

Submission to Regional Banking Taskforce - to assess the impact of bank branch closures on regional communities.

Prepared by: This is a private submission, not part of a campaign.

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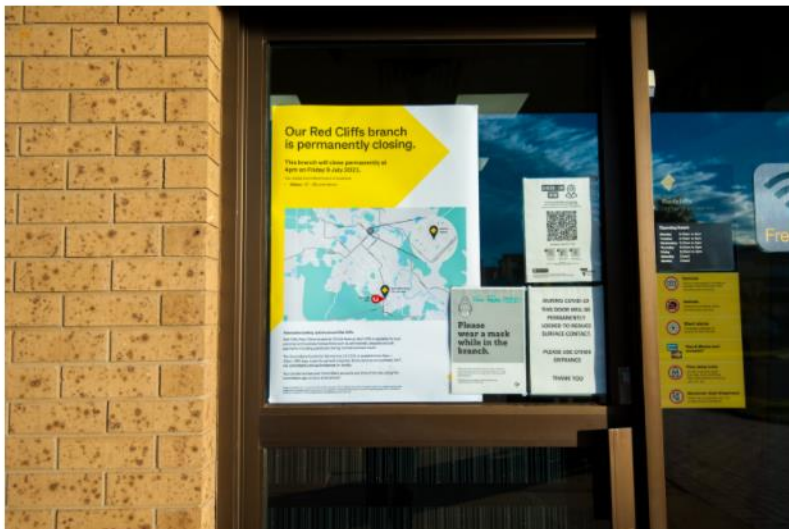
THIS SUBMISSION IS: ✓ NOT CONFIDENTIAL

Date: 17th December 2021

Comments:

Customers 'abandoned': CommBank set to close in Red Cliffs

MATT TAYLOR | JUN 08 2021



A notification of the Commonwealth Bank's Red Cliffs branch permanent closure next month. Picture: Krystal Torney.

<https://www.sunraysiadaily.com.au/news/4397227/customers-abandoned-commbank-set-to-close-in-red-cliffs>

1. **How are Australians changing the ways they are accessing banking services? What are driving these changes?**
5. **What are the impacts on the banking needs of businesses, community organisations and communities?**

Ironic, isn't it? The town of Red Cliffs on the outskirts of Mildura has seen a dramatic resurgence over the last few years, with a spike in new home construction and real-estate values. The high school is full to the brim and new businesses are having a go at filling the empty shop fronts.

The monthly Red Cliffs Market has (for the moment at least) returned to operation after interruptions caused by state lockdowns. Its December Christmas market is particularly popular, usually attracting a couple of thousand visitors.

Too bad for those expecting to get cash from any ATM's, as most have been removed along with the branch.

Does someone from the school now have to travel all the way into Mildura to deposit the takings from the canteen?

Thank goodness for the Post Office.

Just another symptom of the torturous decline in rural services in a region supposedly supported by the Nationals and their coalition partners.

Don't get me wrong, I love internet banking particularly as our business has us on the move most of the time. I don't miss having to cue at the bank trying to fit essential tasks into my lunch break. Alas, so were the majority of others at the time and the Commonwealth was far too busy trying to market us insurance and a range of other 'products' instead of having tellers to attend to the basics. And we've all seen how well that turned out.

Poor customer service is an excellent way to encourage people to use alternatives.

3 Are there particular banking products or services that need to be delivered face-to-face or have support provided face-to-face? Are any of these particularly important for regional customers?

Due to the impact of the farcical response to the 'pandemic' our business incurred a down turn of 87% (and this is in an industry still 'allowed' to operate – bit difficult when the backpackers have all fled). So, it was necessary to reshuffle our real estate holdings. Through a combination of poor communication and disgraceful customer service; attempting to conduct tasks such as valuations and settlements remotely – and lost paperwork as a consequence; and bank employees with no experience in processing securities we were left in a situation that after the sale of one of the properties occurred, we should have had a redraw balance of \$160K, instead the bank reset the loans and the surplus evaporated. Following the complaint mechanism right through to the Ombudsman proved a pointless waste of time. Naturally we refinanced with another bank but the point is that this situation had the potential to completely break us and it would not have happened had any of this been able to be conducted in a branch with staff that we know and have been dealing with for some years.

Due to the complexity of our situation, we use the services of a very good broker who can assist with navigating many of these tasks but as a consequence of regulation that is an industry that is now also hamstrung.

As more and more tasks become internet based, the tedious process of on-line applications; remote handling of everything and the frustration of not being able to simply have a personal relationship leaves all customers treated poorly.

These tasks must be completed in person within a reasonable distance.

As more businesses close and services are removed, even simple tasks such as identity checks are being unfairly pushed onto the Post Office licensees.

9. What are alternatives to bank branch models that would maintain or improve banking services and accessibility in areas where branches have been closed?

10. Are there any alternative models for the provision of banking services that could be considered for adoption by banks in Australia?

11. What are the lessons from Australian and international experiences that can help improve banking services and accessibility in regional communities where bank branches have been closed?

