

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

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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:
There is more online banking. Reasons – lower bank staffing, hence queues and wait times, customer service is not what it used to be like, and younger people are more computer literate along with banking going this way.

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

Answer:

Deposits and withdrawals, face to face communication. Answered over the phone.

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, communication is key when dealing with banks, important documentations should be face to face. Getting to know the banker.

Cheque payments, consultancy, funds remittance, credit cards, all loans, all letter of offers. All-important followed up by bank managers or Agri staff should you be a farming enterprise. Any support required, wealth management.

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

Answer:

The impacts are massive. No advice and support on hand regarding banking impacts the community emotionally and economically. Impacts business created in the community. A banking phone number has no connection to a community.

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

Answer:

Again massive. A bank creates a hub in a country town, it brings in visitors, helps create growing business and is available to help provide a service for locals without this a town can struggle.

Without good communication things can go pear shaped, and making sure you have all your important documentation, someone to understand your business and are passionate about your business is very important. Have you best interest at heart, having agricultural advice, and know about farming.

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

Answer:

Yes – for young and old.

Unless a person is versed in banking, everyone is vulnerable and is impacted if they do not understand the Code.

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:

Teaching those how to use online and making it accessible to everyone. Helping people become more confident in this area.

This is hard as the elderly have not been accustomed to computer knowledge as far as telephone banking goes I personally wouldn't rate it at all.

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:

Loans not available through ATM's. travel insurance, good old customer service. Communication!!! Banking at a bank is 'supposed' to be safe.

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:

No matter what a bank provides it comes down to good communications with your bank manager and following through with every Code.

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

Answer:

Abiding by the Code, making sure that the average person had a full understanding of banking, through the use of flyers and posters of terms and conditions to make them more versed in banking.

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:

Get honest advice from the banks that best help the public. It would be great to think that this could occur but given our experience with [REDACTED] I struggle to get my head around that thought.

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,

Robert Willmott