

To: Regional Banking Taskforce

Banks are closing city branches and/or shortening their opening hours, trying to trap all customers into electronic transactions. City customers are presumed tech savvy, have the latest technology and ready access to expert technical services. Banks assume everyone is the same. For city people with money in the bank a cashless society seems convenient. This is not true for all country people!

Why should city centric politicians care when banks don't? They can avoid eye contact with city beggars and walk on by with purpose. But rural battlers similarly overlooked, protest in support of a postal bank.

Regional and rural customers have been abandoned by banks, who were deliberately exploiting the post office network until Christine Holgate forced them to pay properly the 2,850 small business families, who run the licensed post offices of Australia Post, for servicing the customers banks had abandoned.

Because internet services are often unreliable in rural and regional Australia, access to banking services and cash is crucial. When international cyber thieves can defraud, disrupt and potentially destroy corporate and government utilities and services, what chance have small rural businesses? There needs to be government support for a cash payments system in rural and regional Australia.

Australia Post has the network. A Commonwealth Postal Savings Bank that operated exclusively through post offices could:

1. Guarantee banking services to *all* Australians
2. Guarantee income to Australia Post and LPO ensuring the long term viability of postal services across Australia (so they never have to beg from private banks again)
3. Guarantee *all* deposits of CPSB customers
4. Support the cash payments system so that cash is always available in the economy (whereas the private banks are aggressively trying to phase out cash and trap people in electronic transactions that have to go through banks)
5. Lend to individuals, business and industries in the local communities the CPSB services (which are increasingly starved of credit by the private banks)
6. Invest surplus deposits in national development bank to invest in major infrastructure and industry development in regional Australia.

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