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CHOICE supplementary submission to the Regional  
Banking Taskforce

**Issues Paper**

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## About Us

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CHOICE is the largest consumer advocacy group in Australia. CHOICE is independent, not-for-profit and member-funded. Our mission is simple: we work for fair, just and safe markets that meet the needs of Australian consumers. We do that through our independent testing, advocacy and journalism. To find out more about CHOICE's campaign work [visit www.choice.com.au/campaigns](http://www.choice.com.au/campaigns)

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## INTRODUCTION

In November 2021, CHOICE surveyed over 6300 consumers about their experiences of access to banking services in regional Australia. These issues raised in these responses have been summarised and have shaped the recommendations in the joint consumer submission to the Regional Banking Taskforce (**'the Taskforce'**).

To further assist the Taskforce in its inquiry, we have attached a sample of over 80 qualitative survey responses shared with CHOICE in full that represent the themes in the wider survey. Consumers wished to share with the Taskforce the important role banking plays in the lives of regional Australians as well as the loss already being experienced by many as services decline.

We have structured responses by key themes, including:

- people are forced to travel long distances to access banking services due to bank branch closures;
- people experiencing vulnerability are most impacted by bank closures;
- the rise of online scams means the community trust face-to-face banking;
- community and church groups rely on bank branches;
- there are significant benefits to face-to-face banking;
- some banking activities still require visiting a branch in person; and
- there is a shortage of fee-free ATMs in regional Australia

This submission is a supplementary submission prepared by CHOICE. This is in addition to the joint consumer submission written by CHOICE, Consumer Action Law Centre, Financial Counselling Australia, Financial Rights Legal Centre, Indigenous Consumer Assistance Network, and the Victorian Aboriginal Legal Service.

To maintain the confidentiality of survey respondents, we have only provided the state or territory details of each respondent.

## 1. People are forced to travel long distances to access banking services due to bank branch closures

"I am in my 84th year and at risk of losing my drivers license due to health reasons. I have an account with Commonwealth and Bendigo Banks, both having had branches in my town of Boyup Brook. Commonwealth closed their branch about six years ago , so I did my banking in Bridgetown 32kms away. Two years ago the Bridgetown branch was closed, now my nearest is in Manjimup 74kms away. Bendigo closed their Boyup Brook branch almost two years ago, the closest is in Collie, more than 70kms away. [F]ortunately our local Post Office can conduct limited bank transactions."

WA

"I regularly have to travel a 100km round trip to access my nearest branch. It uses a lot of petrol and I am on a limited income of the Disability Support Pension."

WA

"The town I grew up in no longer has any bank branches. There were five branches in that town when I was growing up. People living in that town have to travel at least 30 km to access an agency - not a branch. Otherwise it is a 65 km one way trip to access a branch. Public transport is very limited with many hours waiting for a return service."

VIC

"I live in the Northern suburbs of Cairns and have banked with ANZ for several decades. ANZ shut down the Smithfield Branch which services our area and said customers were not using the face to face services - even though many times there was a line waiting for teller service. I voiced my displeasure with the Bank's CEO but the bank is not interested. The nearest branches are in Cairns City near an hour's travel or Earlville again about an hour away. So for the simple face to face service one can spend several hours."

QLD

"For work - our office is on the south side of Rockhampton. There is only one CBA branch left in Rocky, located at the Stockland plaza on the north side. It is inconvenient to travel to, enter the car park, find a car park then if the IDMs aren't working, you have to line up with 20 or more people waiting to be served by the one teller. In towns like Springsure, the only ATM was removed, but you can't get cash out at the grocery store. So if the post office is shut, you can't get anything. Banks don't make it easy for you to call them. They don't offer any services apart from lending money and paying 3/4 of buggar all interest. My mother still uses a cheque book because there is no bank on Baralaba, except the post office service."

