



Speech by

PHIL REEVES

MEMBER FOR MANSFIELD

Hansard 20 July 1999

BANKS; MEDIA

Mr REEVES (Mansfield—ALP) (12.19 p.m.): The events of the past two weeks illustrate that the banks are a law unto themselves. Although they are trying to squirm their way out of the deal they did with John Laws, the truth of the matter is that they just wanted to con the people of Queensland and New South Wales. The Commonwealth Bank is now trying to claim that it had no part in the deal, in spite of the fact that it approved it. It has released a letter stating that it disagreed with it; however, it approved it. Where do the banks get off? One minute they are spending over \$1m not only to silence a high-profile critic but also to get that person to become their No. 1 supporter, and the next minute they are closing down branches all over Australia and, at the same time, putting up bank fees as quickly as we can say "keeping the dream alive".

An honourable member interjected.

Mr REEVES: That is exactly right.

The only dream that the banks are keeping alive is the nightmare they are becoming for the average customer. Last year people in the electorate of Mansfield were given only three weeks' notice that the Commonwealth Bank branch was closing down after 30 years' custom. That move not only was heartless but also showed no regard for the community of which the bank was trying to portray itself as a part. By its ruthless action, overnight the bank virtually wrecked an important strip of shops in the community of Mansfield. It was quick to take money off the people while the community was being built. However, once the community became settled the bank moved away.

Mr Musgrove: That's disgraceful.

Mr REEVES: As the member for Springwood said, that is disgraceful.

Mr Knuth: The same thing is happening in the country, too.

Mr REEVES: That is exactly right; it is happening all over Australia. In every rural town in Australia the banks are pulling out. At Mansfield the bank did not even have the heart to leave the automatic teller machine in place. Instead of being able to walk to the shopping strip to do their banking, the elderly now have to catch a bus.

Mr Knuth: They haven't got a heart.

Mr REEVES: That is a good point; the banks do not have a heart.

When will the banks wake up to the fact that, if they really want to be part of the community and get community support, they have to act as part of the community? They should forget about doing a grubby million-dollar deal with a popular radio announcer and instead act as good corporate citizens by working with local communities and not against them.

Mr Knuth: Put people before profits.

Mr REEVES: They should be putting people before profits. At a protest rally one Thursday lunchtime outside the Commonwealth Bank in Queen Street one of our signs read "Put people before profits".

Mr Roberts: You can't bank on the banks anymore.

Mr REEVES: That is exactly right. I think Ben Chifley might have been right.

The latest PR disaster should illustrate once and for all to the Federal Government that the banks cannot regulate themselves. I believe the time has come for the Federal Government to regulate for community obligations in respect of the banks. To hold a licence to conduct a bank is to hold a unique and privileged position in our society. It is up to the Federal Government to put these responsibilities back on the banks, similarly to the way in which it champions Telstra's community service obligations. The Federal Government is always saying, "We're putting social and community obligations on Telstra." It is now time to put similar obligations on the banks.

Mr Musgrove: Howard is probably squibbing like he did with the code of conduct.

Mr REEVES: That is probably right.

If we allow these banks to continue to be a law unto themselves, they will no doubt sink even lower than they are at present. They must be called to account and forced to meet certain community obligations. It is appalling that the banks are giving communities such as mine and those in many rural towns throughout the country only two to three weeks' notice that their one and only bank is leaving the area. What type of planning can take place in towns and communities to counteract such moves?

Government members interjected.

Mr REEVES: Those are all good ideas.

However, I have news for some of the banks. Some of these towns are fighting back. More importantly, I know of other communities which, even though they have banks in their area, are examining community banking options. If the banks do not pick up their service level and image in the community, it will not be long before the community gives the banks the heave-ho, not the other way around.

We now hear that the National Bank is tape-recording credit applications over the phone.

Mr Mickel: That's outrageous.

Mr REEVES: It is outrageous.

Mr Mickel: Phone tapping.

Mr REEVES: This is phone tapping at the corporate level. This is yet another move that will sink the image of the banks further into the mire. Their argument is that they are trying to cover themselves against customers giving incorrect information. What a joke! We all know that, even if a credit card is applied for over the phone, applicants have to fill out and sign forms as proof of the information given.

An honourable member: You should ring John Laws and tell him that.

Mr REEVES: The problem about the John Laws of the world is that they no longer accept calls from people bagging the banks—that is, unless you can pay them more than \$1m. All this is about is putting more undue pressure on the average consumer. I will bet the banks do not record credit applications by customers from the big end of town. When people such as John Laws or Allan Jones ring their mates in the banks to apply for credit, the banks will not ask whether the call can be recorded.

A Government member: When do they need credit?

Mr DEPUTY SPEAKER (Mr D'Arcy): Order! If the honourable member for Mansfield needs help, he will ask for it. Honourable members will let him get on with his speech.

Mr REEVES: The Federal Government must call the banks to account. They must be forced to meet a number of community service obligations similar to those imposed on Telstra. The banks would do themselves a lot more—

Mr Mickel interjected.

Mr REEVES: That is a very good point. We need safer ATMs. I have heard the honourable member for Logan speaking in this place about ATMs, in particular about safety issues and access for people in wheelchairs. That is an excellent point. Those are the types of community obligations that the Federal Government must force on the banks. They need to become good corporate citizens. The banks would do themselves a lot of good in the eyes of the community if they developed these obligations with the Federal Government, instead of doing grubby deals with the John Laws of the world. If they really want to keep the dream alive, they should get into bed with local communities, not the media.

For years, especially over the past year and a half, the media have attacked Federal and State parliamentarians over conflicts of interest in their business dealings. The simple fact is that every member of this Parliament has to declare his or her interests. Similarly to what some other politicians have said over the past week, I suggest that it is about time the media followed suit. I know that certain people associated with my local newspaper have different business interests. However, they do not have to declare those interests. It is very important that all people in the media declare their interests. During our speeches, honourable members from both sides of the House declare their interests. It is about time the media did so as well, especially in respect of their editorial comment.

Mr Mickel: And the business columns.

Mr REEVES: And the business columns.

Mr Knuth interjected.

Mr REEVES: I am in the same position; I am just a battler. I do not have too much to declare, apart from membership of local clubs.

Mr Mickel: But they're richer because you're there.

Mr REEVES: That is exactly right.

It is about time the members of the media grew up. They are quick to condemn and attack parliamentarians. If they have evidence to prove their claims, they should put it forward. However, at the same time they must declare their interest.

Mr Hayward: Are you putting out a press release?

Mr REEVES: Even if I put out a press release, it will not be reported. It is about time that not only the banks but also the media became good corporate citizens.
