

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 million customers of [REDACTED]

Background

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

MS

[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:

Computers, online, haven't walked into a bank for years.

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

Answer:

Very limited options as everything has gone online.

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:

Yes, there is, if they go by the Standard and the Code.

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

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Answer:

Fair bit to do with face-to-face communication. There is no relationship building, resulting in a lack of accountability.

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

Answer:

The ability to draw amounts of cash out, with everything going to computerised numbers instead of solid cash. They can make numbers on the computers.

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

Answer:

Impacts people to go to the market and buy food, you can just pay people with cash, such as farmers. It takes away the responsibility of money and spending when it is just a number on the screen. Such as credit cards.

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: *Go back to how it used to be. Before it was privatised.*

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:

I think there is, more personalised business. Computers rely on internet and power. Going into a bank allows the banker to explain more clearly to the client, especially for those who cannot read or write or access the internet.

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:

Go back to how they used to be.

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

Answer:

Yes, there is. I do not know in depth what they are but I understand they're being worked on like co-op situations.

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:

If they went by the rules, they had written everything would be a lot better. They should follow their Code and Standard.

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,

Craig Hutton


17-12-2021