QLD

“The Maitland branch of the CBA was closed at the start of Covid in 2020, I use the branch irregularly but specifically need to discuss banking issues. When asked why the closure, temporary at that stage, the reason was to better meet the needs of customers during the pandemic. The only alternative was Green Hills Shopping centre where the branch sits in the middle. I am over 70 and the prospect of negotiating the crowds was concerning. The branch in Maitland was to be re-opened but now has been closed permanently. Maitland's population is approximately 80000. Branch choices are; Green Hills or Raymond Terrace, 20 kilometres away. I realise there are those who are now being forced to travel much further but for a regional city the size of Maitland to have only one congested branch is terrible.”

NSW

“Colleagues in Central Qld Townships only have access to Australia post for face to face banking which is not full service. Rockhampton has only one CBA branch which is most often so crowded that queues are outside the door in the sun - that and lack of seating for aged persons waiting is not satisfactory.”

QLD

“The closure of our local branch resulted in it becoming a 130km trip to the nearest branch to do any activity that isn't available at the Australia post agency. To get change requires that 130km round trip as no one else in town will give out change. The ATM that was left in town does not do deposits, only withdrawals and transfers and is often empty on pension days.”

QLD

“ANZ closed its Scottsdale Branch, 40 minutes from me and the St Helens branch 50 minutes from me. I now have to travel into Launceston, over 2 hours away. Most of the time I live a cashless life and use my cards or bank on my computer. Most of the banks can now be accessed through Australia Post, but not the ANZ. I opened an account with Commonwealth Bank but every transaction needs a mobile phone to retrieve a code. Mobile's do not work in my area and I have to travel several kilometres to retrieve that code. I still have not been able to set my account up properly as a result.”

TAS

“My 70 year old Brother-in-law used to go to Rochester to bank. Since the branch closed he now has to go much further to Echuca or Bendigo. As he does not have internet or Mobile furniture he relies on physical bank branches.”

VIC

“I now need to travel 119 km to receive a personalised banking service.”

QLD

“No bank in Bremer Bay. Closest was BankWest in Jerramungup, 180km away - they are closing. No bank ATMs in Bremer Bay. There is one at the pub, yes there is a fee and yes often out of service...”

WA

“I would need to travel over 60 km for any complicated bank transactions.”

NSW

“My local Westpac closed the country town of Maryborough Victoria. My family and I had been with Westpac for 3 generations. We now have to travel to Bendigo or Ballarat over 70km from both these branches. Being aged, this is not an option for me.”

VIC

“We have an hour and a half drive to get to our nearest branch.”

VIC

“I live in Aldinga Beach SA, and travel to Seaford to access my bank branch [15 km]. If this branch closes, I will have to travel 30 or 50km to the next one.”

SA

“One hour return trip by car to attend my nearest branch, much longer if using public transport. Limited access to autobank terminals.”

NSW

“I need to travel an extra hour & a half to get to a branch”

TAS

“We have to travel 50 kms to access an ATM and 100 kms to access the bank we have a service with.”

VIC

“The nearest bank is 40 minutes away by car and there's no public transport for people who can't drive.”

ACT

“My family lives in a town in regional NSW and all of the big 4 banks have closed their branches in that town over the last decade or so. They can still access services via agents but have to travel to Wagga to visit a branch for more complex matters. This hasn't been a problem as such apart from the extra time and inconvenience but it does worry me as they get older as their ability to drive may be taken away in the future due to their age etc.”

QLD

"I live in Narooma NSW and our bank's services are getting less all the time. We have already lost one bank and our building society bank was cashless for many months and now has installed an ATM to put money in and withdraw. I live in a highly retired area and the services are not good enough not only for the aged population but for everyone using these services."

NSW

"The ANZ Bank has closed in the town of Cootamundra, my town since 1958, it has been said that others will close as well."

NSW

"I live in a small country town, with an aging population. We have lost all banks now. Elderly folk have to drive 25km on a dangerous badly maintained highway to get to a bank that is only now open in the mornings. Madness madness madness. Our seniors deserve better!"

QLD

"The closure of the Maclean NSW branch of the Commonwealth Bank and the planned closure of the Westpac branch at Maclean has impacted friends and family. Many people now have to travel more than 45 minutes to get to their local branch."

