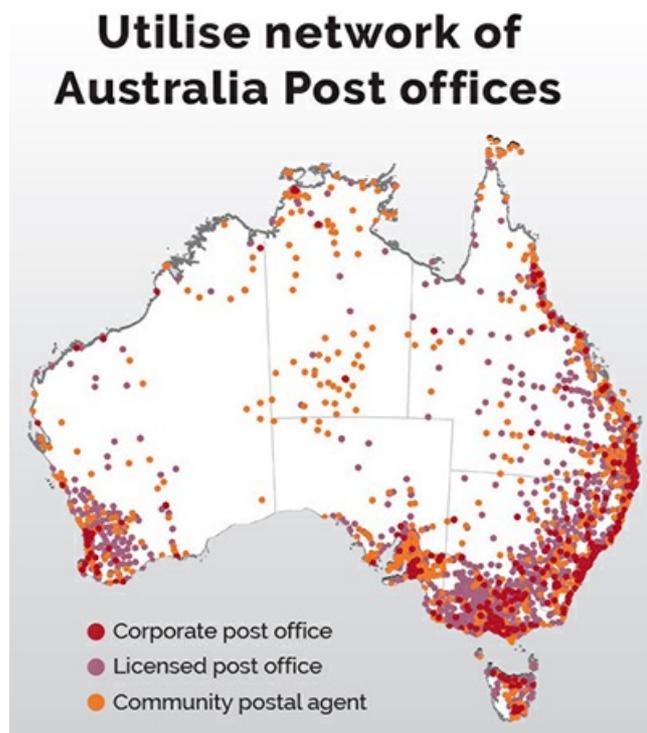


## Why we need a public post office bank

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Australia needs a public (i.e. government-owned) bank, like the original Commonwealth Bank, which served Australia from 1912 to 1996 because since the Commonwealth Bank was privatised, joining the “Big Four” banking oligopoly, the major banks have raked in record profits, while:

- closing hundreds of branches and denying many regional communities banking services (See [State of Banking in Australia](#)) for more detail on banks abandoning communities;
- gouging their customers with excessive fees;
- starving small business and industry of credit;
- making housing completely unaffordable through excessive mortgage lending;
- fleecing millions of customers through shocking misconduct (which led to the 2018 banking royal commission); and
- putting customers’ savings at risk by gambling in trillions of dollars of high-risk financial derivatives.



With 4,320 post offices making up the Australia Post network, the capacity to provide a face-to-face public banking service around the nation is already in place and communities that are losing their bank branches will not have to worry anymore.

Since the Commonwealth Bank was privatised in 1996, and the private banks no longer had to compete with a public alternative, they have been free to pursue a policy of maximum profit above everything else, which has drastically distorted the economy.

Restoring a public bank would force the Big Four banks to compete on cost, service, and, most importantly of all, standards, breaking their monopoly power over Australia’s financial system.

The most straightforward way to re-establish a public bank in Australia would be as a postal bank. Utilising the existing Australia Post network of post offices as branches would keep set-up costs low and enable the public bank to provide face-to-face banking services to more Australians than any other bank (Australia Post has the biggest retail footprint in Australia).

Also, combining postal services and banking services would support the financial viability of both essential services, as postal banks in many other countries have demonstrated.

Here’s how a public post office bank will start to reverse the damage.

**NEXT — Seven benefits of a public post office bank**

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