

The Secretariat
Regional Banking Taskforce Financial System Division
The Treasury
Langton Crescent
PARKES ACT 2600
By email: regionalbanking@treasury.gov.au

17 December 2021

Dear Secretariat,

Re: Submission to Regional Banking Taskforce Financial System Division

I refer to your terms of references which are to bring together banks and other key stakeholders to work together in partnership to share information and identify ways in which banks, in collaboration with Government, assess the impact of bank branch closures in the regions.

In the Context, you said:

Banks provide a variety of services to their customers. These include enabling customers to open and close accounts, to deposit and withdraw cash and to obtain various types of loans.

Over time, however, the provision of banking services has changed. Changes in financial regulation, technological developments like the growing use of electronic banking, shifts in consumer demands and demographic shifts towards larger cities and towns have contributed to the pressure on banks to reduce their branch networks.

Other data show that more than 80 per cent of Australians prefer to transfer money, pay bills or check account balances online and less than 20 per cent of Australians say they prefer to do their banking activities in branches, with 72 per cent of Australians reporting that they did not visit the branch of their main bank in the month leading up to September 2021

This submission will affect millions of customers of [REDACTED].

Background

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

From my perspective, I would like to provide the response to the questions of the Regional Banking Taskforce Issues Paper as follow:

Question 1: *How are Australians changing the ways they are accessing banking services? What are driving these changes?*

Answer:

We do more online banking, tend not to use cheques anymore. Less connection with the banks.

Question 2: *What banking facilities, services and products are used in regional bank branches?*

Answer:

Deposit money, get money out, go for a loan.

Question 3: *Are there particular banking products or services that need to be delivered face-to-face or have support provided face-to-face? Are any of these particularly important for regional customers?*

Answer:

All your banking services and products should be delivered face-to-face. You need to see and know who you are talking to. Internet can scam you. Need to build trust with the banker. Without face to face there is an increased risk of fraud.

Face to face is a crucial part of banking. You can govern the type of person you are dealing with.

Question 4: *What are the impacts of regional bank branch closures on the banking needs of individuals?*

Answer:

Need a point of contact and building a relationship. The convenience of going into town and speaking to the local, and having someone understand what is happening. Especially when dealing with loans, you want it to be face to face. Teaching children how to save money, using cash and taking it to the bank. Having numbers on a screen takes away the importance and responsibility of money.

Question 5: *What are the impacts on the banking needs of businesses, community organisations and communities?*

Answer:

Business still requires cash and cash services, and for a whole host of reason, like increasing an overdraft. Have someone to talk to and sort things out, and have the power to provide you services. Having a local, and someone to contact.

Without it, it is impersonal.

Question 6: *Are there particular issues in the provision of banking services in regional Australia for specific vulnerable groups?*

Answer:

Senior rely heavily on banks, allows them to talk to some. Vision impaired require trusted people to help them with their money and assets. Vulnerable people would be effected quite greatly.

Question 7: *What more could banks do to help customers transition to alternative banking services that would enable them to do their banking in a timely, efficient and cost-effective way?*

Answer:

Have a branch or bank there that allows people to talk to bankers, instead of using computers and relying on internet and power. Internet can be unreliable.

Question 8: *Are there facilities, services and products provided in bank branches that are not available through alternatives like ATMs, Bank@Post, phone banking, mobile banking, the telephone and the internet?*

Answer:

Understanding bank policies and the systems. And learning about banking. Direct people communication. Staff should be trained in banking and therefore are able to answer relevant questions and lead you to relevant areas. Allowing people to bank how they always have instead of trying to learn new technology. Need somewhere to put your cash into your account.

Question 9: *What are alternatives to bank branch models that would maintain or improve banking services and accessibility in areas where branches have been closed?*

Answer:

They could hire a venue and do banking part-time, using the post office, newsagency, or the pub. Using local businesses as a part-time branch for the banks.

Preference would be to maintain a branch. Providing basic banking services.

Question 10: *Are there any alternative models for the provision of banking services that could be considered for adoption by banks in Australia?*

Answer:

Be open and honest with their banking, stick to the rules and codes they set for themselves.

More transparency from the bank. Be more trusting and reliable.

Question 11: *What are the lessons from Australian and international experiences that can help improve banking services and accessibility in regional communities where bank branches have been closed?*

Answer:

Following their own guidelines, communication, working together with their clients. They should be more proactive with their banking and fix the problems that have arisen. Have

the government on board with the bodies they have in place and support them. The reprimand bankers who have committed criminal conduct.

I believe the Regional Banking Taskforce Financial System Division can use my case to demonstrate how farmers, like my family, who have businesses in regional areas have dealt with the changes introduced since we signed loan contracts with [REDACTED]

Should you require further documents, please contact me.

Yours sincerely,

Michael Doyle