



Australian Citizens Party

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MEDIA RELEASE

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Bank closures inquiry delivers! On to a post office People's Bank!

The squeals of the banks confirm Senator Canavan's recommendations are on the money.

Finally, a Parliamentary inquiry has called out the major banks' appalling mistreatment of customers and communities, backing it up with powerful recommendations to bring them into line.

This is the Australian Citizens Party's (ACP) view of the Senate Rural and Regional Affairs and Transport Committee's 15-month inquiry into bank closures in regional Australia, instigated by Senator Gerard Rennick and chaired by Senator Matt Canavan, which handed down a comprehensive, 199-page report on Friday.

The ACP helped to lobby for this inquiry and participated in all 13 public hearings held around Australia, at which communities were able to present their experiences that proved the banks lied when they claimed customers didn't want to use branches anymore; in a 22 March release, the ACP called for the inquiry's final report and recommendations to match the power of the hearings.

ACP Research Director Robert Barwick said today that the Senate committee has delivered: "The Senators have done justice to the testimony of communities like Junee, Carnamah, and Tom Price", he declared. "They've acted on what they've heard, and squared up to the major banks with recommendations that, if implemented, will improve Australia's banking system with compulsory standards of conduct and service."

Recommendations

[The final report has made eight recommendations](#), of which the ACP considers three to be game-changers for Australia's banking system.

Essential service—the Committee recommends access to financial services should be designated an essential service, specifying there must be a guarantee of reasonable access to cash and financial services for all Australians.

"These are not just words," Barwick said. "Being an essential service imposes legal obligations on banks that don't exist presently. And it's the banks' own fault—during COVID they lobbied successfully to be considered an essential service to avoid lockdowns, but then withdrew that essential service from hundreds of towns around Australia. The Committee has called them out on it."

Mandatory Code of Conduct—no more *self*-regulation. The Committee calls for the government to "urgently" develop a mandatory Banking Code which requires proper consultation with communities before any branches are closed, and requires the regulator to assess compliance with the code and approve any closures.

"This recommendation is a tribute to the late Labor Senator Linda White", Barwick said. "In her participation in this inquiry before her tragic passing earlier this year, Senator White exposed the banks' Code of Conduct being essentially voluntary as a joke, and locked horns with Australian Banking Association CEO Anna Bligh over it. This was past due—the banks shouldn't be a law unto themselves."

Public bank—in the ACP's view, Recommendation 2 is the most significant: "The committee recommends that the Australian Government commission an expert panel to investigate the feasibility of establishing a publicly owned bank. In investigating this, the panel should examine options including, but not limited to a stand-alone public bank or one associated with, and using the branch network of Australia Post."

The ACP's Robert Barwick and Glen Isherwood testified on a public post office People's Bank solution to the December hearing, as did Emma Dawson from public policy think tank Per Capita, and Angela Cramp and Scott Etherington from the Licensed Post Office Group.

"This is the banks' worst nightmare—competing with a public bank on service", Barwick said. "This is the big game-changer. This is the one the banks are attacking most. They won't be able to throw an

army of lawyers at finding loopholes, but will have to lift their game.”

Barwick said the recommendation confirms a seachange in Australian politics, away from the neoliberal fanaticism against public banks that gripped both major parties for decades.

“Fifteen years ago, then-Shadow Treasurer Joe Hockey pontificated in Parliament that somehow the lesson from the global financial crisis was that ‘government should not be involved in banking’.

“Now his own Coalition side of politics has signed off on recommendations that a government bank should be considered.

“LNP Senator Gerard Rennick has gone even further, with additional comments to the final report calling unequivocally for ‘The establishment of a government owned bank that will maintain bank branches in regional and metropolitan communities’.”

[\(Click here to read Senator Rennick’s elaboration of the many advantages of a public bank detailed in his additional comments.\)](#)

“There are two reasons for this shift”, Barwick continued. “The first is the sheer arrogance and bastardry of the banks, whose predatory and greedy behaviour has driven the growing support to bring back a public bank.

“The second is the tireless work of the ACP and other political leaders, including Senator Gerard Rennick, in advocating and campaigning for the public bank solution.”

The ACP also acknowledged and thanked independent journalist Dale Webster, and banking expert Martin North, for their work in originally calling for the inquiry, and contributing key research which made it a success.

Dale Webster, who has exhaustively documented the crisis in regional bank branch closures, and knows the issue better than anyone, welcomed the Committee’s report in a new article on her news service *The Regional*: [“Banks blow their chance to self-regulate by betraying trust”](#).

And Martin North will be hosting a live discussion with Robert Barwick on his Digital Finance Analytics YouTube channel at 8pm Eastern Standard Time on 28 May. [Click on this link to tune in and participate in the live discussion.](#)

The ACP called for the Committee’s recommendations to be implemented in full.

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