



Australian Citizens Party

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MEDIA RELEASE

Thursday, 5 August, 2021

Australia Post settles with Christine Holgate, but the rot remains

Australia Post and Christine Holgate announced a settlement of their mediation this week. But on the same day it was announced, Australia Post demonstrated that the rot remains in its operation, by refusing Citizens Party Research Director Robert Barwick's Freedom of Information (FOI) request that it disclose the price that CBA and NAB have agreed to pay to renew their Bank@Post deals.

The essence of the settlement announcement is that Australia Post did not admit liability, but agreed to pay Ms Holgate a \$1 million termination payment. Ridiculously, this means that because Labor Senator Kimberley Kitching and Prime Minister Scott Morrison hyperventilated and grandstanded over \$20,000 for four Cartier watches being a misuse of "taxpayers' money" as a pretext to force her out, Australia Post will now pay Ms Holgate the equivalent of 200 Cartier watches, except the payment is essentially what she was owed under her contract. Of course, it is very small compared with the \$10.8 million termination payment her predecessor Ahmed Fahour received.

The two parties released the following media statement:

Australia Post and Ms Holgate participated in a mediation on Friday 23 July 2021 before the Hon. Peter Jacobson QC, a former Justice of the Federal Court of Australia.

The parties have reached a settlement and Australia Post has agreed to pay \$1,000,000 to Ms Holgate to be taxed as an employment termination payment.

Australia Post also agreed to pay \$100,000 of Ms Holgate's legal costs.

To finalise the matter so that both parties can move on, Ms Holgate has released Australia Post from all legal claims and Australia Post is making the payment without any admission of liability.

Australia Post acknowledges that it has lost an effective CEO following the events on the morning of 22 October 2020.

Australia Post regrets the difficult circumstances surrounding Ms Holgate's departure from her role as CEO.

Australia Post recognises and thanks Ms Holgate for her outstanding contribution and strong



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leadership during her employment as CEO of Australia Post.

Australia Post wishes Ms Holgate the best in her future endeavours.

Ms Holgate wishes the employees, partners and licensees of Australia Post her best wishes as they strive every day to provide a vital and affordable service to all Australians no matter where they reside.

On behalf of the Citizens Party, Robert Barwick tweeted this response to the news:

"And so it ends. Australia has lost one of its greatest ever public servants, who while lesser-known outside of #AusPost, in terms of brilliance & impact was up there with Denison Miller, Dr J.J.C. Bradfield, & Essington Lewis. She saved AusPost & @LPOGroup from banks & privatisers." (Denison Miller was the genius founding Governor of the Commonwealth Bank. Bradfield was the brilliant engineer of Sydney's Harbour Bridge and subways. Essington Lewis was the boss of BHP who directed Australia's miraculous WWII economic mobilisation.)

Hiding the bottom line

Meanwhile, Australia Post has used "commercial in confidence" as the excuse to block the Citizens Party's FOI request for details of the Bank@Post deal. Robert Barwick's request, made on 7 July, read:

"I request access under the Freedom of Information Act to the document/s that specify the price of the Community Representation Fee (CRF) that CBA and NAB agreed to pay to renew Bank@Post for ten years, and other terms of the deal, including the intervals at which the banks can reconsider their participation during the life of the ten-year deal."

The reason for this request is that when Christine Holgate landed the original Bank@Post renewal deal in 2018, she shouted from the rooftops that the banks had agreed to pay \$20 million each as a Community Representation Fee. It was this CRF that made licensed post offices and the banking services they provide, especially to regional communities, viable for the first time. She was very excited to have achieved the deal, [and very emotional when she announced it](#), knowing how close



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Australia Post had come to scrapping Bank@Post altogether and cutting hundreds of regional communities off from all access to banking services. However, when CBA and NAB made a big show of renewing Bank@Post for 10 years, the banks and Australia Post did not disclose the CRF figure. This raised the question: did they renew for the same amount, \$20 million, as Christine Holgate would have insisted upon if she had not been ambushed in Parliament? Or did they force Australia Post to take less money? Citizens Party sources have reported that Australia Post was likely bargained down to accept a \$10 million annual CRF payment. If so, this would not bode well for the sustainability of regional banking services long-term, and is especially galling from the banks given the speed at which they are closing branches, forcing increasing numbers of customers to use Bank@Post. Australia Post had a chance to clarify this question, but has chosen to hide the truth.

Postal bank

All of this underscores the importance of the Citizens Party's bill, the Commonwealth Postal Savings Bank Bill 2021, to expand Australia Post into a public postal bank. Whilst it's important that post offices can provide Bank@Post services, the banks currently have the upper hand—they pay Australia Post what they like, they can pull out unexpectedly, and they charge whatever fees they like. A public postal savings bank will guarantee banking services at post offices in perpetuity. Join the Citizens Party's campaign to [get local councils and other community organisations around Australia to endorse the CPSB bill](#) that Independent MP Bob Katter intends to introduce, so we can put grassroots pressure on Parliament to pass it.

[Click here to sign the petition:](#)

[An Australia Post 'people's bank'—a win-win solution for the nation](#)

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