



Queenstown betrayal proves the case for a government bank—Citizens Party

There is now no bank on Tasmania's entire west coast, after Bendigo Bank closed its Queenstown branch and shut off the ATM on Friday.

Queenstown residents and Citizens Party leaders held a 'funeral' and 'wake' for the branch at the Queenstown Golf Club on Friday afternoon.

Janet Lay, who led the town's campaign to save the bank, told Channel 7 the closure was "the death of face-to-face banking in Queenstown", and the wake was an opportunity for the residents to "share their anguish and disappointment".

Another resident said, "That's how the people feel, as if something's died in town."

The Citizens Party, which fought alongside the town's residents to save the bank, called the closure a betrayal by both Bendigo Bank and the Albanese government that proves Australia needs a government bank that will invest in communities and force the big banks to compete on providing a service.

"Queenstown residents put up a hell of a fight to save their bank," says Citizens Party chairman Robert Barwick, "but ultimately it's the government that has let them down."

Prime Minister Anthony Albanese, Treasurer Jim Chalmers and Assistant Treasurer Daniel Mulino have all been silent on Bendigo Bank shutting down ten branches and 28 agencies in regional Australia, of which five branches and 17 agencies were the last genuine banking services in their towns.

The federal government has also failed to respond to the May 2024 report of the Senate inquiry into bank closures in regional Australia.

Says Barwick, "The government has effectively given Bendigo bank CEO Richard Fennell the green light to devastate 22 towns that now no longer have genuine banking services—including the entire Tasmanian west coast."

Government bank solution

Barwick says the fact that the Queenstown branch was profitable, as were virtually all of the other branches and agencies Fennell closed, shows that the problem is the big banks don't want to provide a service.

“This is why the Citizens Party is fighting to bring back a government bank like the original Commonwealth Bank, which could operate through the post office network. It’s time the government got back into banking”, he says.

“Currently, the government is subsidising the private banks in many ways, including through Bank@Post, which is just a way for the private banks to exploit small business licensees who run post offices and taxpayers who own Australia Post.”

Banks are using Bank@Post as the excuse to close branches, telling their customers they can bank at the post office.

However, banks impose limits on cash deposits and withdrawals, which are different for each bank, and charge their customers very high fees to use Bank@Post, while barely paying for the service.

“Taxpayers and post office licensees are subsidising the world’s most profitable banks”, says Barwick. “The banks save a million dollars a year on average when they close a branch and send customers to the post office, so given they have closed more than 2,000 branches in the past decade, they are collectively saving more than \$2 billion a year, but they pay Australia Post less than \$100 million a year for Bank@Post.”

The Citizens Party testified to the Senate inquiry on its proposal for a government bank to operate in post offices, and the inquiry recommended the government establish an expert panel to examine the idea.

Like the original Commonwealth Bank, which also started in post offices, it would be a full-service bank doing deposits, withdrawals and loans.

It wouldn’t just provide a service, but invest in Australia’s neglected regions, industries, and small businesses. It would also support the post office network, not exploit it.

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