Australian Citizens Party



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MEDIA RELEASE

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Stop Conroy taking Australia Post back to 'dark days'

Instead of copying the Liberals by stacking the Australia Post board with party hacks, Labor should support postal services by establishing a post office bank.

Licensed Post Office (LPO) owners across Australia are terrified, and incensed, at the news that Anthony Albanese may appoint Stephen Conroy to the board, and perhaps even to Chairman, of Australia Post.

LPOs are the 2,850 post offices that hard-working Australian families run as small businesses; collectively they have invested around \$3 billion of their own money into providing an essential service that by law is the government's responsibility.

For years the government, Australia Post management, and the banks exploited these Aussie small businesses and their investment, until Christine Holgate became CEO in 2017 and started to ensure they were paid properly for the services they provided.

The LPO Group, which represents the interest of the LPOs, call her "the best CEO Australia Post ever had".

Under her predecessor Ahmed Fahour, Australia Post had been making large losses and was being asset-stripped in preparation for privatisation; licensees call them "dark days"—pushed to the edge financially, almost 100 post office licensees went bankrupt, but the government and management didn't care.

It was Stephen Conroy who in 2009, as the ALP Minister for Communications, <u>put Australia Post on the privatisation path</u> by appointing the ex-Boston Consulting Group (BCG) consultant and NAB banker Fahour as CEO.

Conroy was one of the political figures who attacked Christine Holgate over the \$20,000 she'd spent on Cartier watches in 2018, even though the watches were rewards for executives who'd helped her land a massive deal with the banks that restored Australia Post to profitability and made the LPOs financially viable.

As a Sky News commentator, on 14 April 2021 Stephen Conroy accused Christine Holgate of "outrageous extravagance" in her spending.

This attack was gobsmacking in its hypocrisy: under Conroy's watch as Communications Minister his Australia Post CEO Ahmed Fahour had taken 70 guests on an all-expenses-paid junket to the 2012 London Olympics, at a cost of \$2.89 million, while refusing to pay LPOs enough to cover their expenses.

In a 3 August tweet, LPO Group Executive Director Angela Cramp called Conroy the "ultimate party hack" and described talk of his appointment as a "nightmare for us", threatening the possibility of a class action if he is appointed to "bleed [the] LPO network dry again".

In a follow up tweet, the LPO veteran asked: "What sort of karma would that be [for] serving our communities with dedication and goodwill, while we tried to recover from the damage he did to our industry, only to see him step back [in] and start all over again?"

Betraval!

A new report released by the Grattan Institute last month called "New politics: A better process for public appointments", exposes the extent to which people appointed to Australia's federal and state regulatory and economic agencies, courts and tribunals, and cultural institutions, have political connections to the governments that appointed them.

The worst example of politically-connected appointees found by the report's authors was—surprise!— Australia Post.

Whereas "about 22 per cent of federal government business board members have political connections", the report noted, "political connections are especially evident on the board of Australia

Post, where half of board members are former Coalition politicians, senior staffers, or party officials." (Emphasis added.)

Successive governments have treated the board positions of Australia Post and other government business enterprises as spoils of war, to be handed out as rewards to political friends.

The 2021 Australia Post Senate Inquiry into the unlawful removal of Christine Holgate addressed this issue in its final report.

"With many of its directors having ties and affiliations to the Liberal Party, it is hard to argue that membership of the Australia Post Board is solely dependent on the specific skillset and experience of its members", the report observed. "Evidence before this committee indicates that the makeup of the Board of this publicly owned company has compromised its ability to take decisions and act independently, as is now also required of them by their own Board Charter."

The Inquiry found: "It is the committee's strong view that more care and attention must be given to the appointment of directors to GBE [Government Business Enterprise] boards, including Australia Post, to ensure appropriate levels of diversity, a range of experience and skills, and an absence of political loyalties." (Emphasis added.)

The committee recommended the government "restore an appropriate level of independence to the Board", and restructure the board to include nominees of: "the House of Representatives; the Senate; the employees and unions; and the licensees".

The Labor Party supported these findings and recommendations!

PM Albanese was personally complicit in Christine Holgate's brutal ouster in 2020, for which he has publicly expressed regret, but actions speak louder than words.

If Albanese, Communications Minister Michelle Rowland, and Finance Minister Katy Gallagher appoint discredited Labor Party hack Stephen Conroy to the board of Australia Post, they would be shamelessly trashing the Inquiry report they endorsed.

They would also be betraying the stakeholders of Australia Post, including the LPOs who have the most to lose, and the Australian people.

Postal bank

Since Christine Holgate's removal, Australia Post has descended back into chaos and financial difficulty.

The long-term solution for Australia Post, as Christine Holgate saw, is to permanently combine postal services with banking services by establishing a postal bank, a government bank that operates through post offices.

A postal bank <u>would serve the communities being abandoned by the private banks</u>, support the post office network and LPOs, and force the major banks to compete.

Bob Katter MP is preparing to introduce legislation into Parliament to establish a postal bank.

To support this win-win economic solution, get involved in the campaign:

- <u>Click here to contact PM Albanese</u> to demand he abide by the Senate inquiry report and not appoint Stephen Conroy to the Australia Post board, but appoint representatives of the workforce and the LPOs instead:
- <u>Call and email your federal MP and Senators</u> to tell them to support Bob Katter's bill for a post office people's bank.

Click here to watch the Citizens Party's new video: <u>CREATE A PUBLIC POST OFFICE BANK! - The solution to the closure of local bank branches</u>

Click here to sign the Citizens Party's petition for a post office people's bank.