NSW

"I live on King Island and banking with CommBank is a nightmare; eg. if we put a cheque into a passbook account, we cannot use the account for 5-10 working days until the cheque is cleared. Sometimes the local PO cannot get our accounts to operate and we have to wait until paperwork is sent to Tasmania. Also, telephone banking waits can be up to 90 minutes to get service."

TAS

"Since closing our local Westpac branch we now have to travel 40km to the nearest branch. Which is both an inconvenience and extra petrol costs. The ATMs available locally all charge a withdrawal fee. There is a Commonwealth Bank branch locally, but it is very difficult to access due to a walking disability. Westpac phone customer service is terrible."

NSW



## 2. People experiencing vulnerability are most impacted by bank closures

“My daughter has an intellectual disability. Having the bank nearby with actual staff to help her navigate the myriad of security layers, rules and other complexity is the reason we have chosen our bank. For older people, and those who choose not to be digital, I think this essential service must be maintained. We don’t have a choice where government benefits are paid, we are tied to banks, so governments should support proper service levels for this vital aspect of consumer life.”

NSW

“We have to travel approx 100km to a branch if we need to personally discuss or arrange financial matters, such as our house insurance. It's really made it very difficult for us as my husband is also visually impaired, unable to drive and, should anything happen to me would have to rely on others to drive him that distance. Many elderly people have been disadvantaged because of this, not being able to use or have access to the internet and travelling the distances required. Getting older is always a great challenge, more for some than others, mainly due to health issues, so why do banks want to make it even more difficult for the elderly?”

QLD

“As I am deaf and don't sign, or use a phone I need to speak with someone directly so that they can write down for me any queries I may have or at times may be able to read their lips. Sometimes dealing with the bank via email is not successful. Next location would be 30 kms away. Cost of travelling that far would be an extra expense for me as I am a pensioner with no assets.”

NSW

“Elderly people do not often have access to the internet and also do not have the skills to safely access it. My 93 year old mother would have to travel for an hour to a bank if they closed access to banking at the post office.”

QLD

“My 92 year old mother, not computer literate and only familiar with teller services has had to change banks, now that branch has closed. I have friends in their 70's who are similarly affected [and] have to drive further to access a bank and ATM. Banks are relying on supermarkets and [post offices] to act as proxy ATMs, though safer than an ATM for a 92 year old there are no account enquiry facilities or services.”

VIC

“Banks have closed most of the branches in my region lately, making it difficult and costly to travel to a proper banking venue. Since Aus Post does not handle my bank’s accounts, that means I have to rely more and more on costly ATM transactions, which I, as a Disability pensioner, can ill afford.”

QLD

“I had to pay a 2 dollar ATM fee a few times. Being on a disability pension, that can be a fair amount and it does add up. However, I only go to the bank when I can’t do something online, but there are still things that can’t be done online or over the phone, like identification, taking court orders for them to verify (I am a carer for my mum who has Alzheimer’s) and I am sure other things that you need a face to face appointment for. Yes, I am old but do feel very comfortable in front of a computer, but there are many, many people, both older and somewhat younger than me, that don’t and they only have access to their accounts and their money through actually physically going to a bank branch. Taking that access away would be devastating for their mental health and their finances.”

VIC

“I’m caring for a person with a disability. They are not computer literate and don’t use mobile phones. They have to use in-bank service as they find auto-tellers are hard to use.”

TAS

“My parents are elderly. They are traditional with banking. They are severely affected by bank availability and diminishing opening hours.”

SA

“I have a disability. I have difficulty navigating instructions/processing [or] understanding things quite often, needing to speak with staff. I can’t do this if my new bank closes and there are no banks left to change over to. Some days I’m much worse than other days.”

NSW

“I am 67km from a town with banking facilities. However the branch is in the centre of town and disability parking is not available so [I] need to travel another 80 km to find a branch with access.”

VIC

“My neighbor has to travel a great distance each pension day to go to her bank as they closed down the branch at our local shopping centre. As an aged pensioner this makes it very difficult for her each pension day. We used to live on the land many miles from our nearest town and we were very reliant on the local bank branch.”

