**Westpac serving regional customers? Don't bank on it**

The Citizens Party today rejected Westpac's announcement of an extended moratorium on regional branch closures until 2030 as a political stunt to shape the narrative when it appears before the House Economics Committee today.

Treasurer Jim Chalmers effusively welcomed the announcement, but ACP Chairman Robert Barwick, who attended every hearing of the 2023-24 Senate inquiry into bank regional closures in regional Australia which the government has ignored, asked: "Who do Westpac's executives think they are fooling? Aside from the Treasurer, who wants to be fooled so he has an excuse to continue to do nothing to address the crisis in regional banking services."

Barwick noted that Westpac is responding to the backlash against banks over their coordinated closures of branches to force customers into digital banking, which Big Four bank executives boasted of in 2023.

"It's great the banks are feeling the pressure", he said, "but announcing band-aids before a parliamentary hearing is no substitute for the government taking real action to address this issue by responding to the Senate inquiry's report, instead of ignoring it."

**Sins of Westpac**

Barwick said that before politicians get excited by Westpac's announcement, they should compare it to Westpac's sins:

- Figures from *The Regional*, which exhaustively documents regional bank closures, show that since 1975 Westpac has closed 588 regional branches, or 76 per cent of its regional network. "Volunteering to extend a moratorium on closures when there is nothing left to close is a hollow gesture", he said.
- In the very first hearing of the Senate inquiry, held in Sale, Victoria in March 2023, Westpac's executives revealed that the profitability of a branch is not a factor in the decision to close it, i.e. many or most of the branches they have closed were profitable.
- Westpac proved this two months later when it suddenly reversed the announced closure of eight branches, just to avoid appearing again at the Senate inquiry! If those eight branches hadn't been profitable, it wouldn't have reversed their closure.
- One of those branches, Cloncurry in Queensland, showed how Westpac operated. The branch happened to have some of Australia's richest cattle barons as customers, one of whom, Don McDonald, called his personal banker at Westpac to ask why the branch was closing. His personal banker was shocked

because he didn't know the retail division had decided to close the branch, and got it reversed.

- Westpac did something similar in Moree, NSW, a branch that it did close. The branch building had an agriculture bank office upstairs that served the prosperous agricultural sector around Moree, so when the locals asked the retail executives if closing the branch meant they were closing the ag bank too. The executives replied, "What ag bank?"
- "The Cloncurry and Moree cases show that the people at Westpac closing branches had no idea about the communities they were abandoning", Barwick said.
- Although the Senate committee asked all the banks to pause branch closures during the inquiry, Westpac went ahead and closed seven more, including Coober Pedy, where the locals now have to drive 540 kilometres to the next bank in Port Augusta.
- Westpac has now announced it is reopening offices, including in Moree, and starting services attached to Council buildings in some other places, but these are all cashless services, which means they are not real branches.

"Australia's banks are the most profitable in the world", Barwick said, "but the government acts like they are doing us a favour.

"Westpac may fool Jim Chalmers, but they won't fool customers seeking a proper service."

Barwick called on the government to implement the recommendations the Senate report on bank closures.