

**We the Australian people are the shareholders in this country and we own the level playing field and the kiosk concession too.**

**By Chris Webbe**

Some years ago the Australian Govt. deemed it necessary for an individual to have a bank account to receive Social Security payments etc. What a bonanza for the banks, all those new accounts with their fees and regular deposits coming in and new customers being exposed to their ad campaigns every time they went into the branch. With internet banking soon to follow tax returns, HECS payments and a myriad of Government financial dealings were being funneled through the banks and giving them even more cash to play with.

Now since the Government doesn't want to be seen to meddle with the almighty capitalist level playing field dictum, let's remind the banks of what the playing field is really like. We are all shareholders in the Australian country. Our board of directors and CEO's (the politicians) are elected by the Australian people. Banks only exist here because we let them inside our frame work of laws and regulations.

I propose that each Australian citizen has an account with the Reserve Bank for Govt. transactions with simple interest bearing capability, perhaps current Reserve Bank interest plus 1%. This money is not reinvested with the banks but invested by the Reserve Bank as it sees fit and already does so for the Australian Government. I am not proposing a return to the Commonwealth bank model as it ended up a bloated inefficient entity but we should discount this type of thing now, just because it may go awry in 50 years.

The Government can now keep track of an Government business and individuals Tax / Centrelink / Medicare and HECS status much easier.

We could make compassionate small loans available for people on pensions and fixed incomes etc (at a rate of say Reserve Bank interest plus 2%) for funerals or a new washing machine saving them the desperation and exorbitant interest rate of a credit card.

This would also reduce the countries credit card debt somewhat.

If you morally don't believe in how the banks do business, then here is an alternative. If you wish to take some financial risk and invest your money you can withdraw it out of your Reserve Bank account and put it with a bank. Isn't that what competition is about?

Now since the Reserve Bank can invest where they see fit, they can invest in the smaller (non big four banks) if they think they are playing fair or need a helping hand. This will force the larger banks to tow the interest rate line if they want any taxpayer money to play with. In effect the Govt through the reserve bank can choose who they invest with on behalf of the Australian taxpayer and place their money accordingly. The Government should not be afraid of flexing its financial muscle on behalf of the Australian Taxpayer.

Finally, if you think this idea has legs, then let's not start a 3 year committee process. Let's see if there is an independent politician with enough guts to put it forward now. With a hung parliament we just might be seeing the banks sweating their financial position for a change.

In addition the idea that the threat of changing your financial institution is going to bring the banks to new way of thinking is laughable. Even if you abolish exit fees, you need to get your mortgage approved by another bank and while the country is doing well on paper due to the commodity boom, many people will find that their house has dropped in value or they have gone from full to part time employment or their partner has lost a job completely as many businesses are failing right now due the GFC.

It's long overdue that the banks be made aware of their position in the "level playing field"