QLD

“Older relatives of mine are unable to do internet banking or manage complex automated phone systems. They need personal service close to their homes, due to driving limitations. “

NSW

“My father lives in rural NSW. He does not have access to a computer and the only way he is allowed to access his funds is in person. He does not have a driver's licence and would be unable to buy food should the branch close. The branch is only open minimal hours already. This is unacceptable for older residents.”

ACT

“We have to rely on [Australia] Post Agency for banking or access an ATM at the local grocery store which charges a fee. I am fortunate that I can do online banking but my disabled brother and the very elderly find it very difficult to conduct banking and many of the elderly do not like doing their banking at the Post Office as they don't believe privacy and security of their details is safe at the Post Office as it is only an agency. We had an incident some months ago where the Post office eftpos service was down for 3 weeks and no banking could be conducted.

VIC

### **3. The rise of online scams means the community trust face-to-face banking**

“At times I have trouble hearing on the phone, so prefer face to face. I am also uncomfortable with giving personal information over the phone. When the bank contacts me, I am required to give them personal information to help them identify me but I have no way of identifying that they are who they say they are. Cyber crime is increasing and I worry about scams and identity theft.”

VIC

“Speaking as a psychologist with 35 years experience, a lot of people are elderly or have mental health issues - and are therefore not familiar or comfortable with online banking - and given their constant exposure to many frequently occurring scams, who could blame them! They therefore rely on trusted services at an actual bank office - this is basic access and equity for vulnerable members of society.”

NSW

“Our Credit Union Australia became a bank (Great Southern bank) and immediately closed our local branch in Mackay. We can no longer see real people to apply for loans or mortgages. Problems with bank accounts and for instance a case where we were scammed.”

QLD

“I know elderly friends who like to speak to someone face to face when doing banking. So many scammers around for them to feel safe otherwise.”

VIC

“My parents are closer to 90 than 80. They still handle all their monetary affairs. They only have Newcastle Permanent in their home town which is where they bank, having been with the Commonwealth Bank previously. They do not use ATMs or internet banking and will only pay with credit card by their own hands, definitely not over the phone. All the internet spam and fraudulent phone calls re-enforce their distrust. They often need to speak to a bank employee at their branch to help them with things they don't understand. I am in my 60s and still use the Newcastle Permanent branch in the closest town to me that has one. I too would be lost without it. I am sick of people trying to scam me and it helps to be able to go into a branch to have someone help with passcodes and setting up phone banking etc...which I have not long agreed to have but my parents would not dare. They don't have smart phones so they are disadvantaged by technology and age, so they need person to person contact and frankly so do I!”

NSW

“I can't do internet banking at my age, poor eyesight and lack of dexterity means I can't accurately type and fields and screens are often difficult to work out. The accurate placement of a 0 or a decimal point is critical! This means I make too many mistakes for such a serious task as banking. Also I don't trust my ability to judge whether internet communications are scams and I feel vulnerable. I need to be able to visit a bank when I need help.”

NSW

“We are in our mid to late 80s and do not use online transactions. We mainly rely on bank visits to draw out cash. We do not trust online services. Even a phone transaction to pay for a drivers license was followed by a hoax phone call to obtain bank details over the following 2 days. Nearest bank is 16kms from Myrniong in Vic. where we live. The Commonwealth Bank in Ballan has closed and they now have to travel to Bacchus Marsh for service.”

VIC

## 4. Community and church groups rely on bank branches

“The local branch of CBA (about 5 km away) closed suddenly. The next nearest is about 15 km away. They first had a CBA cash machine, but it has been replaced by a generic one which presumably charges to dispense cash. However, the major issue is that as treasurer of a couple of community based organisations, I occasionally need either to deposit or withdraw cash and now can only do this at the more distant branch. That branch is very busy, with long queues both inside and (post Covid) outside, with the number of tellers having been decreased despite branches having been closed and systems so poor that it is often the case with all tellers taken up with queries that take a long time to resolve.”

