



Australian Citizens Party

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MEDIA RELEASE

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Stop allowing the banks to rip off Australia Post and its licensees

If Australians don't force their political leaders to intervene, we could witness the collapse of essential postal and banking services across the country, the Australian Citizens Party (ACP) is warning.

The party is urging the new Australia Post review to consider a national post office bank as the "win-win" solution to saving postal and banking services for all communities.

Australia has lost thousands of bank branches in the past four decades, with the banks closing branches and ripping out ATMs at an accelerating rate.

There are now fewer than 1,000 bank branches left across all of regional Australia, out of only around 4,000 bank branches left in the whole country.

The new Senate inquiry into regional bank closures requested the banks pause their closures pending the outcome, but only one of the Big Four, CBA, has complied.

On top of this, the crisis at Australia Post has led the government to announce a review into so-called "Postal Services Modernisation".

This is ominous, following years of successive governments seeking to cut back services to privatise Australia Post by stealth.

The last time was in 2019, when global management consultants Boston Consulting Group produced a secret report recommending the closure of 300 post offices and reductions to mail delivery days.

Then-CEO Christine Holgate rejected those recommendations, instead insisting on expanding services, such as banking services.

In 2018 she had negotiated a landmark deal with three of the Big Four banks to each pay a \$20 million annual Community Representation Fee (CRF) for their customers to bank at post offices.

The \$20 million covered the ongoing cost of the postal network infrastructure to provide banking services, and the banks were happy to publicise they had paid it.

Following her infamous public ejection from Australia Post in 2020—which the ACP exposed was related to her rejection of the BCG report and intention to establish a post office bank—the three banks renewed the CRF in 2021 and 2022, but, unlike when they did the original deal with Christine Holgate in 2018, the banks won't reveal what they paid for the CRF, calling the figure "commercial in confidence".

Neither will Australia Post and the government.

The ACP's information is that the banks paid far less than the \$20 million Christine Holgate calculated Australia Post needs per year to keep the Bank@Post service sustainable.

Worse, they cut back their payment at the very time they have been massively increasing the number of customers they have forced to use Bank@Post by closing branches.

Australia Post's figures show that in 2021-22, more than 14.5 million banking transactions were processed by Bank@Post in post offices; if those transactions occurred in Australia's 4,000 bank branches instead, that would be 70 extra branch visits per day, or an extra 10 visits per hour.

As One Nation Senator Malcolm Roberts asked the banks at the first hearing of the regional bank closure inquiry, held in Sale (Victoria) on 2 March, "Why should post offices subsidise the banks?"

ACP Research Director Robert Barwick said today: "Once again, the super-profitable banks are ripping off the taxpayers who own Australia Post, and the small business families who own licensed post offices.

"The government is not just allowing it, they are complicit in covering it up by allowing the banks to

keep their payment for the CRF secret—no wonder Australia Post is going backwards financially.

“The government must intervene to save both postal and banking services, by establishing a public post office bank, which will serve all communities, increase revenue for Australia Post, and force the Big Four banks to compete.”

Make submissions to *both* inquiries!

Submissions to the **Senate regional bank closures inquiry** close on 31 March. Everybody must prioritise getting in a handwritten/posted submission, emailed submission, or uploaded submission by then. [Click here for the details on how to make a submission to the regional bank closures inquiry](#).

The **Australia Post “Postal Services Modernisation” review** is taking submissions until 27 April 2023. Please make a submission calling for the government to establish a public post office bank.

Comments and submissions can be lodged by:

Website: <https://www.infrastructure.gov.au/have-your-say/postal-services-modernisation>

Email: postalconsultation@infrastructure.gov.au

Post: Department of Infrastructure, Transport, Regional Development, Communications and the Arts

GPO Box 2154 CANBERRA ACT 2601

Attention: Director, Postal Policy—Communications Services and Consumer Division

Comments and submissions should include the respondent’s name, organisation (if applicable) and contact details. Questions about the submission process can be sent to the Director, Postal Policy at postalconsultation@infrastructure.gov.au.

[Click here to download the Postal Services Modernisation Discussion Paper](#).

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