**July deadline is enough time to start a public postal bank and save cash**

Australia has five months to ensure the movement of cash to all businesses, bank branches and ATMs doesn’t grind to a halt and throw the economy into chaos.

The Australian Citizens Party says five months is more than enough time for the government to establish a post office bank and start rolling it out through all post offices, which would be the natural agency for ensuring cash access across Australia.

July 18 is the expiry date on Westpac’s contract with the Reserve Bank to be the sole custodian for the wholesale distribution of cash to the other banks and businesses, which Westpac doesn’t want to renew.

This is a crisis of the banks’ own making: since Westpac took the role from the RBA a few decades ago, it and the other major banks have aggressively tried to eradicate cash use by closing branches and removing ATMs, so most transactions have to pass through their computers, enabling them to take a cut through fees and harvest consumer data.

Consequently, the dramatic reduction in branches and ATMs has made cash distribution less profitable, hence Westpac wanting to bail out.

**Will Australia learn from Europe’s mistakes in time?**

“The craziest thing about Australia’s banks trying to force Australians to go cashless, and the government allowing it, is that they want us to follow European countries which went effectively cashless—except now, they all regret it”, ACP Research Director and Senate candidate for Victoria Robert Barwick said today.

He pointed out that Sweden, Finland, Norway, Denmark, and the Netherlands have all introduced measures to support more cash availability and use in their economies.

European newspapers are reporting warnings that cyber-attacks, scams and frauds, and energy and technology failures could shut down entire nations, counting these problems among other “peril[s] of going cashless”. The Netherlands’ central bank chief has warned that the entire banking system is at risk.

An April 2021 Bloomberg headline summarised a state of affairs now seen across Europe: "Cashlessness may have gone too far in Norway, government warns".

A June 2024 *Fortune* magazine headline blared: "Why going cashless has turned Sweden from one of the safest countries into a high-crime nation". The article reported that "Sweden is an important test case on fighting cashless crime because it’s gone further on ditching paper money than almost any other country in Europe. Online fraud and digital crime in Sweden have surged". Financial crime has led to a surge in organised crime, including violence.

This is ironic for Australia, considering that in 2019 the Morrison government introduced a bill to jail people for transacting in cash above $10,000, justified by the 2018 Black Economy Taskforce report written by KPMG that claimed reducing cash use would reduce crime.

“The ACP helped to lead the fight that defeated that bill, showing there was no evidence for its claims”, Barwick said. “Now Sweden—the most cashless country on earth—is a real-world example that the claim was always rubbish.

“But will the Australian government learn from these countries’ experiences in time to stop the insanity in Australia?”

**Post office bank**

The ACP has the solution to the cash crisis: for the government to establish a public bank that operates in all post offices.

“The banks don’t want to serve customers, so start one that will”, Barwick said.

“Provide a plain vanilla banking service that takes care of the basics: face-to-face services, cash withdrawals and deposits, personal and small business loans, etc.

“Its revenue will cover its costs; more importantly, it will save cash, banking services and post offices, and keep the economy going.”