**First anniversary of landmark Senate report on bank closures in regional Australia:  Where is the government’s response?**

The 24th of May is the first anniversary of the Senate Rural and Regional Affairs and Transport (RRAT) Committee’s report from its inquiry into bank closures in regional Australia.

According to Parliament’s website, “Government responses to committee reports *are required* within three months of a report being tabled.”

However, 12 months after the bank closures inquiry report was tabled, the Albanese government is yet to issue an official response.

The Australian Citizens Party (ACP) today called on Treasurer Jim Chalmers to respond to the Senate inquiry’s bipartisan recommendations that include:

* Designating access to financial services and cash an essential service;
* Appointing an expert panel to assess the possibility of establishing a government bank, including as a postal bank;
* Making the Banking Code of Practice mandatory.

“We know these recommendations enraged the Big Four banks and their lobbyists in the Australian Banking Association (ABA)”, ACP Research Director Robert Barwick observed.

“Is this why the government hasn’t responded to the report—out of fear of upsetting the banks?”

**Comprehensive inquiry**

The Senate inquiry into regional bank branch closures showed Parliament is capable of working effectively to examine and address important issues.

Sparked by the epidemic of bank branch closures in regional towns, which had reached crisis proportions, the 15-month inquiry became one of the biggest probes in the previous parliament, receiving more than 600 submissions and holding 13 public hearings all across regional Australia, from Launceston in Tasmania to Tom Price in northern WA.

It had instant results: Westpac quickly reversed six branch closures under the pressure of transparency, and CBA soon announced a three-year moratorium on branch closures.

Committee chair Senator Matt Canavan commented it was the most successful inquiry he had ever participated in, and other participating senators noted that without the inquiry, they would never have understood the damage the banks were inflicting on regional Australia.

Over the course of 13 hearings, the participating senators went from generally giving the banks the benefit of the doubt that in closing branches they were making sound commercial decisions, to ridiculing and castigating the banks for not living up to their social license by providing services to their customers.

The inquiry proved that the banks and ABA were lying when they claimed that customers preferred digital banking and didn’t use branches anymore.

The consistent message from every community that testified in the 13 hearings was that they needed face-to-face banking services and access to deposit and withdraw cash, and that the closure of branches was devastating to their local community and economy.

From this comprehensive inquiry process, the Committee produced very strong, bipartisan recommendations that reflected the detailed knowledge the Senators had acquired.

Given that Labor Senators also participated—including the late Senator Linda White, who brilliantly grilled the banks and ABA in the hearings—and endorsed the recommendations, the Labor government should have embraced the final report and moved quickly to implement its findings.

Instead, the government has ignored its obligation to respond in 90 days, while fiddling around the edges with policy thought bubbles, including a bank levy to subsidise regional branch services, a half-baked cash acceptance mandate that exempts 90 per cent of businesses, and an extended regional branch closures moratorium that simply kicks the can down the road to 2027.

Robert Barwick, who was the only person to attend every hearing of the inquiry, vouches for the committee’s recommendations.

“The inquiry nailed the banks and its recommendations will fix the mess they have caused, but only if the government has the courage to take the banks on”, he said.

“The government should respect the process and respond.”