

Submission to Regional Banking Taskforce

My name is Shane Trotter and I was chairman of the Lockhart Community Bank Branch of Bendigo bank for fourteen years from 2002 to 2016. To establish our branch we formed a non listed public company and raised \$450000 from local shareholders and opened in 2002. Our company operates as a franchisee of Bendigo bank and all profits from the branch are shared equally between our company and Bendigo bank.

This model is duplicated in hundreds of towns right across Australia where communities had the foresight to see the trend of bank closures happening and did something about it. It is a pity the government didn't have that foresight and is now only looking at the problem which has been happening for over twenty years.

For towns without bricks and mortar banks in their business centres the problems are obvious - old and younger people may not have internet access and businesses with large cash turnovers such as hotels and cafes have no avenue to safely hold the cash. The absence of at least one bank in a town leads to an overall decline in business activity.

The Bendigo model has been very successful generating millions of dollars back to the communities in which they operate. In the case of Lockhart with a population of 900 people over one million dollars has already gone into projects and amenities. Government money may have been needed for these projects otherwise.

To establish a community type bank has become very costly and the amount required from residents in an area is now often out of reach for them.

If government could look at some way of subsidising the establishment costs this may help towns to get their own bank in some joint venture arrangement.

The banks are not going to reopen branches as stand alone ventures in regional areas.

Although I wish the task force all the best I fear that it is a classic case of the horse having bolted long ago. I would really like an answer as to why this review is only now happening when the trend and the problem has been clearly evident for over twenty years.

Shane Trotter