



**TREASURER**

PO BOX 6022  
PARLIAMENT HOUSE  
CANBERRA ACT 2600

Telephone: 02 6277 7340  
Facsimile: 02 6273 3420

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28 JAN 2010

Mrs Julia Irwin MP  
Chair  
Standing Committee on Petitions  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Mrs Irwin 

Thank you for your letter of 17 September 2009 to the Minister for Competition Policy and Consumer Affairs concerning a petition about banking facilities in Trundle. Your letter has been referred to me as I have portfolio responsibility for this matter. I apologise for the delay in responding to you.

The decision to open or close a particular bank branch is a decision for the bank concerned. The Government does not stipulate the areas in which banks should open, or keep open, branches.

It is important for customers to be aware of the many alternative financial services now available to compete with traditional bank branches. EFTPOS, ATMs, telephone banking and GiroPost facilities at post offices, amongst others, increasingly provide a suitable alternative for many customers. Indeed, already more than 90 per cent of all customer transactions are now conducted outside of a bank branch.

Another concept that has proven to be popular with both rural and metropolitan communities is that of the community-owned bank branch initiative that Bendigo and Adelaide Bank has developed. Under this arrangement, a community is engaged and involved in securing access to branch banking services in conjunction with Bendigo and Adelaide Bank. This process requires that an independent assessment agrees on the viability of a bank branch in the community.

The local community is responsible for managing the staffing levels and the day-to-day running of the Community Bank branch whilst all credit, balance sheet and back office services are provided by Bendigo and Adelaide Bank. Revenue collected by the community branch is shared roughly equally between the Community Bank and Bendigo and Adelaide Bank. The Community Bank reinvests the majority of its share of the profits back into the community, through providing funding to community groups and investing in community infrastructure and sporting facilities, as well as providing returns to initial investors.

I trust this information will be of assistance to you.

Yours sincerely 

WAYNE SWAN