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Rosalie Shire Council

The Bridge between the Darling Downs and South Burnett

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Please Quote cnw:myf
Our Ref: **A45-1**

22 August 2002

The Secretary
Parliamentary Joint Committee on
Corporations & Financial Services
Room SG.64
Parliament House
CANBERRA ACT 2600



Dear Madam

Council would like to submit the following information for consideration by the Inquiry into the level of banking and financial services in rural, regional and remote areas of Australia.

Regarding the options for making additional banking services available, Council would submit the following:

- (a) (i) Rural transaction centres are one possible avenue for returning banking services to rural and remote areas. It may be necessary for the RTC program to finance any losses involved in operating this service, at least for a period up to 5 years, after which the level of assistance could be reviewed.
- (ii) Existing banks should be required to substantiate to the Banking Industry Ombudsman before closing any branches in rural or remote areas.
- (b) The level of computer ownership and internet connection in rural areas is less than found in the cities and regional centres. Therefore the use of internet banking is also not on the same par. The banking industry itself needs to promote this technology and provide training courses in these areas to assist customers. Transaction costs in rural areas should also be reduced as an inducement to encourage use.
- (c) Rosalie Shire currently has only one bank branch, that being the Yarraman Branch of Bendigo Bank. Other financial institutions are represented and available through Australia Post's Giro banking and areas where EFTPOS facilities are available.

Rosalie Shire, which has an area of 2,200 square kilometres and a population approaching 9,000 people, currently has only one bank branch. It is a branch of the Bendigo Bank in Yarraman. Other financial institutions are represented only through Australia Post's Giro banking arrangements (which are limited) and areas where EFTPOS facilities are available (which are also limited).

To: Parliamentary Joint Committee on Corporations and
Financial Services

ROSALIE SHIRE COUNCIL

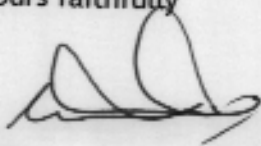
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The problem with the loss of banking facilities in the smaller and more remote areas is that once those services are lost it leads to the loss of other services. Businesses and residents tend to do their shopping and make their retail purchases in the centre where they do their banking. So that once the bank goes, gradually everything else follows.

The loss of banking facilities in rural and remote towns and locations is the single largest influence on the loss of other business and custom. It may very well be too late to force banks back into these areas, but it is never too late to try.

Yours faithfully



C.N. Weber
CHIEF EXECUTIVE OFFICER