

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] In 2018, I met people who had attended the meeting at Parliament House earlier this year and they let me to believe other victims have suffered from the same practices.

Earlier this year, the people who I met in 2018 suggested that I should have my case reviewed because they had been speaking with other farmers who were considering taking further action.

[REDACTED]

[REDACTED]

[REDACTED] did have a duty to provide me with a copy of the 2004 Code of Banking Practice, because without it, I was unaware of my rights under the AS 4269-1995 Standard. The Standard is an essential part of my loan contract and had been prepared by a committee including the Office of Consumer Affairs, Queensland, Law Society of NSW, and the Law Institute of Victoria. These people had determined that banks, their directors and licensee had to resolve disputes free of charge (clause 35.1(a)) [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:

Online banking.

Question 2: What banking facilities, services and products

are used in regional bank branches?

Answer:

ATMs, however most banking 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:

Loans have to be delivered face to face based on the Code and the Standard.

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

Answer:

For older people have difficulties with online banking and could put people off borrowing money. Has a great impact on those on the poverty line who have restricted access to internet.

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

Answer:

Once the bank leaves the town, the businesses usually follow. It reduces the community hub in these region areas.

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

Answer:

People who are financially struggling, and the elderly are left with no one to talk to about their banking needs. And it requires them to travel great distances to talk face to face with a bank teller.

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:

Set up mobile services that visit the regional areas on a regular basis.

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:

Many local ATM's charge \$2 to use, and the internet is the sole reliant for banking for many regional areas.

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:

Mobile banking and using post office's as alternate banking.

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

Answer:

Get the bank to follow to their legal obligations of the Code and the Standards and being fair and trustworthy to their customers.

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:

Charging bankers with criminal conduct and fraud and have them face jail.

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,

James Davidson

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