



Australian Citizens Party

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MEDIA RELEASE

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Big Four in cold sweat over post office people's bank

In another victory for the grassroots campaign that exposed the real agenda behind Scott Morrison's unlawful removal of Australia Post CEO Christine Holgate, two of the Big Four banks have recommitted to Australia Post banking services long-term. On 1 July, Australia Post announced CBA and NAB had agreed to renew their Bank@Post deals for ten years, while Westpac is also looking at a long-term deal and even ANZ, which wasn't part of the first deal, is considering signing up.

This long-term deal is a relief for the almost 3,000 licensed post offices (LPOs) and the communities they serve. The original Bank@Post deal that Christine Holgate achieved in 2018 was a game-changer. The banks had agreed to pay a \$20 million annual Community Representation Fee (CRF) for post offices serving bank customers, and Christine Holgate had ensured a significant proportion of those payments went to the LPOs, which, for many, secured their financial viability for the first time, and saved banking services in hundreds of regional communities. However, this was also the deal for which Christine Holgate was subjected to a brutal character assassination and railroaded out of Australia Post two years later, on the pretext of the watches she had awarded as recognition to the executives whose hard work had achieved the deal. For that reason, the renewal of the deal was up in the air, leaving the LPOs and their communities facing an uncertain future; on paper at least, this ten-year deal provides certainty.

While this appears to be a great outcome, it is important to be clear how it came about, and also to know the details of what CBA and NAB have agreed to. Essentially, this is a PR exercise by the banks, forced on them by the campaign to support Christine Holgate. Without taking anything away from the hard work of the Australia Post executives who negotiated this renewal of Bank@Post, the fact is those negotiations took place in the context of the LPO Group and Citizens Party shining an enormous floodlight on how brilliant Christine Holgate's original deal had been, which for many Australians was the first they had heard of it. For that reason alone, the banks would have found it impossible to pull out of Bank@Post without it becoming a PR disaster. On top of that, the campaign doubtless spooked the banks by promoting their worst nightmare: a public postal bank that would break the monopoly of the Big Four and force them to truly compete for the first time in decades. The banks hope that a ten-year deal will neutralise calls for a public postal bank. It won't.

And the reason it won't is because while the deal appears to provide financial certainty for Australia Post and the LPOs, it doesn't change the nature of the banks. They are still the same predatory financial institutions that threaten Australia's economy with their reckless mortgage lending and derivatives gambling, and that abandon their customers at will. It is therefore suspicious that the banks and Australia Post are keeping the terms of the renewed deal confidential, whereas when Christine Holgate announced the 2018 deal, she proudly publicised its terms, especially the central \$20 million CRF. Why is the new deal confidential? Are the banks still paying \$20 million, or have they squeezed Australia Post to accept a smaller CRF? Are the banks truly locked in for ten years, or are they able to "reconsider" their involvement at certain intervals? Are the payments for LPOs truly guaranteed? And what fees will banks charge for Bank@Post transactions, which are already far too high?

It is a great achievement that the Australia Post campaign has spooked the banks, which now want to be seen to be onside with public opinion, but the stakes are too high to settle for PR exercises. There is no substitute for a post office people's bank!

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[An Australia Post 'people's bank'—a win-win solution for the nation](#)