



Australian Citizens Party

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Recruit your community— pass the Commonwealth Postal Savings Bank!

On 27 July, councillors at the Narrabri Shire Council in NSW unanimously passed a resolution supporting the Commonwealth Postal Savings Bank (CPSB) Bill, calling on the Parliament to pass the legislation and on 28 July, the Banana Shire Council in QLD carried a similar resolution with no opposition.

We have also just been informed that on 3 August, the Licensed Post Office Group endorsed the Commonwealth Postal Savings Bank Bill.

Get involved and call upon your community organisations and local council to join the fight for federal legislation to create a Postal Bank

Narrabri Shire Council Motion and Rationale

In moving the motion endorsing the Commonwealth Postal Savings Bank (CPSB), Councillor Maxine Booby provided the following “rationale”:

“As Councillors would be aware Wee Waa has recently lost both banks and their services.

This has disadvantaged many people and businesses and charity groups in town. Businesses have had to allow an employee to travel to Narrabri to do business banking. This involves 1-2 hours of lost time.

Businesses need to bank daily takings and or access cash to service customers in their shopping. Not everyone uses EFTPOS cards.

Charities do not have local access for cash for functions and these functions run on cash, ie: raffles, street stalls, Christmas carnival etc. A Commonwealth Postal Savings Bank would ensure these services that are so important to the smooth functioning of a community.

The present arrangement between the National Australia Bank and Commonwealth Banks can change at the banks’ whim. Already charges for transactions have increased to \$4.50.

The situation in Wee Waa is exacerbated by the removal of the town’s ATM. EFTPOS is available for limited cash at IGA and the Bowling Club if you are a member. When the internet went down last week for 3 days people could not access their money and businesses could not service cards or cash outs.

A Commonwealth Postal Savings Bank (CPSB) would permanently secure the financial viability of Australia Post and the LPOs, based on a legislated agreement with Australia Post that guarantees the LPOs share the revenue—their income will not be at the mercy of the private banks deciding whether or not to renew their Bank@Post deals.

It would guarantee financial services for all Australians. The private banks have abandoned small towns in regional Australia and low-income suburbs, but they all have post offices, through which they will be able to bank with CPSB.

It would guarantee bank deposits. The CPSB will be a public bank, owned by the government, which will guarantee all deposits, so Australians who bank at the postal bank will know they won’t lose their savings in a financial crisis or deposit “bail in”.

There would be no “de-banking”. As a public bank the CPSB will not be allowed to discriminate by de-banking lawful businesses.

It would support cash payments. The private banks are trying to do away with cash, which would be a disaster. The CPSB would allow people to always access cash.”

The Executive Management of Narrabri Council added the comment: “It should be noted that the above motion is a template motion drafted by the Australian Citizens Party.”

MINUTE 131/2021

Moved: Cr Maxine Booby Seconded: Cr Ron Campey

1. That Council notes that:

- a. Bank branch and ATM closures are leaving many communities without access to financial services, especially in regional Australia.
- b. Since 1975 the number of bank branches in regional Australia has fallen by more than 60 per cent, and there are more than 1,500 communities across Australia with no bank branches at all.
- c. A large proportion of the population, including the elderly, disabled, small businesses and local schools and charities, will always have a need for face-to-face financial services despite advances in technology.
- d. For hundreds of communities, their only access to ash and financial services is through Bank@Post at their community Post Office.
- e. Bank@Post is an essential service to all communities, but is vulnerable to commercial decision-making by the banks, which can choose to withdraw their participation.

2. That Council calls on the Commonwealth Parliament to pass the Commonwealth Postal Savings Bank Bill to establish a post office people’s bank, fully guaranteed by the Commonwealth, as a dedicated postal savings bank, operating exclusively through Australia Post’s corporate and licensed post offices, which will ensure basic banking services—including deposit-taking, business and personal lending, and access to cash—are available to all Australians, and will contribute to Australia’s national economic development.

3. That Council write to the Local State and Federal Members of Parliament, to inform them of Councils desire to support the passage of the Commonwealth Postal Savings Bank Bill through Parliament.

