (1969 – 1980), strikes for higher wages were orchestrated. Average Male Wage rose from \$100 per week in 1971 to \$300 per week in 1981.
7. In March, 1975, Hawke/Whitlam accepted the conditions of the U.N.I.D.O. -sponsored "LIMA DECLARATION", in Lima, Peru, whereby Australia would devolve its manufacturing and much of its agricultural industries in favour of Third World Asian countries, and be only a mine for the rest of the World.
These two policy decisions by Labour were the main causes for the financial straits that our Nation now faces, when we were forever rendered wage /cost uncompetitive, by design. What job/employment alternatives to the fickle and declining mining industry now remain, for our citizens ?
8. In 1976, the Australian Dollar is devalued by 17.6%. The Labour Government arranges for the adjustment of the exchange rate against a trade-weighted currency basket.
9. The demise of Australia's car manufacturing industry by circa 2017 was part of the planned consequences of the Lima Declaration. Up to 1970, the car manufacturing companies were competitive with other overseas manufacturers, exporting to many countries, employing many thousands, - yes, thanks to judicious tariffs -- similar to other countries' safe-guarding arrangements for their vehicle manufacturers.

So many of Australian-owned and operated manufacturing industries and businesses were forced to relocate to Asia, sold off, merge/amalgamate, or closed down. One of the first industries to be forced by Hawke's policies to relocate, to Fiji, New Zealand, Asia or India, was the Textiles, Clothing and Footware. In the light of the many, many hundreds of clothing manufacturing slaves killed in India when a multi-storied clothing production building collapsed, where clothes were being made there for sale in Australia, and not being made in Australia, have not certain policy makers blood on their hands ?

It is past time that the present Australian Government now return financial power and security back to its citizens – to all credit cardholders. The majority of cardholders are in the lower socio-economic level of society. They need financial help most. It is acknowledged that many in the declining number of middle class cardholders are also now struggling. Millions need credit card interest rate relief NOW.

For years since banking de-regulation, all 'Big Four' banks have operated their own extortionate "taxing" regime, in the form of their un-Australian, excessively high rates of credit card interest rates. It is a massive 'tax', 'a great big (old) tax', as the former leader of the Opposition would declare. Only Federal and State Governments possess (should) taxing powers, which are for the benefit of the Nation's citizens.

What Government would think to try to redistribute the Big Four Banks' excessive profit excesses, by proposing 'a great new tax', that is a tax on their super –profits? None would, of course.

However, the painless/gainful way to achieve this, is to legislate the proposed ceiling of 10 % MAXIMUM interest rate chargeable on all credit card-holders.

THIS NEW POLICY INITIATIVE WILL STIMULATE OUR NATION'S ECONOMY LIKE NO OTHER WILL !!

Renters – credit cardholders – would-be home-owners !!

By this proposal for this suggested ceiling on credit card interest rates, all renters would at last be given REAL financial saving conditions by your Government to:

1. Pay down their credit card debts;
2. Save at last for their deposit on their long-hoped for dwelling (home or unit);
3. Stimulate the building industry and employment therein;
4. Have more disposable weekly income to afford healthcare, food, clothing, pay electricity, rates, etc., etc.;
5. Save for education;
6. SAVE FOR BABIES;
7. More money for childcare;
8. Holidays;
9. Retail spending, etc.;
10. Motor cars.

Cardholders' income, whether from personal exertion, Government assistance, retirees' investment income, etc., would remain with them, and would go back into the Nation's economy through THEIR own spending discretionary choices. Thus our Nation's economy would grow with much reduced Government assistance, allowing the Government to spend more on education, health, housing, defence, etc.

A cautionary note is offered. With all cardholders, especially those in the lower-socio economic grouping, more money (excessive credit card interest rates not paid to the Big Four) in their possession, and with discretionary spending decisions in their hands, the temptation to fritter their new-found savings away on their pet vices and poor habits, such as smoking, alcohol and gambling, will overtake so many. To encourage renters in saving for their own property, and any with low will power over their addictions/vices, an increase in excise on alcohol, similar to tax increases in tobacco products, would be appropriate.

