

Regional Banking Taskforce

Dear Taskforce,

Theodore Chamber of Commerce response to the consultation on Regional banking

1. How are Australians changing the ways they are accessing banking services ?

- Instead of going into a branch, talking with a teller or manager, we phone the bank's regional office, 120km away, or a call centre.
- we take money out via ATM when we need cash.
- we pay by card whenever possible, and get change after purchase
- we occasionally do direct funds transfer for regular costs – e.g. rent, donations, subscriptions
- we opened an account with a bank that would allow transactions by [Bank@Post](#) without charging transaction fees.
- we expect small businesses to act as a bank to change larger notes.
- we are forced to do transactions by phone
- unreliable and patchy mobile coverage interruptions frustrate speedy transactions

What are driving these changes?

- Closure of all four banks in our town over the last 40 years.
- Failure of banks to facilitate transfer to alternate services
- Unreliability of local ATM – used to 'swallow' cards, requiring application for new card.
- Fees for withdrawal of funds from accounts other than the one that provided the ATM
- COVID reduced our use of cash to avoid handling money
- Capacity of mobile phones to process transactions

2. What banking facilities, services and products are used in regional bank branches?

- opening accounts
- negotiating loans
- financial and account advice
- superannuation advice
- change @ a cost of driving 130km each way e.g to obtain \$500 in change. The cost may well be \$150 outlay in time, fuel etc

3. Are there particular banking products or services that need to be delivered face-to-face or have support provided face-to-face?

- Large withdrawals, loan negotiations, type of account advice, financial planning.
- Are any of these particularly important for regional customers?
- Guidance on best accounts to use in specific conditions.
- Financial planning
- Loan negotiations

4. What are the impacts of regional bank branch closures on the banking needs of individuals?

- Sense of abandonment after years of brand loyalty

- Unreliability of ATM service – breakdown requires application for new card
- Need to set up with another bank that still serves the locality
- Travel to be physically present to set up in different bank is costly in time and convenience, and disproportionately disadvantages aged and disabled.
- Difficulty accessing change for local events
- Reduction of service jobs in the town

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

- Sense of abandonment after years of brand loyalty
- Loss of community capacity when bank staff leave town
- Need to travel during business hours to set up with a different bank that still serves the locality
- Difficulty accessing change for cash customers
- Difficulty making and taking small donations/ fees at events.
- Small business forced to operate as a bank providing withdrawal services after purchase by card

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

Yes. Vulnerable groups include

- Aged
- Indigenous
- mentally unwell
- cognitively impaired
- vision-impaired
- digitally marginalised through poor speeds, unreliable connections, unsatisfactory telecommunications plans, no mobile coverage ..

people with

- poor literacy skills,
- poor, or no, digital skills
- little control over their own documentation or how to access it, (Domestic violence, limited education..)
- no, or unreliable, mobile coverage - cannot do banking on line from home.

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?

- Provide regular visits to locality by bank staff to offer advice and support, obtain documents to set up new accounts, arrange loans, establish digital skills for internet banking – travelling “Bank Bus” for multiple banks
- Set up hot-line for transition time
- Set up satellite facilities at a local small business

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?

- Some people cannot access these remotely without suitable reliable internet access, digital devices, and training in how to use them.
- Education on online banking safety and identifying banking scams

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

- Set up hot-line that is staffed 24/7 to offer advice, support, & referral
- Regular visits to locality by bank staff to offer advice and support, obtain documents to set up new accounts, arrange loans, establish digital skills for internet banking....

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

Satellite banking at small business

Provide all-banks fee-less ATM with back-up to retrieve cards lost to the machine.

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?

Replacement services need to be in place and customers helped to transition to them prior to closure.

Yours sincerely,

Ann Hobson

Theodore Chamber of Commerce

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