



# Australian Citizens Party

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## MEDIA RELEASE

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### No post office People’s Bank without post offices!

Support post offices—tell the government to stop Australia Post closing them.

The Australian Citizens Party (ACP) welcomes the Senate regional bank closures inquiry’s recommendation to consider establishing a public bank, including a post office bank.

However, the ACP is extremely concerned that this recommendation is being sabotaged by Australia Post CEO Paul Graham’s plans to close hundreds of post offices around Australia, perhaps thousands if he succeeds in lobbying the government to ditch the organisation’s community service obligation (CSO) to maintain a minimum of 4,000 post offices.

ACP Research Director Robert Barwick said today: “A post office bank won’t work without post offices—it’s as simple as that.

“An Aussie post office People’s Bank would be a powerful addition to the banking system in Australia, as it would be able to serve all communities through Australia Post’s network of 4,271 post offices, which is more than all private bank branches combined.

“It would give all Australians the option of banking with a public bank for benefits they don’t get from the Big Four: guaranteed deposits; guaranteed face-to-face customer service; guaranteed cash withdrawals and deposits; and low-cost business and personal loans for investment in their communities.

“But the government is allowing Australia Post to sabotage that potential by closing hundreds of post offices, and even more if it can get away with it.”

#### No Christine Holgate

At its peak, Australia Post had 4,327 postal outlets, but now has 4,271, and CEO Paul Graham has made it clear he intends to reduce that to 4,000, which is the minimum number required under Australia Post’s CSO.

His approach is the polar opposite of former CEO Christine Holgate, who identified the size and reach of the post office network, the largest retail footprint in the country, as Australia Post’s greatest asset.

Holgate set about reforming Australia Post to ensure it could always fund the post office network, including by persuading the banks to pay properly to be represented by Bank@Post.

The \$220 million deal she struck with the banks in 2018 was the best deal in Australia Post’s history—it restored Australia Post to profitability and made licensed post offices viable for the first time, which is why LPO Group, which represents the interests of Australia’s 2,850 licensed post offices, call Christine Holgate “the best CEO Australia Post has ever had”.

Current CEO Paul Graham is no Christine Holgate; like too many corporate hacks, he sees post offices as an expense, not an asset.

In a 24 October 2023 Senate Estimates hearing, Senator Sarah Henderson asked Paul Graham: “It sounds like part of your plan is to close a lot of post offices. How many do you plan to close? What is your plan?”

Graham replied: “As I said, we have a regulatory obligation to maintain 4,000 post offices. We will maintain that obligation, and 2½ thousand will be in regional and rural Australia. We have no plans other than to maintain the regulatory obligation that we have. We have 271 post offices above that regulation today.”

He revealed that Australia Post has offered to buy out 274 licensees who run small business Licensed



Post Offices (LPOs), for a pathetic 1.5 times their income, which would reduce the network down to the 4,000 bare minimum and take away postal services from hundreds of communities.

He further revealed that Australia Post is continuing to lobby the government to end the regulatory obligation to maintain 4,000 postal outlets, so he can withdraw postal services from hundreds or even thousands more communities.

Although the Albanese government's recent Australia Post Modernisation Review rejected Paul Graham's request to scrap the regulatory minimum of 4,000 postal outlets, it also rejected a call to define the 4,000 as "manned" postal outlets, which leaves open the possibility that Graham could count automated postal lockers as outlets to drastically reduce the post office network.

Barwick said: "Paul Graham's plan is outrageous—postal services are essential services. These communities depend on their post offices, and many, many people would be severely disrupted if they lose them.

### **Win-win, or catastrophe**

"It's also unnecessary", he added. "A post office People's Bank would generate sufficient revenue to fund the existing postal network and keep it commercially viable.

"It's a beautiful, win-win solution to save both essential services—postal and banking."

Barwick warned Australia was heading towards a disaster like the UK post office scandal exposed in *Mr Bates vs the Post Office* unless the government saved the network.

The UK post office scandal, which is now one of the biggest political scandals in British history, happened because the corporate management of the Post Office drove an agenda to make the Post Office commercially self-sufficient from the government at the expense of their local small business post office operators, called sub-postmasters.

When problems arose with a new software system, called Horizon, they ignored the concerns of the affected sub-postmasters and stuck with their corporate agenda, which led to catastrophic abuses of power and miscarriages of justice for over 900 sub-postmasters who were prosecuted for crimes they did not commit.

Now everybody is acknowledging the injustice, but Australia should be learning the lessons of how such a catastrophe could happen and how to make sure it doesn't happen here, which starts with listening to the concerns of LPOs, who have decades of experience at Australia Post compared with the short-term, highly-paid executives who are trying to maximise their bonuses.

LPO Group vouches for Christine Holgate's approach to preserving the post office network, and it has endorsed the post office People's Bank solution.

"To save post offices, support a People's Bank, and if you want a People's Bank, fight to save post offices", Barwick said.

### **What you can do**

1. Email this release to your local federal MP, with a message that you want them to oppose the closure of post offices and support a post office bank.
2. Print out this release and give a copy to your local post office licensee, to show your support.

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