The temptation to increase spending on gambling could be addressed by implementing Senators Wilkie and Xenophon's recommendations for restrictions on gambling.

These measures would ensure that the Government receives its own social and economic dividend by such a policy legislation as herein proposed.

The Big Four Banks would receive their own big gain in return for some immediate to mid-term pain. The reduction in revenue/profits from their exorbitant and excessive credit card interest rates charges in the short term, would in the mid-term pay off, very big time for them, when all the would-be home owners RENTERS come seeking home loans/mortgages from them. A massive increase in the volume of new home loans would result, with more contented customers. It would behove the Government to force the Big Four Banks to urgently play ball. The Government must use its two hands, not 'fisty-cuffed' style. No, No !! With the carrot and the stick, of course.

What economical impact statements did Governments and politicians conduct before selling off the Commonwealth Bank of Australia, deregulating our Nation's currency exchange rate, deregulating the banking industry so that the banks could set all interest rates at their whim, trebling wage rates over ten years thus forcing the export of thousands and thousands of Aussie jobs to other low-wage rate countries – and let us ask ourselves, how many of those countries have any type of 'paid parental schemes', by -the –way?

It is past payback time for the Nation's credit cardholders, -- it is time to say sorry, and to 'walk the talk'. It is time to legislate the proposed ceiling on credit card interest rates, and leave that excessive, exorbitant rate of interest back where it belongs – in the cardholder's possession. This is the painless way for the Government to achieve this redistribution of wealth. This has almost limitless advantages for the Government, the cardholders, the Nation, and its economy. Jobs, Jobs, jobs may be seen once more on the horizon.

A POTTED HISTORY OF THE INTRODUCTION OF CREDIT CARDS IN AUSTRALIA.

In 1974, under Whitlam's Government, the Commonwealth Bank of Australia introduced the first credit card. This was named BANKCARD. It had a spend limit of \$300. Let us put this limit in perspective.

1. In 1974, an HJ Holden Belmont cost \$3,594.
2. Australia's first housing boom took place between 1971 and 1974 as a result of R.J.Hawke's trebling of wages, 1971-1981. In Sydney, house prices rose from \$21,200 in 1971 to \$31,800 in 1974. Median home unit price in 1974 was \$24,981.
3. In Melbourne, house prices rose from \$13,400 in 1971 to \$25,500 in 1974. Median home unit price in 1974 was 23,300.
4. Bankcard 'revolutionised' the way Australian consumers paid for goods and services.
5. Its introduction was intended to increase the purchase of AUSTRALIAN-MADE products.
6. It helped to accelerate the process of establishing consumerism in Australia, according to Gregory Melleuish.
7. The availability of credit cards in Australia after 1974, together with financial deregulation, resulted in significant increases in HOUSEHOLD INDEBTEDNESS. (Wikipedia)
8. By 1984, ten years after its introduction there were more than 5 million cardholders in Australia and New Zealand.
9. Bankcard was the first widely available credit card issued by Australian banks for general consumption.
10. On February 15, 2006, commenting on the demise of Bankcard's 1 million cardholders, in the Sydney Morning Herald, "Business", Michelle Innis writes: 'The Commonwealth Bank, which has about one-third of the Bankcard market, says it, too, will write to its customers to offer their alternative credit card'.
11. R.J.Hawke disconnected house prices from the categories which comprise the quarterly Consumer Price Index, for the obvious reason that their inflationary gyrations caused by his wage increases was beginning to cause the CPI to rapidly shoot off the Richter Scale. Their rapid inflation made their remaining presence too overweighted for the CPI to look good in the public's eyes. So it had to be chopped.

Jessica Irvine, National Economics Editor, News Ltd. Network – June, 30, 2013, writes: "Aussies clueless about credit card interest rates, Choice survey finds".

The Federal Government needs to intervene to protect the Australian citizen from the banking monster which past Labour Governments created, by passing legislating the recommended ceiling rate for credit card interest. The Labour Government commendably intervened in the best interests of all smokers by savagely raising the tobacco excise tax (and plain packaging) to protect their health, and reduce Governments' health bill payouts caused by smoking-related diseases and ill health.