In Favour: Crs Ron Campbell, Maxine Booby, Ron Campey, Lloyd Finlay and Robert Kneale

Against: Nil

CARRIED 5/0

Banana Shire Council Motion

In a 29 July letter to the local MP, Cr Neville Ferrier, Mayor of Banana Shire Council advised that Council passed a resolution (right) in support of the Commonwealth Postal Savings Bank proposal at its general meeting on 28 July 2021.

In that letter he makes the point, "Council acknowledges that the National Australia Bank and the Commonwealth Bank have agency arrangements with Australia Post through to 2030 and that Westpac are currently negotiating longer term arrangements with Australia Post as well."

"Notwithstanding the above arrangements the reality for small and medium sized rural communities is that the above arrangements are commercial in nature and subject to change at short notice. Council's view is that the above arrangements do not offer long-term security of access to banking services for rural communities. Council has supported the establishment of a Commonwealth Postal Savings Bank to offer long term security of access to banking services to rural communities as well as ensuring the ongoing sustainability of post offices in rural communities."

Council's actions got some local media attention in the Rockhampton, *The Morning Bulletin* with an article, **CQ Council endorses idea for national bank**, by Lachlan Berlin on 5 August 2021.

12.1.7 POSTAL SAVINGS BANK

Date: 22 July 2021
Author: Thomas Upton – Chief Executive Officer
File ID:
Letter ID:
Attachment: Doc. 1639582
Minute No: OM005068

Resolution:

Council resolves that:

- 1. The reduction in bank branches has reduced access to banking and financial services in rural communities.**
- 2. Access to banking services through existing commercial arrangements between banks and Australia Post do not offer long term security of access to services in rural communities.**
- 3. Banana Shire Council supports the establishment by the Commonwealth, of a Commonwealth Postal Savings Bank as the more reliable and secure way to ensure continued access to banking services for rural communities.**

Moved: Cr Pender

Seconded: Cr Leo

Carried

Report

Attached to this report is correspondence from the Australian Citizens Party including draft legislation to establish a Postal Savings Bank in Australia. The Australian Citizens Party is seeking Council support for the establishment of the Postal Savings Bank.

Councillors would be well aware of the withdrawal of banking services across Australia over the last 30 years and how the adverse effect of this has been disproportionately felt by small rural communities.

Three commercial banks currently banking have banking service arrangements with Australia Post (National Australia Bank, Commonwealth Bank and Westpac Bank). The National Australia Bank and Commonwealth Bank have agreements extending through to 2030 with Westpac Bank currently negotiating longer term arrangements with Australia Post.

The existing commercial arrangements between the major banks and Australia Post does not offer the same level of security of access to banking services as government mandated services such as that proposed by the proponents of the Postal Savings Bank.

Council endorsement of the proposal is recommended.

What you can do

Take a copy of this RESOLUTION for a Post Office People's Bank to your local Council or other club or organisation, and ORGANISE them to pass a Motion in support of an Australian Post Office People's Bank

RESOLUTION for an Australian Post Office People's Bank

[NAME of Council, Chamber of Commerce, Union, Club, Political Party branch, Church, or other body]

a. notes that:

- Bank branch and ATM closures are leaving many communities without access to financial services, especially in regional Australia;
- Since 1975 the number of bank branches in regional Australia has fallen by more than 60 per cent, and there are more than 1,500 communities across Australia with no bank branches at all;
- A large proportion of the population, including the elderly, disabled, small businesses, and local schools and charities, will always have a need for face-to-face financial services, despite advances in technology;
- For hundreds of communities, their only access to cash and financial services is through Bank@Post at their community post office;
- Bank@Post is an essential service to all communities, but is vulnerable to commercial decision-making by the banks, which can choose to withdraw their participation, and charge excessive fees on transactions;
- With four major banks controlling 80 per cent of the financial system, Australian consumers suffer from a lack of real banking competition;

b. calls on the Commonwealth Parliament to pass the Commonwealth Postal Savings Bank Bill to establish a post office people's bank, fully guaranteed by the Commonwealth, as a dedicated postal savings bank, operating exclusively through Australia Post's corporate and licensed post offices, which will ensure basic banking services—including deposit-taking, business and personal lending, and access to cash—are available to all Australians, create real competition for the major banks, and will contribute to Australia's national economic development.

c. write to the Local State and Federal Members of Parliament, to inform them of our desire to support the passage of the Commonwealth Postal Savings Bank Bill through Parliament.