

We are here representing the MFAA's close to 15,000 members – in particular how they support consumers and small businesses in regional and remote communities.

Access to banking and financial services is vital for these communities.

With the continued digitisation of core banking services, our members continue to support their clients in a very personal way - meeting with their clients face to face in their homes, offices, on their farms or at their businesses.

Consumer choice is important when it comes to banking services.

In the September quarter, mortgage brokers facilitated 71.5% of all home loans in Australia. This is an increase of 11.4% since 2020 when the mortgage broker best interest duty was introduced.

Brokers also play a key role in providing businesses access to credit, with brokers facilitating at least 4 in 10 small business loans.

It is clear - Australians are increasingly choosing the services of mortgage and finance brokers.

Approximately 1/3 of our broker members live and work in regional and remote Australia. They help their clients with home loans, business and agri-lending. They help their clients with financial literacy helping them with budgeting. They help their clients with financial and digital literacy. They provide assistance, connection and understanding in times of natural disasters and economic downturns.

They themselves are small businesses, employing people and engaging in community and charitable endeavours.

Ashleigh Pakis operates her broking business in Goulbourn, NSW. 30% of her clients are small businesses, many farms. She speaks the language of the people she supports and understands the issues and challenges faced both by homeowners and businesses where she lives and the community she supports.

Karen Bashford has lived and run her business in Ulladulla for 25 years. She helps her clients with everything from setting up accounts online, printing statements and organising home loans. She meets with her clients face to face so they can better understand how things like Buy Now Pay Later impacts on getting a mortgage and helps set up savings plans so they can save a deposit to buy their first home. Many of her clients come into her office every 3-6 months to tell her how they were going with their budgeting. Like Ashleigh, she spoke to us about the challenges many of her older clients have around digital literacy, and how she supports them navigating this.

We submit brokers are integral to rural and regional towns. As the Inquiry reviews the impacts of bank branch closures and considers solutions, there should be focus on how to best support this vital industry. Critical to this is to ensure the competition and choice brokers provide to their clients is promoted and supported.

In particular we see opportunity to move forward recommendations of the 2020 ACCC Home Loan Price inquiry. Against the backdrop of cost-of-living pressures, consumer outcomes can be improved through regulating home loan discharges thereby promoting competition and choice for home loan borrowers.

**Thank you for your time. We are pleased to respond to questions from the Committee.**

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