CREDIT CARDS TODAY.

In 1974, Bankcard credit card assisted in boosting the retail sales of Australian-made goods and services on credit, or by providing loans for their purchase.

This new experience replaced the previous tradition of saving up to purchase needs – not wants – in lieu of paying cash. The usual only debts which Australians were encumbered by were the loan/mortgage to buy land and build their home, and to a finance company to buy a car, known as hire purchase.

In 2013-14, almost forty years later, today's credit cards serve to purchase billions of dollars'

worth of products made in other countries – low-wage rate countries. So much is to buy ‘wants’ rather than needs. These products were once proudly made by proud Australians, proud of their quality. Therefore, Australians who are forced into part time, or performance-based 1, 2, or 3 year contracts, or with 2 and/or three part-time jobs to make ends meet, are in the banks’ eyes, high risk. The banks thus have been, and are financially raping all of these unfortunate victims of previous accumulation of Labour Governments’ policies. How can they bring their previously exported fulltime jobs back, so that they would be able to have secure employment, and thus be low risk in the banks’ eyes, and so be on lower rates of loan interest ? They would have saved more, and have less need of/for credit for purchasing daily necessities.

RETAIL SALES STATISTICS.

In 1973-4, these statistics measured the amount of principally Australian-made goods.

In 2013-14, these statistics are a measure of principally non-Australian products, including not Australian-grown agricultural and Aussie-processed food.

The Reserve Bank of Australia should reappraise the usefulness, or otherwise, of retail sales statistics when assessing the need for increases or decreases in the official bank/cash rate.

CONCLUSION.

The Reserve Bank of Australia, by LOWERING the official bank/cash rate, to present unheard of levels, in the belief that this action will stimulate the economy, is mistaken and wholly misguided.

This action only really benefits mainly existing mortgage/home owners. The few measly extra beans that are released out of the banks’ clutches are a pittance, and in reality, inconsequential in any effect which it is designed to achieve. Continuing declining statistics in nearly all CPI, manufacturing, retail and other groupings, all attest to the failure to re-invigorate Australia’s economy by this method.

What is now needed immediately is Australian Government legislation to halt the imposition of excessive and exorbitant credit card interest from all card holders by the banks, and allow this wealth to be transferred back into the Nation’s economy by the cardholders themselves at their discretion. The cardholders hold the key to stimulating our Nation’s economy. Legislate now to prevent any further funds being transferred to our banks. In time, the banks’ shareholders will also benefit by all renters fronting the banks with their home deposits in their hands, seeking mortgage loans, then receive their mortgage interest in due course, profits, and increased dividends.

Bankcard came with a \$300 spending limit.

No safeguard limit on the maximum credit card interest that banks could charge was ever legislated by the Whitlam Labour Government, it would appear.

If there ever was, from the mid-1980’s the Labour Government confirmed that there wasn’t, and/or by their policy decision to deregulate the Australian banking system, permitted the banks to set their own interest rates on ALL lending. Liberal Governments when in power have been complicit by maintaining rapacious credit card interest rates charged by the banks

The foregoing is supported by Vincent D. Rougeau, (Boston Law School), in his work:

“Rediscovering Usury: An Argument for Legal Controls on Credit Card Interest Rates”. – January, 1996.

Two previous Initiatives were: (Compiled September, 2013)

