



Australian Citizens Party

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MEDIA RELEASE

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Australia Post will only survive Big Four bank exploitation if the government establishes a public post office People's Bank

The Australian Citizens Party (ACP) says Australia Post CEO Paul Graham was right yesterday to call out the big banks for exploiting post offices, but the solution has already been recommended by Senator Matt Canavan and Senator Gerard Rennick's inquiry into bank closures—a public/post bank.

Graham told Senate Estimates last night that Australia Post is struggling to serve the extra customers who are using Bank@Post because the banks have closed around 2,100 branches in the last six years, but are not paying Australia Post enough to serve their customers for them. "As banks accelerate closures, they are saving billions of dollars and as this [Canavan-Rennick] inquiry pointed out, they have shifted costs onto Australia Post, which is effectively subsidising bank profits", Graham said.

He revealed Bank@Post is handling over \$10 billion in cash and 1 million business transactions annually. "This was never the intent of Bank@Post when it first commenced. In some cases, we are unable to meet customer demands. Currently, Bank@Post is heading for significant losses in the midterm, unless our bank partners provide additional funding", he claimed.

He confirmed that Australia Post was looking to close hundreds of post offices, to reduce the total number from more than 4,250 to the regulatory minimum of 4,000, to remain commercially viable.

Embrace the solution

ACP Research Director Robert Barwick said today that Australia Post's plan to close post offices is a disaster for those communities that lose postal services, especially when they have also lost bank branches, and it's entirely unnecessary.

"The solution is for the government to turn Australia's post offices into branches of a new government-owned bank—a People's Bank", Barwick said. "This solution is win-win-win:

"It will guarantee face-to-face essential banking services for every community in Australia—win!

"It will generate extra revenue for post offices to guarantee the ongoing provision of essential postal services for every community in Australia—win!

"It will increase real competition in the banking system that breaks the Big Four banking oligopoly, forcing them to properly compete on service—win!"

Barwick said the Canavan-Rennick inquiry into bank closures has given the public post bank solution a huge boost, by recommending the government should establish an expert panel to investigate the feasibility of establishing a public bank, including one based in post offices.

"To save both essential postal and banking services, Australians should demand the government implement the Canavan-Rennick recommendation", he said. "The banks and the Australian Banking Association are screaming about this recommendation, but given their appalling behaviour their views should be ignored. They have shown callous disregard of their customers by closing thousands of branches to force everyone into online banking and transacting.

"And they have shamelessly exploited the Australian public and post office licensees who own Australia's post office network, paying peanuts to Australia Post to serve all the extra customers the banks have dumped on post offices through branch closures.

"It's disgusting that the banks save on average a million dollars a year for every branch they close, but despite saving more than \$2 billion per year from the branch closures in the last six years, all banks combined only pay Australia Post \$90 million a year to serve their customers."

Barwick observed that a consensus is starting to emerge on the post office People's Bank solution, from everybody who has looked closely into this issue, including the Licensed Post Office Group.

"As Tom Elliott said on Melbourne's 3AW radio this morning, 'Why don't we just bite the bullet here

and make the post office a bank?’

“The ACP agrees”, Barwick said. “Let’s do it.”

What you can do

[Click here](#) to download and print the new flyer, “No post office People’s Bank without post offices!” and take copies to your local Post Offices and businesses in the surrounding area.

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

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