

Submission to the Regional Banking Taskforce – Graham Crowther

Regional Banking Taskforce
Financial System Division

I wish to ask the Regional Banking Taskforce to consider the establishment of a public Post Office Bank, to overcome the growing need for a proper service that has been neglected as a result of the steady abandonment by the private banks.

With Australia's mounting debt problem the timing is now more important than ever, to ensure a government guaranteed banking service to all Australians, enabling a traditional banking, with a focus on credit for farms, local businesses and communities in regional areas.

The Post Offices are already established, have widespread infrastructure around Australia, and are appreciated in the communities they serve. They currently utilise their facilities to provide a service on behalf of the major banks and are ideally placed to take a greater role to improve this temporary arrangement that exists and provide a proper long term solution to meet regional banking needs.

Commissioner Hayne's interim report of the Financial Services Royal Commission highlighted worrying levels of fraud, sub-prime mortgages /faulty lending practices and improper activities of the banks, however although there was discussion on questions of the structure of regulation and the structure of the banks there was little change to follow.

The big banks have been aggressively shutting down ATMs and starving regionals of cash as they aim for a cashless society, and practiced discriminatory lending.

A Post Office Bank would be the ideal platform to bring about some degree of structural change that would help overcome many of the current problems, especially in relation to the derivatives speculation, manipulation of interest rates etc. found prevalent in the banking industry (identified in the Financial Services Enquiry), often designed to be of benefit to the banks at the expense of the customers.

A public Post Office would also guarantee income for Australia Post and the LPOs, and ensure the long-term viability of our postal services across Australia, with surplus deposits invested in a national development bank for major infrastructure and industry development in regional Australia.

Graham Crowther