1. The Car Industry and Its Vital Role for the Defence of Australia. We congratulate your Government for stating your continued support for its existence and provision of jobs and technical know-how, etc., by offering continuing financial incentives in a substantial way. May we strongly suggest that the as yet unmentioned VITAL DEFENCE ROLE of the car industry be put plainly and often before the Nation, for them to back you in your backing the presence of the car industry in Australia. The public NEEDS to learn of and understand this as a prime reason for it to continue to be viable and supported by Government. For a detailed explanation for this observation, please refer to (Google) Productivity Commission – Australian Car Manufacturing Industry Inquiry, Submissions No. 277 and 283.
2. Be-200 Amphibian multi-purpose aircraft for the INTERNAL and EXTERNAL DEFENCE OF Australia. The public will vote for your Government if they see that you care about defending its' citizens lives and commonwealth (In homes and jobs-providing, income-producing, agricultural and manufacturing assets) first, by funding these 12,000 litre water-scooping in 14-18 seconds, twin jet-engined, 500+ km per hour waterbombing, firefighting amphibian aircraft. The cost for a fleet of these aircraft should appropriately, be appropriated from the annual Defence Budget of \$27 billion. These aircraft cost approximately \$45 million each.
The other equally important role for these aircraft is that of border surveillance – watching out for 'boat people' and smugglers. They can act as a distant early-warning capability (D.E.W.). They are an ideal Orion replacement. That we as a maritime Nation do not have any amphibian aircraft in our Army, Navy or Air Force is so hard to comprehend. This oversight by our Defence leaders is a glaring anomaly and gaping hole in our defences -- both for our INTERNAL AND OUR EXTERNAL DEFENCE.

We thank you for every minute spared to read, and to appraise the value of our Vital New Initiative in our letter today.

E. & O. E.

Yours sincerely, Jeff Leddin.

Mrs. Kelly O'Dwyer, MP.,
Australian Parliament House,
CANBERRA, A.C.T.

Friday, 20th March, 2015

Dear Mrs. O'Dwyer,

(Please print off)

WITHOUT PREJUDICE.

Re: Foreign Investment Review Board and Inquiry into Housing
Affordability for Australians vs. Asians.

I wish to offer TWO policies for the Federal Government to consider which will together assist all Australian home buyers to financially compete against cashed-up Asian investors. They are:

1. Legislate a ceiling of 10% Maximum Interest Rate that may be charged by credit card issuers on credit card debt; and
2. Impose a 10% surcharge tax/levy payable by non- resident Asian investors, on the purchase price of all residential property purchased by them in Australia.

All surcharge taxes/levies collected are to be placed in an "Aussie Home Buyers Fund" (AHBF) to help subsidise Australian home buyers.

The mechanism to implement this policy, is that for every one dollar saved towards a home deposit by Australian home buyers, from the extra money gained/saved, from the difference between the new 10% maximum interest chargeable on all credit card debt, and the former rates of 17-20+%, a dollar will be matched from the AHBF.

If it is found that more money is accumulating in the AHBF than is being matched dollar-for-dollar, a 'tweaking' of the mechanism could change the 'dollar-for-dollar principle to 'dollar-and-a-half-for-each-dollar' saved, or even, 'two dollars-for-a-dollar'.

My 10% Maximum Interest Rate researched thought paper has been forwarded to the Governor of the Reserve Bank of Australia. In it, the argument was made that the continual reduction in the cash rate does nothing to stimulate the Australian economy any more. The only beneficiaries are existing mortgage holders and negative gearing property investors. New home buyers have miniscule benefit.

A copy will be emailed for your attention.

Australian Government and Prime Ministerial policies over the past 45 years, from say, since, 1970 have resulted in the austerity measures trying to be imposed upon Australian citizens to day, when the destruction of Australia's economy HAD NOTHING TO DO THEM ! Why should they be made to do the heavy lifting ?

My thought paper describes many such Government and PMs' policy decisions, and the prominent figures involved.

The 1970's was the decade when so many policies planned to destroy the Australian economy were implemented.

The trebling of Australian wages to make Australian manufactures, (including motor vehicles from then on,) and agricultural products uncompetitive internationally, was by the design of the United Nations Industrial Development Organisation's "Lima Agreement", Peru, March, 1975. The "Lima Agreement" stated that First World nations had to devolve their manufacturing industries and technology to Third World nations.

De-regulating our banking system; privatisation of public-owned manufacturing assets, so vital in saving our Nation in WWII; floating our sovereign currency; tariffs reduction, especially designed to wreck our car manufacturing industry -- thus, capacity and capability to manufacture aircraft, armaments and munitions; multi-culturalism promotion resulting in clashes in religious faiths; all have contributed to weaken our once great Nation -- great up to circa 1970.