QLD

“We live 70km out of town and therefore do not go to town regularly. There are limited banks in St George Qld, which now close at lunch time. This means we are unable to access banking facilities after that time, which makes it difficult for us as both my husband and I are volunteers for local service clubs, and we are both Treasurers of those clubs. Farm life dictates when we can go to town so limited banking hours is making it very difficult for us both in our volunteer roles. An example is that the President of our branch also lives out of town, and for us both to be in town in the morning to co-sign banking transactions (eg Term Deposit renewals) takes much coordination. Internet banking is not so good either - it has taken 5 months for the Commonwealth Bank to sort out my authority to pay invoices for QCWA since I took over as Treasurer, and because the banking is through Commbiz, even the local branch can't apparently talk to another department in the Bank to sort this out. Considering we are all volunteers and running farms (which have been in drought for some time), we don't easily have the time to sort these messes out.”

QLD

“Community groups like Lions or Rotary can't do their volunteering without accessing good banking services. Post Office services are not adequate for this.”

NSW

“Local sporting and charity groups need to be able to bank the proceeds after a carnival (canteen) or a fundraiser; and they need a float for their stall etc.”

QLD

“I am Treasurer of a smallish sports club that had a CBA account for many years. About a year ago, the bank branch closed with little notice. It was inconvenient and we still haven't found a close alternative.”

NSW

“Only one bank remains in our town and it's not mine. I have to pay a fee for processing coins from a donation box attached to a Gallery of which I am President. Otherwise I need to take this cash 300+ kms to process for free.”

QLD

“As a volunteer treasurer for a local Probus group, lack of banking services makes providing payment choices for activities for our senior members very challenging when our bank branch temporarily closed. Hopefully it will not close permanently.”

NSW

“Losing banks has an impact on community groups. Community groups usually collect cash that is then banked. As a volunteer you really don't want to drive to another town or suburb kilometres away. The impact on school groups, sporting, social & small businesses is huge. Time costs money, small business often owner operators can not afford the down time to chase banks, customer service has disappeared.”

NSW

“Bank branch closures are a great inconvenience to myself, and voluntary organisations that I am associated with. It means having to change the bank (e.g. ANZ - Bank of Adelaide), or face 2x20 = 40 Km drives for face-to-face business.”

SA

“Two not-for-profit Clubs I am involved with - one the bank branch closed in 2020, but they opened an account at another bank causing problems informing all members of the new account. The other needed signatures updated which could only be done in-bank, and petty cash, cheques cashed, an hour's drive each way, each time. The Post Office has been fabulous, but limited.”

QLD

“Many activities in the regions include markets; not-for-profit organisations, shows, swap meets etc. They need change and floats for small financial transactions. ATMs do not dispense coin[s] and businesses hate being asked to change notes into multiple denominations suitable for trading or markets.”

NSW

## 5. There are significant benefits to face-to-face banking

“We're lucky at the moment to have access to banks and while we do use online banking there are times when we need to access a bank for certain activities. The need to withdraw cash, talk personally about a range of financial matters such as loans or investment advice. Staff working in banks are invariably locals and are more attuned to the needs of people and businesses in the area as well as providing employment. Regional areas provide a lot of revenue/profit to banks and deserve the provision of convenient bank facilities in their region.”

NSW

“Although I only go inside the bank a few times a year, I need it. When I can't resolve something over the phone, I need to talk to a person. I also use it for money floats for charity fundraising and banking of charity funds. I am very saddened by the lessening of services of rural banks. In the old days bank managers knew their customers and could suggest the best bank products. They had the power to make things happen.”

NSW

“Sometimes I'm unsure what has transpired with my account if there is an apparent irregularity. I prefer to speak face to face with a bank officer to be assured that things are OK. “

NSW

“There is nothing like face to face contact to communicate issues with complex banking and finance.”

WA

“Occasionally I need to bank cheques and sometimes need to speak to a teller about a certain business details and even withdraw certain denominations of bank notes which is not possible with an ATM.”

