



Australian Citizens Party

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MEDIA RELEASE

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De-banking victim fights back against banks' war on cash

A determined and courageous victim of de-banking is fighting back against Big Four banking giant Westpac. Paul Thomas, the owner of cash-in-transit business Commander Security, is suing Westpac in the Supreme Court of New South Wales for the damage it has caused to his business by its sudden decision last year to de-bank him. As a private business, it's Westpac's prerogative to choose who it provides banking services to; but as part of the powerful Big Four banking oligopoly that the government has allowed to control Australia's financial system, Westpac's decision to de-bank a customer can destroy their entire business—especially as the banks often follow each other and all de-bank the same customers.

Westpac claims its de-banking of Paul Thomas is solely a commercial decision, but the Citizens Party observed last year that the banks are actively targeting businesses that operate in sectors of the financial system that give consumers an alternative to banks, namely Bitcoin traders, gold and silver bullion dealers, independent [remittance companies that transfer funds overseas](#), and the cash sector. The banks are waging a war on cash, aggressively pushing to move consumers to electronic transactions so that all transactions have to go through the banks, which then have the opportunity to take a cut of each transaction through fees, and monetise the data of all the consumer transactions. Without alternatives like cash, or with cash restrictions such as the government tried to enact in 2019 which the Citizens Party and many others mobilised against and defeated, the banks will be able to trap consumers, who will be unable to escape truly insidious banking policies such as negative interest rates and "bail-in"—the policy of seizing bank deposits to prop up a failing bank.

The law firm representing Paul Thomas, Levitt Robinson Solicitors, which has taken on the banks before in high-profile cases including Storm Financial, issued the following release on 11 March:

WESTPAC INVOLVED IN "DE-BANKING" ABUSE, CUSTOMERS CLAIM

Westpac is being sued in the Supreme Court of New South Wales based on a hidden trigger in its contract with retail customers: "On rare occasions, we may exercise our discretion to close your accounts or refuse to accept further withdrawals, due to unsatisfactory conduct or for any other reason we deem appropriate".

The Plaintiffs, Paul Thomas and his company, Commander Security Services Pty Ltd, have expressed their outrage at being "de-banked" by Westpac. Commander has been banking with Westpac for four (4) years. They provide cash management services to customers who include Blacktown City Council, the Department of Internal Affairs, the New Zealand Consulate General, the National Parks and Wildlife Service, and Suttons Motor Group.

Thomas says that he was referred to Levitt Robinson by Robbie Barwick, Research Director of the Australian Citizens Party. Barwick has criticised Westpac's "attack" on Thomas' business: "The Government pushes more revenue to the Banks so that they can make a margin on every single transaction, forcing consumers to use credit cards instead of cash. That's what is behind the attempts by Westpac and other Banks to smash cash: Push more credit card fees and interest onto the consumer, increase the Banks' profits and track our discretionary spending in the process. The Federal Government could not push through a compulsory ID Card, but it is now working with the big Banks to force us by stealth to give up our privacy".

Thomas insists: "We have not broken any law".

Robbie Barwick added:

"I listened with disgust to the Senate hearings into cash transaction limits, when witnesses revealed that bankers were de-banking certain customers. What moral authority do Banks have to make these kinds of decisions, given their own record? If they are trying to 'kill cash', what is a de-banked person supposed to do, if he cannot use a Bank and he cannot deal in cash? This is a basic denial of individual liberty and of the freedom to do business".

On 12 December 2019, Dr Craig Latham, Deputy Ombudsman at the Australian Small Business and Family Enterprise Ombudsman, revealed in testimony to the Senate Economics Legislation

Committee's hearings on the government's \$10,000 cash transaction ban, that his organisation had noticed that increasing numbers of businesses were being de-banked. "It is happening across a number of industries—newsagents, adult services and other industries as well", he said. "We've seen examples of people associated with tattoo parlours or gun shops being de-banked as well."

Senator Rex Patrick asked if the banks were doing this "for social conscience reasons"? "We are having trouble fathoming exactly for what reason you would try to de-bank legitimate businesses", Dr Latham answered. Senator Patrick's response hit the mark: "In that respect it would be quite legitimate for businesses to try to de-bank banks, because they have an awful track record and the government is in effect forcing people to use these very entities that engage in abhorrent commercial conduct."

That's the problem. The cash ban bill was defeated, but two years after the banking royal commission the government is back to serving the banks' every demand, so the banks know they will get away with this abuse of legitimate businesses. The case of Paul Thomas shows the banks are going far beyond de-banking for "social conscience" reasons, but are targeting the parts of the financial system they can't completely control. And Westpac likely doesn't even intend to win against Thomas in court, just outlast him thanks to its far deeper pockets.

[\(Click here for an update on how the cash ban campaign relates to Paul Thomas's legal battle.\)](#)

De-banking is yet another issue for which the ultimate solution is the establishment of a public bank, which by law would not be allowed to discriminate against any lawful businesses. The Citizens Party is working with Members of Parliament on legislation to expand Australia Post into a public postal bank which can provide retail banking services to all Australians and small businesses, and support the cash payments system so that the private banks don't succeed in their war on cash either.

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