The disgraceful behaviour of our major banks and the poor treatment of customers has been well documented through numerous enquiries and a Royal Commission, and what's changed? From the customer's point of view – very little. We are simply digits on some cubical-bound, call-centre worker's computer screen. If we're to have deregulated banking then let's bring in a bit of competition.

What about enhanced banking through the last bastion of service to the regions – the Post Office.

You should be sensing a theme by now.

The historical context for this is that prior to an ideological shift to globalism and neoliberalism, the model of the old Commonwealth Bank seemed to serve us all quite well.

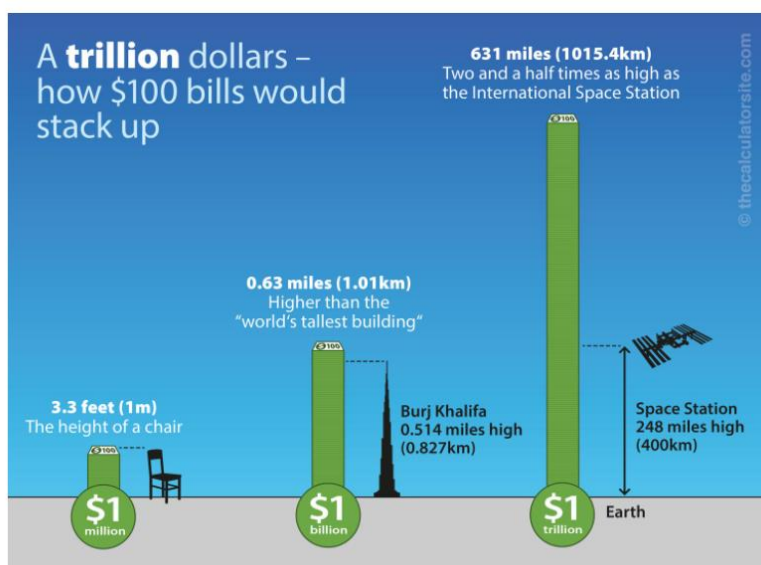
Conclusion

Remember the Nation Building that occurred just after the financial crash of 2008? You know the one that gave us new school buildings; CFA sheds; footy change rooms with a shower stall and hot water system per player? That seems positively stingy compared to the most recent bender of government excess.

Over a Trillion Dollars.

2020 – 2021 saw over a trillion dollars given out in job keeper and various other programs that gave us a huge injection into the health care system, state of the art hospitals in every town with the best practices for pandemic management; an overhaul of training in highly skilled staff.... Oh wait, no, that's for another administration. Instead, we just helicopter dropped it into the hands of people to spend at Harvey Norman, Bunnings and Dan Murphy.

Supposedly a trillion dollars looks like below? Now, I assume that this is in American dollars, so adjusting for the exchange rate.... You'll have to do the math.



<https://www.thecalculatorsite.com/articles/finance/how-much-is-a-trillion.php>

What could possibly go wrong?

A world awash with worthless fiat currency, the Euro endlessly propped up to benefit the economies of a few countries at the expense of all the others.

Before the scale of the collective lunacy, malevolence and opportunism that has characterised the response to the scamdemic gets washed through the narrative of history it is important to reflect on some of the hangover we can expect in its wake.

Apparently, it's possible that we don't even know who we owe this debt to????!!!

"The government notes this is partly because two-thirds of treasuries are owned through 'custodial' accounts, which hold the treasuries on behalf of investors, and these custodians often need not disclose the identity of the ultimate investors."

Two-thirds of Australian government debt is held by non-resident investors – a share that has risen since 2009 and remains historically high. But it's difficult to say precisely who these investors are, though the largest bondholders often include central banks and commercial banks. <https://newsroom.unsw.edu.au/news/business-law/australias-coronavirus-bill-who-does-government-owe-money>

Oh dear! What if China really doesn't want our stuff? What happens when we've completely trashed the economy, ruined small business, destroyed families and irreversibly traumatised our children? How will we rebuild our economy and get finance flowing again?

Refinancing, however, is a risk. "If the government relies too much on overseas lenders, it might face risks with refinancing or future borrowing," he continues. "These risks include: (a) whether the government will be able to find lenders, (b) whether a hostile overseas lender uses debt as an economic weapon by refusing to refinance the debt or continue lending, and (c) whether overseas lenders might force debt terms to change in the future, potentially being unwilling to buy AUD denominated government bonds, and forcing the government to borrow in overseas currency. In turn, this would create foreign exchange risk." <https://newsroom.unsw.edu.au/news/business-law/australias-coronavirus-bill-debt-burden-future-generations-must-bear>

What happens when inflation is completely out of control; interest rates rise dramatically; the housing bubble collapses and the fundamental basics of what the population used to think was reality all implode? Where will they go when there is societal unrest and they've been evicted from their homes? How will the supply chains operate when China with-holds crucial commodities or blocks a few shipping lanes?

They'll go to the regions.

Now picture a different future where our economy is rebuilt, wounds are healed, faith and trust restored and security regained. Perhaps through a sovereign approach to nation building, financed through the restoration of a truly National Bank that serves the interest of the citizens instead of the Banksters and their business cronies. And all those forgotten towns prosper and are serviced by an actual branch of a bank that works for them.