



# Australian Citizens Party

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## MEDIA RELEASE

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### Petition Parliament for a Moratorium on regional bank closures and new inquiry

All Australians should support this formal petition to Parliament:

#### **Petition EN4244 - Moratorium on regional bank closures and new inquiry**

##### **Petition Reason**

Private research shows regional Australia has lost 62 per cent of its banks since 1975, leaving just 1062 located mainly in clusters in larger centres. The number of towns and cities with a bank has shrunk from 1226 to 386: 575 towns that once had one or more major banks now have no form of bank at all. Another 146 towns are on the brink of complete loss of banking services, with just one major bank open. Last year, regional Australia lost 113 “big four” bank branches. Locations included 45 towns that were stripped of their last/only bank. Of these, 23 did not have a minor corporate, mutual or franchise bank to fall back on. If a similar 10 per cent cut to the branch network is made this year, 100 more branches will be lost in the next seven months: 50 towns will lose their last bank. This issue has not been looked at properly for 17 years. The Morrison Government set up a “taskforce into regional banking” as a pre-election stunt but only put representatives of the banking industry and its own politicians on it. Just one public meeting was held. Findings have not yet been delivered.

##### **Petition Request**

We therefore ask the House to impose an immediate moratorium on regional bank closures, launch a new inquiry to pick up from where Money too Far Away (1999) and Money Matters in the Bush (2004) left matters and pulp any reports that come from the coalition’s taskforce.

[Click here to sign the petition](#)

**Note:** *This is a formal petition on the Parliament House website, so you will be required to confirm your email to verify your signature as legitimate. The petition signing is not complete until you have clicked the link sent to your email.*

*If you have any difficulties, email the Petitions Committee secretariat at [Petitions.Committee.reps@aph.gov.au](mailto:Petitions.Committee.reps@aph.gov.au) or call (02) 6277 2152.*

##### **Citizens Party’s comment**

This petition was initiated by journalist Dale Webster, who in her independent news service [The Regional](#) has exhaustively documented the extent and impact of bank closures in regional Australia.

Dale’s work, for which she has won awards from the Melbourne Press Club and the Walkley Foundation, has exposed that bank regulator APRA (Australian Prudential Regulation Authority) has failed to maintain an accurate database of bank branches, as it is required to do.

Meanwhile, despite two Parliamentary inquiries 23 and 18 years ago, successive governments have sat by passively as the banks have abandoned regional communities.

This is an issue people likely don’t think about until it happens to them, but when it does, the impact is enormous.

Traditional bank customers who need the certainty of face-to-face banking, including the elderly and disabled, suddenly have to travel farther to do their banking, or, as the banks tell them, do their banking online.

But online banking is at best uncertain for many people, and can actually be terrifying, especially as elderly people know they are the primary target of online scammers.

And for people in communities in the WA wheat belt and central NSW, Queensland, and South Australia, travelling further can mean round trips of more than a hundred kilometres.

Small businesses which need to deposit and withdraw cash are also thrown into disarray, and losing

the last bank in their town can be the final straw for their businesses.

It can also push the town into a downward spiral, as residents who are forced to travel to larger centres to bank, also do their shopping there at the expense of their local businesses.

The banks claim they are closing local branches because they are unprofitable, but this is far from the truth.

The banks often cook the books of small branches by moving large farm and business accounts to larger branches, making the smaller branches look less profitable than they are.

And community banks, where the local communities carry the expense of maintaining the branch, are actually profitable, even paying small dividends back to the local investors.

The truth is not that these branches are not profitable, but they are not profitable *enough* for the private banks that are hell-bent on extracting maximum profit, and don't care how many communities and customers they disrupt and abandon as they do it.

Remember, the Big Four banks are not normal businesses, but have a special status in that they enjoy an implicit government guarantee that they won't be allowed to go broke, i.e. they are too big to fail.

In exchange for this guarantee, they should be subject to a social licence whereby they are required to consider the social impact of their actions.

Hence the need for a moratorium on bank closures.

And a new inquiry into their wholesale abandonment of regional communities would be an excellent opportunity to push the need for a government post office bank to both guarantee banking services in all communities and force the Big Four banks to compete.

The immediate benefit of the petition is that Treasurer Jim Chalmers is required to respond to it, which forces these issues onto his agenda.

Please [sign the petition](#) and share widely.