The net result has been to substitute imports for goods previously made and exported. Sovereign self-defence manufacturing capacity and capability has been weakened dramatically -- Australia is a prime example.

First World nation parties to the Lima Agreement are now hopelessly, heavily in debt, and could be described as almost bankrupt, in many instances. Such First World nations now severely in debt are the US, UK, Canada, Australia and NZ.

To facilitate the transfer ("sell-off"/sale) of our manufacturing industries and technology to Third World nations, in Australia's case, in 1976 The Foreign Investment Review Board (FIRB) was established.

As Mrs. O'Dwyer is now reviewing the role of this body as it has affected Australian Real Estate, it is appropriate to also consider Australia's NATIONAL INTEREST and NATIONAL SECURITY.

With regard to our National Security, from a perusal of the FIRB's Annual Reports, it would appear that no member of the Dept. of Defence, nor of the three Armed Services, has ever been appointed to assess and vet whether sale of Australia's manufacturing capacity and capability

industries and agricultural assets was in the National Interest, or against our National Security.

It should be noted that Australia's "First Housing Bubble" occurred in 1974 as the result of the strikes for higher pay which happened during R.J.Hawke's Presidency of the ACTU, (previously Secretary) 1969-1980. In the decade 1971-1981, Australian male wages TREBLED from \$100 per week to \$300 per week.

At this point, I digress, and interrupt the preparation of this thought paper to mention that the death overnight of former Prime Minister, Malcolm Fraser has been announced to the Nation.

It may be noticed that in this and previous thought papers, I believe all are eligible to be titled and labelled:

"Intergenerational Report CARDS ".

With the recent passing of two prominent Prime Ministers in Gough Whitlam and Malcolm Fraser, the Australian Broadcasting Commission's programmes of recent months have been reviewing our political parties, their leaders and their parties' policies. Our National Press and commentators and the public, have all been able to assess, nay judge the state of Australia's economy during their tenure as leaders. These national leaders managed our Nation within the parameters and limitations imposed upon them by opposing forces from the Labour Unions – ACTU – and their treasurers at times.

From the two later Prime Ministers, R.J. Hawke and P. Keating, whose policies had the most adverse impact upon our economy subsequently, we may now see a more open and less restrained comment from these two, about what great, revolutionary visionaries each was as a National leader.

The parlous state of our Nation's economy today is its recent National modern history, and each leader's policies impact may be seen and recognised now by the necessity to have austerity measures forced upon us citizens.

Australia has been reduced almost to Greece's level of impoverishment and indebtedness in the last four decades by three out of the four Prime Ministers named herein.

The matter of when to suggest the start date of our modern history is for others to extrapolate; some may think from the end of WWI, some from the end of WWII, and still others from when Australian politicians dealt us in to the international bankrupting charade of "globalisation", circa 1970/early 1970's.

Export of Australian Manufacturing Industries and Jobs, the FIRB, making Australians the "White Trash of Asia" (says Keating, foremost architect of methods to decimate our strengths); Housing Affordability for Australians; Exchange Rate decline from 95 – 75 cents; and \$5,000 and \$10,000 imposts on wealthy Asians; etc.

Export of Australian Manufacturing Industries and Jobs and the FIRB.

R.J. Hawke's commission was to make Australian wages too high so that all goods for export would no longer be competitive on the international market.

With Sir Peter Abeles, the two contrived to eliminate all small businesses, so that only big business and big unions remained, indirectly controlling Australia.
It was designed that Australia would be a mine, and a food bowl only, for the world; no manufactures of substance for its citizens was conceded – it would all be imported from the Third World Asian nations to where our manufacturing industries and citizens' jobs were exported and relocated.

The Foreign Investment Review Board -- A Layman's Perspective.

