

The Treasury

Reserve Bank Act Review Phase 2 Submission Information Release

October 2019

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[1] 9(2)(a) - to protect the privacy of natural persons, including deceased people

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From: Stuart Bramhall
To: [RBNZ Act Review \[TSY\]](#)
Subject: Public Consultation - second round
Date: Thursday, 15 August 2019 6:04:14 PM

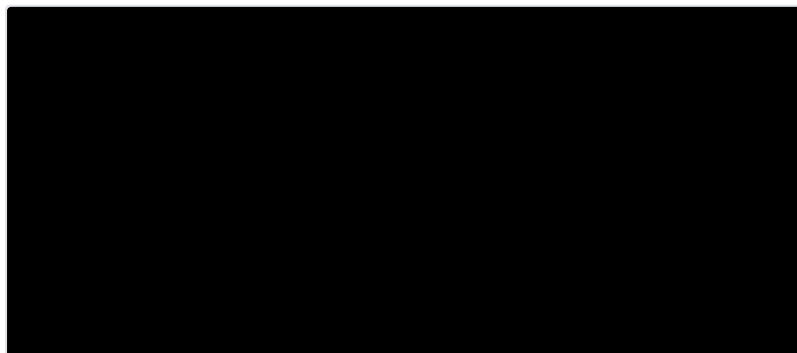
Apologies for the email submission - my browser won't allow me to comment on your Public Consultation Form. I would like to speak to my submission.

3-A I think the RBNZ's enforcement powers should be greatly increased. They should have the ability to impose major financial penalties on private banks that fail to follow capital adequacy guidelines.

4-B I think the RBNZ should learn from the failed experiment with Quantitative Easing overseas. While the original intention of QE was to increase private credit creation for productive activities, this didn't actually happen. Instead private banks used the funds to increase their share price by buying back shares, to increase CEO salaries and to increase mortgage credit - substantially increasing house price inflation.

Instead I think the RBNZ should strongly consider Treasury's recommendation to implement a "people's QE," aka helicopter money, similar the policies pursued by the first Labour government in 1936 of issuing credit directly into the economy for state housing and other infrastructure and the State Advances Corporation.

[Give Kiwis 'helicopter money' cash payouts if economy crashes - Treasury](#)



Give Kiwis 'helicopter money' cash payouts if economy crashes - Treasury

Treasury says "helicopter money", that is cash payouts to taxpayers, is the way to go if recession hits.

5-E I categorically oppose bail-ins. I think banks that invest in risky speculative investments should be allowed to fail rather than being recapitalised. By setting up a system in which the RBNZ can issue credit directly into the economy, we cease to be totally reliant on foreign banks to create credit and they cease to be "too big to fail."

5-H I think NZ should establish deposit insurance to bring it in line with other industrialised countries. I think it's reasonable for it to be partially industry funded.

Name: Dr Stuart Jeanne Bramhall

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I waive confidentiality