NSW

“There are some banking services that cannot be performed online and country people have to travel quite a distance to get the banking service that they require. My Mother in particular prefers to bank locally whenever she can, she's elderly and not comfortable with either online banking or traveling outside her comfort zone. She gets quite stressed by the experience.”

VIC



## 6. Many banking activities still require visiting a branch in person

“I am a carer and I know how hard things can be without a branch or an ATM. Getting things like a power of attorney to a bank without a branch is impossible. When you need to go to a bank in person, it is usually under circumstances when it has to happen quickly.”

ACT

“I had my visa card cancelled when travelling due to a suspicious transaction. I had to travel to a major centre (city) to collect my new card as the bank I deal with, the local branches in regional NSW had been closed. This was not on my planned travel route.”

NSW

“I have friends who do not have smartphones or computers and do all their banking in person. Also, when I was caring for my elderly father and was doing all his banking under power of attorney, he actually had passbooks (remember those?) which had to be regularly updated in a branch. Occasionally I have had business banking which has involved turning up in person to prove an identity or submit documentation to open an account.”

NSW

“ANZ closed our local branch (Clermont Q) some time ago but have maintained their ATM. CBA, Westpac and BoQ had closed their branches prior to ANZ. On one occasion I attempted to obtain information on my ANZ account via telephone and had my access cut off... It required a round trip of over 300km to get my access reinstated.”

QLD

“I recently had to exercise a power of attorney over the bank account of a close relative with dementia. In this case a branch of her bank was in my local town; the only bank branch still present. If it had been one of the other major banks I would have had to travel 35 minutes to do so. It was a difficult process and would have been extremely difficult for me to achieve as I have a disability and my capacity to travel such distances is limited.”

NSW

“The closure of our NAB now requires a long drive to the nearest branch and that’s situated in a huge shopping complex where a walk to the branch is lengthy. My visits are for depositing and management of term deposits.”

QLD

## 7. There is a shortage of fee-free ATMs in regional Australia

“Since the closure of the Commonwealth Bank in Queenstown Tasmania I now need to pay \$2.50 for any transaction at either of the two ATMs in town, one is operated by the Bendigo Bank and the other by private contractor Armaguard. I am aware that the Queenstown Post Office acts as an agency for all banks, however, their opening times are Monday to Friday and I receive my pension on a Saturday. I believe the fee of \$2.50 associated with all transactions at these ATMS are exorbitant, especially when my fortnightly pension is \$729.00.”

TAS

“I live in Port Macquarie and I am a CBA customer. I am reliant on their ATM's, as the branch is not easily accessible to the ageing population (no parking nearby). However the CBA have removed their ATM's from all shopping precincts. Settlement City Shopping Centre is kms from the branch and originally had two ATM's but now both have been removed. The only ATM's available charge a fee to withdraw cash, which I am opposed to paying. The bank should be offering me better customer service. I also travel to Wingham and Forster where the CBA have closed their branches, and not even left an ATM in its place.”

NSW

“The only non-fee ATM in my town, Trafalgar, has been closed down. This means if I want to withdraw money from the other ATM it costs me \$2.50.”

VIC

“Our local bank was removed and replaced with an ATM which we pay \$2.80 for a withdrawal.”

QLD

“During Covid19 our local banks closed and then our ATMs were withdrawn. What replaced the ATMs were privately owned ATMS which charge a fee for withdrawal of cash. We are back to where we were a decade ago - fighting for fee free bank services.”

NSW

“There is no free option in my hometown. Have lived here [for] 30 years when we had 3 banks, all have [now] been closed.”

NSW

“I need to pay a fee for access to an ATM because my bank has both closed its local branch and recently removed the ATM that had replaced the local branch.”

NSW

“I need to pay a fee to get my money from atm and it’s over a 45 minute drive to my closest branch.”

QLD

“I live in a small town so only a couple of ATMs available and they are privately owned - not by a bank. Need to travel at least 30 minutes to be able to go into a bank.”

NSW

“It is already a 60km roundtrip to access a fee free ATM and undertake over the counter business. Online help and phone often simply do not cut the mustard.”

VIC