



Australian Citizens Party

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MEDIA RELEASE

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Demand real inquiry into banks crushing communities, rigging public processes!

The major banks and major political parties rigged the Regional Banking Taskforce to green-light an acceleration of devastating regional bank branch closures. Demand a real inquiry, including into the post office bank alternative, now!

All Australians should support the call for a genuine Parliamentary investigation of the wave of bank branch closures that is severely disrupting communities all across the country.

The banks have announced the closure of 72 branches in regional Australia in just the last six weeks, a head-spinning acceleration of their aggressive withdrawal of branch services that was already at crisis levels. That's nearly as many branch closures in 42 days as the total number closed in 2021.

The impacted communities losing banking services are in shock, as it will severely disrupt:

- the elderly, disabled, and otherwise vulnerable bank customers who lose the certainty of face-to-face banking services and are being forced into the uncertain, in fact terrifying digital world where they are exposed to scammers;
- the small businesses which need banks for sourcing and processing cash, which is an absolute necessity in regional areas with less reliable power and communications infrastructure; and
- the businesses including farms which need credit and specialised banking services.

For example, Coober Pedy is set to lose its last bank branch, a Westpac, in February, which will mean the closest bank is 540 kilometres away in Port Augusta—for now! This is causing deep consternation in the remote opal-mining and tourist town, especially as it relies heavily on cash for the tourist opal trade, and because it will severely impact customers who need face-to-face banking services, including the elderly, disabled, and the Aboriginal population. Also, people in smaller, even more remote towns in the north who already travel hundreds of kilometres to Coober Pedy to bank at Westpac will now have to travel close to 800 kms and more to find a bank.

Why have the banks accelerated their branch closures in the last six weeks?

Because, perversely, the Regional Banking Taskforce that was set up last year to address the crisis in regional bank closures instead gave the banks a green light to go harder.

Rigged taskforce

Worse, this is what it was set up to do!

After doing nothing in government for nine years to arrest bank branch closures, the Liberal-National Coalition government set up the regional Banking Taskforce co-chaired by Nationals Senator Perin Davey and Liberal Minister Michael Sukkar as an election stunt, presumably to show regional voters they cared.

However, the true intention was evident in the composition of the taskforce, which had three representatives of community stakeholder groups (small business, local government, and Australia Post) but eight—yes eight!—representatives of banks and banking associations.

It was also evident in the terms of reference, which didn't question the rationale for branch closures, but sought to legitimise the banks' actions and shift the discussion to how communities should adjust.

The banks are misrepresenting the extent of their customers' transition to online and telephone banking, which they claim they are responding to when they shut branches, but which in fact they are trying to force by taking away face-to-face services and ATMs, so they can save money on branches and profit from taking a cut of all transactions and controlling our data.

Shamelessly, their digital strategy is predicated on sponging off the taxpayers who own Australia Post and the licensees who own community post offices, expecting Bank@Post to absorb up to 90 per cent of their branch transactions.

The Regional Banking Taskforce report whitewashed the banks' actions and real intentions.

Here's where it really stinks though: the Finance Sector Union, whose members are losing their jobs in the closed banks, rightly called the Regional banking Taskforce an "election stunt"; however, on 30 September, the new Labor government's Financial Services Minister Stephen Jones published the Taskforce's final report as if it was the government's own inquiry.

Why? Why would Labor take ownership of a Liberal-National Coalition election stunt as if it reflected their policy?

That's the question Labor must answer, because what they have done has only benefited the banks. Is this a coincidence? The major banks have high-level access to the new Labor government through the Chair of the Australian Banking Association, former Queensland Labor Premier Anna Bligh, who is a confidante of Treasurer Jim Chalmers.

However it happened, the banks have taken the Regional Banking Taskforce report as the green light to accelerate branch closures, regardless of the communities they are crushing.

Call for *real* inquiry

This week, two experts on the issue of regional bank closures, independent journalist Dale Webster and banking consultant Martin North, have co-written a letter to the Senate Rural and Regional Affairs and Transport References Committee asking for a proper inquiry into the crisis of regional bank closures, including the sham Regional Banking Taskforce process, and an examination of the alternative solution of a government bank to operate through post offices.

Dale Webster is an award-winning professional journalist who has spent a number of years exhaustively documenting the true extent of regional branch closures, for which she earned the Melbourne Press Club Quill Award for Rural and Regional Journalism and the Walkley Foundation's Freelance Journalist of the Year.

Her work showed that the banking regulator APRA (Australian Prudential Regulation Authority) is not keeping an accurate database of bank branches, as required by law, and is in fact allowing the banks to flout the law that requires them to provide accurate data to APRA.

Martin North is the principal of Digital Finance Analytics, with many decades' experience as a banking consultant and financial commentator.

Through DFA he has covered the decline of banking services extensively, and helped to promote alternative solutions such as a public post office bank.

This is an inquiry all Australians should support! Call or email the Senators in your state and ask them to support the Martin North-Dale Webster request for an urgent inquiry by the Rural and Regional Affairs and Transport Committee.

[Click here for the contact details for Senators, by state.](#)