The necessity of manufacturing industries and companies therein for the future defence of our Nation and its security was never intentioned by design. This vital aspect has never been examined by the FIRB, nor its architects and relevant Gov't policies

It is reiterated that at the commencement of WWII, with a population of only 7 millions, Australia had an almost sufficient number of manufacturing industries and companies to contribute to the massive wartime effort to defend, and keep our Nation free. For a comparison with then, and now, please Google: WWII – Miracles of Production and Supply. (SMH, 'Pacific Victory Supplement', page 9, 16 August, 1945)

Australian workers increasingly need Government financial support because recent aforementioned Governments have stripped them of companies and jobs to be self-supporting. The FIRB had two levels of sale review for international conglomerates seeking to take-over our income-producing assets. These were:

1. Up to circa \$Aus 1 billion -- US, UK and NZ. These three nations had preferred take-over status, in which no scrutiny would be made by the FIRB if offers under this level, and within its usual conditions.
2. Up to circa \$Aus 250 million -- most other nations. No scrutiny if offers under this amount. If over, application for review and approval required.

These were the circumstances prevailing when our exchange rate range was circa \$1 to 95 cents.

Today, following three recent Free Trade Agreements, the exclusive circa \$Aus 1 billion club has been enlarged by the inclusion of those very nations to whom so much of Australian manufacturing industries, companies and jobs, jobs, jobs have been relocated/transferred to, namely:

Japan, South Korea, and China.

The exchange rate range is now circa 77 to 73 cents.

HOUSING AFFORDABILITY FOR AUSTRALIANS -- THE JOKE OF \$Aus 5,000 and \$Aus 10,000 IMPOSTS FOR WEALTHY ASIANS.

Why Australians cannot compete with Asians in the residential marketplace today, is because, thanks to the President of the ACTU's strike organisation actions, 1969-1980, their wage rates became too high for their jobs to remain in Australia. Hawke succeeded in their wholesale export. So, today, what alternatives have they to generate home savings ?

To date, our Parliamentarians, bereft of ideas outside the financial and economic square, and for

fear of upsetting big banking and business, have failed to provide viable alternatives. Herein is provided TWO ideal solutions. These suggestions will be canvassed as far and wide as possible.

The puerile solution provided so far by our Government of imposing a \$Aus 5,000 fee on residential property costing up to \$Aus 1 million, and \$Aus 10,000 for each \$ 1 million thereafter, is insulting to all Aussie would-be home owners.

This is especially moreso, now that the exchange rate has declined from circa 95 cents to \$1.00 range, down to 70 to 76 cents range.

Australian residential real estate is even more cheaper for already wealthy Asian investors.

Now it may be appreciated why wealthy Asians, if in good faith and serious about their investment and/or future residential intentions to live in Australia, would be prepared to accept and pay according to my proposal 2 above.

Whichever political party embraces and accepts these two policy ideas will be seen to be considering the economic welfare of its constituents at last.

Votes are available for the perceptive politician.

To reiterate, a surcharge of 10% on the purchase price of residential of residential property, such as \$50,000 on a \$500,000 property, \$100,000 on \$ 1 billion, and \$200,000 on a \$2 million property, is realistic, and would not dissuade serious investors.

Taken in tandem and conjunction with legislating for a ceiling of 10% on CREDIT CARD interest rates, would stimulate and re-invigorate our economy like no other policy has for so long.

Reducing our cash rate NO LONGER has any economy-stimulating effects, except for the few remaining exporters, miners and agriculture products.

Most of these are now owned by overseas companies, thanks to the "open-gate, we are for sale" policies of our past and present Governments, whose profits are exported with their products.

It has been appropriate and cathartic for this 75-year old author to prepare another Report CARD in response to our Government's Intergenerational (-between/among generations) Report.

I wish you the wisdom of Solomon (just a prayer away) to adjudicate and arrive at the appropriate solutions to help Australians afford their own homes.

Please actively promote the keeping of an Australian car manufacturing industry operating in Australia for its self-defence and NATIONAL SECURITY. Please Google my submissions to the Productivity Commission's Australian Car Manufacturing Industry Inquiry, Submissions nos. 277 and 283.

Yours sincerely,

Jeff Leddin.