

Greens call for banking reform

✘ GREENS CALL FOR REFORM MSP LODGES RBS MOTION

Describing reports that Labour leader Ed Miliband is to propose a cap on the size of banks as “underwhelming”, Scottish Greens have stepped up their calls for diversity in the banking sector.

Alison Johnstone, Green MSP for Lothian and a member of Holyrood’s economy committee, has lodged a motion in the Scottish Parliament calling on the Scottish Government to negotiate the transfer of RBS operations in Scotland to create a network of local banks.

The motion also expresses concern at the latest warnings of job losses at RBS. The Edinburgh-based banking giant is understood to be preparing to shed thousands more posts following the 40,000 already axed since the financial crash in 2008.

Alison said:-“Further job losses would be devastating for local families and our communities. It underlines the need for a cultural shift in banking. We need a more diverse banking sector providing job security, supporting small businesses and serving the public.

“If we look to Germany we see a successful network of small Sparkassen banks which make a profit but also benefit local economies. I’ve put a series of questions to Scottish ministers to see what they could do now to emulate that success, and put our financial sector on a firmer footing.”

The full motion reads:-“That the Parliament understands with concern that RBS staff expect to face significant reductions in job numbers in 2014; believes that Scotland needs a more

diverse and resilient banking sector that is able to provide sustainable employment, finance small businesses and demonstrably serve the public interest; notes what it sees as Germany's successful network of small Sparkasse (savings) banks, which are run by professional bankers in order to make a profit and to benefit local economies, and believes that, to help create a more diverse and resilient banking sector, the Scottish Government should negotiate the transfer of the domestic banking operations of RBS in Scotland to a subsidiary in public ownership and split the institution into a network of local banks that would serve only their city or region, be governed by local stakeholders and hold a dual social and financial mandate."

All details of motions lodged by Alison Johnstone can be found on her profile page on the Scottish Parliament website which you can access [here](#).