

15 December 2021

Secretariat  
Regional Banking Taskforce  
Financial System Division  
The Treasury  
Langton Crescent  
PARKES ACT. 2600

Submission to Australian Treasury Consultation  
into Regional Banking Taskforce Issues Paper November/December 2021

As a long-term business owner and resident of a small country town, please find my answers to the list of consultation questions here below:

1. 'Changing ways of accessing banking services' implies a shift to online access, however not everyone is tech-savvy, by any means. Australia's regional areas have been ill-served by sweeping branch closures. Internet is not always functioning, especially outside cities, as was the case in the recent bushfires, a common problem 'in the bush'. Our own internet was not functioning for a full month since a truck had damaged the low-slung phone line which crossed the road. On-site technical assistance from the internet provider/phone company required two teams – one to analyse the problem and the other to fix the line. Each team took two weeks to turn up. I prefer face-to-face banking as many local people do.
2. Banking facilities, services and products used in regional bank branches include local business cash deposits, community cash withdrawals at branch ATM, face-to-face delivery of transaction dispute records (my recent experience), school banking of uniform shop or raffle receipts and cash deposits, etc. My recent experience of waiting in long queue at a city bank for half an hour simply to replace a torn note nearly cost a parking fine and wasted my valuable time!
3. Particular banking services that need face-to-face delivery include transaction dispute records (my recent experience); local business cash deposits. My recent experience of meeting face-to-face at bank branch as guarantor of my daughter's home loan was a required part of her application.
4. The impacts of regional bank closures on the banking needs of individuals makes their smooth small business operations exceedingly difficult. The additional cost and time of travelling to the nearest bank branch when local branch has been closed is an unnecessary burden on already-stressed regional businesses who have had to cope with the pandemic restrictions.
5. Some of the impacts on banking needs of businesses, community organisations and communities have been discussed above. Their ongoing financial viability is thus put under immense strain.
6. Particular issues in provision of banking services in regional Australia for specific vulnerable groups include those with impaired sight or hearing who need face-to-face customer assistance to sort out any banking difficulties they may have; the elderly who have

not been enculturated to use of the internet are known to appreciate the 'old fashioned' style of personal interaction to assist in their queries or difficulties accessing services.

7. This question asks how banks could help customers transition to alternative banking services. However, the question presumes that customers are willing to transition. This customer isn't! I prefer to use some cash so much less bookwork to account for my living expenses, which is an annoying time-waster; time is money as they say!

8. Facilities, services and products not available through ATMs, phone banking, mobile banking, telephone and internet include face-to-face immediate customer assistance without the long waits for call centres, submission of documents, loan application assessment for dual ownership of property security, cash withdrawal and deposits, businesses and their customers who prefer paper invoicing and payments.

9. The best alternative to bank branch models that would maintain or improve banking services and accessibility in areas where branches have been closed is that local regional towns having existing Australia Post franchises provide those full suite of banking services with fee structure equivalent to those currently offered by banking directly with the bank. It is yet another excessive profiteering by the banks that fees are charged for withdrawal of cash when using Australia Post banking services. That is not 'service' but consumer gouging!

10. Alternative model for provision of banking services that could be considered for adoption by banks in Australia is that offered in point 9 above. The best CEO Australia Post ever had who was wrongfully dismissed, former CEO Christine Holgate, had the right idea. Keep Australia Post as a wholly government-owned service, including its profitable parcels business, while expanding its role under government ownership as an independent Bank of Australia Post with all lending and guaranteed deposits facilities. This would offer useful competition to the rapacious banks currently ruling the roost. There is enough business for all parties on an even playing field. Let us all prosper, including the people of Australia!

11. The lessons learned from Australian and international experiences that can help improve banking services and accessibility in regional communities where bank branches have been closed include the solid research into making Australia Post a government bank, conducted by Christine Holgate internationally. There are many other countries and political processes seeing the sense in this including the US Congress which is considering a bill to re-establish postal banking through the US Postal Service.

Such a bank has potential to fund large scale infrastructure projects which would provide dividends to the government and many flow-on advantages to communities. That is how President Franklin Roosevelt funded the network of infrastructure developments across the US which transformed the country into a productive powerhouse. Historically, our own government-owned Commonwealth bank funded the Hydro dams here in Tasmania and the Snowy Mountains Scheme to ensure plentiful affordable water and power. We can do that again to secure a hopeful future in this country, without which I despair for us all - including the private banks themselves.

Please consider well my strongly-held views in this matter and accept my submission here in its entirety.

Yours sincerely

Caroline Larner  
Grandmother to ten Australians