



THE HON DR DANIEL MULINO MP
ASSISTANT TREASURER
MINISTER FOR FINANCIAL SERVICES

Ref: MC25-020123

Mayor Matt Burnett
President
Australian Local Government Association (ALGA)
8 Geils Court
DEAKIN ACT 2600

Dear Mayor Burnett

Thank you for your correspondence on 14 August 2025 concerning the resolution from the 2025 National General Assembly of Local Government about regional banking.

The Albanese Government is committed to supporting our regions having access to fit for purpose and sustainable banking services over the long term. Amid the increasing availability of banking alternatives, such as telephone, online and mobile app banking, there has been a decline in over-the-counter transactions and a shift to online activity. These shifts in consumer demand and new technologies have contributed to banks reducing their branch networks.

To help address concerns about the impact of these developments on communities who need access to face-to-face banking services, as well as on small businesses that need to access and deposit cash, on 11 February 2025, the Treasurer announced that the Albanese Government had secured a package of commitments from the banks, including:

- **A moratorium on branch closures for two and half years:** National Australia Bank (NAB) has committed to a new moratorium on regional branch closures, with Commonwealth Bank of Australia (CBA) and Westpac Banking Corporation (Westpac) extending their existing moratoriums. These commitments build on the conditions imposed by the Government on Australia and New Zealand Bank (ANZ) and Suncorp Bank and ensure no regional branch closures by these banks before 31 July 2027; and
- **New Bank@Post agreements:** Australia Post, CBA, NAB and Westpac have all reached new in-principle Bank@Post agreements, and ANZ has agreed key terms on which it will join the service. Macquarie Bank and HSBC have agreed to start negotiations with Australia Post on Bank@Post services. These discussions are continuing and expected to be finalised this year.

I note that some banks do not have regional branch closure moratoriums in place or participate in Bank@Post. Ultimately, a decision to close a bank branch, participate in a branch closure moratorium, sign-up to Bank@Post, or partner with a local government, is a commercial decision for each bank. Major banks have been the main drivers of bank branch closures in regional Australia, and the aim of the moratoriums is to arrest this decline.

While these two steps address the immediate challenges surrounding regional banking, the Government is continuing to work with regulators, industry, and communities to ensure our regions have access to fit-for purpose and sustainable banking services over the long term.

As an example of this work, you may be aware that the Council of Financial Regulators (CFR) and the Australian Competition and Consumer Commission (ACCC) have recently consulted on a proposed cash distribution regulatory framework.

This framework aims to support the Government's commitment to maintaining adequate access to cash for as long as Australians wish to use it, and to support an inclusive and accessible payments system for consumers and businesses in rural and regional Australia, where cash distribution services are most expensive. For more information about the consultation process, please go to: www.cfr.gov.au.

Banks have a responsibility to regional communities and we're holding them to it. While many Australians are increasingly using digital banking and payment methods, face-to-face banking services remain essential, particularly for people and small businesses in regional areas, where digital alternatives may not always be accessible or meet their needs.

I expect to be able to say more later this year about how the Albanese Government is standing up for regional Australians, helping to secure the banking services they need and deserve.

Thank you again for your letter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Daniel Mulino', written in a cursive style.

The Hon Dr Daniel Mulino MP