



# Country Women's Association of NSW

*Incorporated in 1931 by an Act of NSW Parliament  
Constituent Society of the Associated Country Women of the World*

ABN 82 318 909 926

18 December 2021

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

Sent via email: regionalbanking@treasury.gov.au

Dear Taskforce Members,

## **RE: Regional Banking Taskforce Issues Paper**

Thank you for the opportunity to provide feedback on behalf of our members to the Regional Banking Taskforce. We thank those involved in bringing the taskforce to fruition and we look forward to providing further feedback and input as necessary or needed.

The CWA of NSW is NSW's largest rural issues advocacy group. With well over 8000 members and close to 400 branches across NSW, there is no other member-based organisation that has the breadth and depth of membership on matters affecting country people. Our policy positions and prioritised advocacy areas are determined by our grassroots members, via a robust democratic process.

Regional banking services are of paramount importance to the members of the CWA of NSW. At our 2021 Annual Conference our members passed the following motion"

*"That the policy of CWA of NSW shall be to monitor for, and advocate in the instance of, threatened or sudden closure of banking services in rural, regional and remote communities".*

We have also asked members specifically for their thoughts and experiences in relation to rural banking services. The responses from members were wide-ranging and numerous in nature. Some excerpts are reproduced below:

*"Finley lost CBA with 6 weeks notice and took the ATM. Leaves NAB open for 3 hrs in morning and NAB ATM and post office which can only limited transactions. Maximum cash out at IGA is \$100."*

*"Wingham lost CBA last year. Was closed temporarily for "staff deployment due to Covid". We knew that was the death knell and it proved to be so. Many elderly folk still used passbooks and now have to go to Taree or use the Post Office which strains their staff. Not good enough and a lack of respect for customers."*

*"Commonwealth bank in Molong closed plus the ATM, despite residents signing a petition and our MP, plus Local council trying their best to have this decision reversed, CBA was not interested, no banks in Molong now"*

*"I used ANZ at Corowa and used to be able to get money out at the post office here in Oaklands, that stopped and only found out when I really needed money. Had to do 120km unexpected trip, not happy, then they closed Corowa branch but left the ATM, now that's gone too. Yarrowonga is also over the border so can't go there"*

Just because regional, rural and remote banking customers aren't as numbersome as city-based clients, doesn't mean they don't need their banks, in fact, research by the Australian Bureau of Statistics, shows that compared to the national average of one in seven, one in five people in regional areas receive income from their own business. We argue that banks should be prioritising their services to regional, rural and remote customers

Turning specifically to the taskforce work and issues paper, we would like to express the importance of the taskforce having a remit beyond just simply investigating and assessing the issue, which appears to be the main function of the taskforce at least initially. Whilst well-meaning, we believe we are well beyond the point of needing an "investigation" into these issues or an assessment of their impacts. The decline of banking services in rural, regional and remote Australia is self evident, what is needed is action and solutions. We also are concerned with the strong and numerous references in the paper to "alternative solutions" when in fact many of the solutions should not be alternative ones, branch services should simply be restored.

Due the time of year and associated time constraints, it is difficult for us to respond to the specific questions put forward in the paper one by one. This was also compounded by the fact that there were a number of concerns we had in relation the paper itself that we have summarised below:

- The paper appears to accept a decline in banking services as an inevitable phenomenon that cannot and should not be avoided, and additionally it points over and over again to continued uptake of online services as to the solution.
- If there is to be continued uptake in online services, there also needs to be adequate internet services available to people. The paper seems to take the view that connectivity issues are a minimal barrier to online service uptake and refers to the nbn as being an adequate service, available to all. This could not be further from the truth on the ground, and unfortunately illustrates a large disconnect between the authors of the paper and the constituents that are the most impacted.
- The author of the paper also appears to write from a default position that all alternative solutions need to be commercially viable. We would argue that this is a "good in theory" approach, but when it comes to rural, regional and remote, some services will, by their very nature, not be commercially viable, but will be critical in terms of customer service delivery.

We must also take issue with the fact that there is no-one on the taskforce representing rural people. We were extremely surprised to see the make up of the taskforce as being very heavily weighted towards the banking industry themselves. Aside from the political co-chairs, the Australia Local Government Association is the only group in the taskforce that is not banking aligned and they do not represent actual banking customers. This is a glaring oversight and also helps explain the issues we had with the tone of the discussion paper outlined above. There are any number of groups that the taskforce convenors could have approached in order to gain the views of rural people, who are, after all the ones that are impacted the most by the decline in banking services.

Once again, thank you for the opportunity to comment. Again, we do urge the taskforce to broaden the scope of their work beyond their present terms of reference, and look forward to seeing a suite of recommendations put forward, that government can respond to in order to genuinely make a difference to banking services in the bush. Local residents need and deserve recognition that their needs have been overlooked and in some cases outright rejected, in favour of providing more services to city and metropolitan based customers. Additionally, they need to see practical solutions, see branches opening in their towns and see a genuine desire to look after all citizens, regardless of their postcode.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D Leys', written in a cursive style.

Danica Leys  
Chief Executive Officer