



Australian Citizens Party

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MEDIA RELEASE

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Financial Services Minister bends the knee to the banks

Bankers are dictating the Albanese government's policies on fining executives, cashless banking.

Who's running Australia? The banks.

If there was any doubt, events this week in federal Parliament dispelled it—in technicolour!

["Million-dollar fines for 'dodgy' bankers"](#), blared the evening headline of the *Sydney Morning Herald* on Wednesday, 23 November, reporting the political breakthrough in holding bank executives personally to account for ripping people off.

Just 24 hours later, however, the newspapers reported a very different story: ["Banks force Labor rethink on \\$1m executive fines"](#), announced the 24 November *Australian Financial Review*.

What happened? Former Queensland Labor Premier Anna Bligh, who now heads the Australian Banking Association (ABA), made an urgent phone call to Financial Services Minister Stephen Jones, and he bent the knee to the true power behind the "throne".

Seismographs in Bathurst are going haywire as Ben Chifley rolls over in his grave.

One political insider said to the Citizens Party, "Who runs Parliament? We just found out. Here they [the banks] are marking their territory. 'We are in charge' is the message."

Not even the *AFR* could softball how blatantly the banks flexed their muscles yesterday to bring the Albanese government to heel.

"Banks have forced the Albanese government to put off the vote on a bill to lift accountability in financial services", Michael Read and James Eyres wrote. "The banks, led by former Queensland Labor premier Anna Bligh, warned the move to put individual fines back into the Financial Accountability Regime (FAR) would have unintended consequences for lenders."

"Mr Jones spoke with Australian Banking Association chief executive Anna Bligh on Thursday afternoon after she requested an urgent call. He confirmed Labor would pull the bill and consult on the inclusion of fines. ...

"The Australian Banking Association had lobbied against individual penalties being included in the regime for several years. ... The Morrison government had considered levying individual fines worth up to \$1.05 million for law-breaking executives in the FAR—but the penalties were later removed from the legislation, after intense lobbying from the banks, as revealed by *The Australian Financial Review*."

Greens Senator Nick McKim told the *AFR*: "The minister has clearly cracked under pressure from the big banks. *Reneging on the agreement shows that he values the interests of bank executives over bank consumers.*" (Emphasis added.)

That is how disgusting this story actually is: even two politicians shamelessly devoted to the banks like Scott Morrison and Josh Frydenberg—who voted 26 times to protect the banks from the royal commission—initially supported fines for bank executives because they knew it was the right thing to do after the royal commission revealed the appalling behaviour of the banks.

Yes, they also caved when the ABA heaved them, but they are Liberals—from the party founded and owned by the banks.

Jim Chalmers and Stephen Jones are supposed to be *Labor* politicians—from the party of King O'Malley, John Curtin and Ben Chifley, who fought for the people against the banks, which they called the Money Power, and never took a backwards step. That Labor Party would not even recognise this modern Labor Party that bends the knee to the Money Power.

Demand Senators stand up!

Financial Services Minister Stephen Jones is also responsible for giving the banks the green light to

massively accelerate their regional branch closures to force people into cashless banking, by inexplicably publishing his political opponents' Regional Banking Taskforce report as if it was the government's own policy.

Since Jones published the Coalition's report on 30 September, the banks have closed 71 branches in six weeks, severely disrupting communities all over Australia.

Why would a Labor government publish a Liberal-National Coalition report? Because 8 of the 11 members of the Taskforce represented the ABA and the big banks—the banks were allowed to write the report that legitimised their abandonment of regional communities!

Journalist Dale Webster, who has won major journalism awards for her exhaustive work documenting regional branch closures, [compared the acceleration of branch closures "to a dam opening its spillways"](#).

"The blame for the acceleration—at least 71 branches across all states and territories—can be laid squarely at the feet of the two opposition MPs who led the inquiry, Michael Sukkar and Perin Davey, and Assistant Treasurer Stephen Jones, who released the report.

"Together they gave the banks, which held the majority of seats on a taskforce that was investigating the impact of their own behaviour, the government endorsement they needed to continue closing branches without any repercussions for the economic and welfare mess they were leaving behind."

Last week Dale Webster and Martin North wrote to the Senate Rural and Regional Affairs and Transport Committee requesting they conduct a real inquiry into the crisis, as opposed to the sham Task-"farce"; they included in their request that the inquiry should add an extra sting in the tail for the banks, which is that it examine the case for a government post office bank.

This week the regional banking crisis was raised a number of times on the floor of the Senate, [including by LNP Senator Gerard Rennick](#), who made a statement about the closure of Westpac and Coober Pedy in South Australia, and called for a government post office bank to break the "cartel" behaviour of the Big Four banks.

Senator Rennick and other members of the Senate RARAT Committee support an inquiry, but need a motion establishing the inquiry to pass the Senate next week.

It is time the Australian people demand our elected politicians represent the interest of the people, instead of bending the knee to the banks!

Starting first thing Monday, call and email Finance Minister Stephen Jones, all Labor Party Senators from your state, and all National Party Senators from your state, to tell them to support the motion for a real inquiry into the regional banking crisis and a government post office bank!

Express your outrage at their capitulation to the banks by melting down their phone lines and inboxes!

Contact details

Minister for Financial Services Stephen Jones: (02) 6277 7230 Stephen.Jones.MP@aph.gov.au

[Click here for the contact details of the Senators from your state.](#)

[Click here to sign the Citizens Party's petition for a post office people's bank.](#)