



INQUIRY INTO THE LEVEL OF
BANKING AND FINANCIAL SERVICES
IN RURAL, REGIONAL & REMOTE
AREAS OF AUSTRALIA

Submission



**From: Laverton Shire Council
PO Box 42
LAVERTON WA 6440**

**Contact Officer: Murray Brown
Chief Executive Officer
(08) 9031 1202**

CONTENTS

1. Introduction
2. Comment on Terms of Reference
3. General Information on Shire of Laverton

INTRODUCTION

The Shire of Laverton is located in the North Eastern Goldfields Region of Western Australia. The Laverton Shire is considered remote in terms of its location and its distance from other centres of population. The nearest town to the east of Laverton is Alice Springs in the Northern Territory. The nearest town to the west of Laverton is Leonora, and south of Leonora is Kalgoorlie. The town of Leonora has no better banking facilities than those available in Laverton.

The town of Kalgoorlie does have an extensive range of banking and financial services facilities.

Kalgoorlie is located some 360km by road from Laverton and is our nearest regional centre. Travel to Kalgoorlie from Laverton can only be undertaken by private motor vehicle, or a bus service that operates three times per week.

In the town of Laverton, the local unofficial post office is an agent for the Commonwealth Bank, Bankwest and the National Australia Bank. Our local roadhouse has recently fitted an Automatic Teller Machine on its premises, and this machine is only accessible to the public during the hours when the roadhouse is open for business.

Most businesses in the town of Laverton operate with EFTPOS facilities.

Quite a few local businesses now operate their businesses using electronic/telephone banking services.

The larger percentage of the residents of this Shire are Aboriginal and many of these people have learnt to operate and purchase goods under the EFTPOS system.

There has been no full time banking service in this Shire for quite some years now.

Some twelve months ago, Council did investigate the setting up of a Rural Transaction Centre. A grant was received under this program to carry out a feasibility study of the likely financial viability of such a service. The end result of this endeavour was that it could not be proved to be financially viable and therefore the Rural Transaction Centre service has not progressed, purely due to the fact that it could not be financially viable in the long term.

TERMS OF REFERENCE

- a) **Options for making additional banking services available to rural and regional communities, including the potential for shared banking facilities.**

The banking and financial services industries in rural, regional and remote Australia has probably undergone more changes than most other service industries in Australia.

It is fair to say that there is a general opinion in the community that banks and other financial institutions are no longer interested in the smaller customer, and are not interested in providing any form of face to face service.

At present, providing you have a bank that has an agency in this Shire, it is possible to carry out basic banking services. However there is still a need for some face to face contact with banks and other lending institutions, particularly by various businesses and people with access to some resources, however this is difficult at present.

The issue of isolation of this area, makes a visit to a fully operational banking or financial institution facility both time consuming and costly.

b) Options for expansion of banking facilities through non-traditional channels including new technologies.

As mentioned earlier in this submission, Council was keen to establish a rural transaction centre and its negotiations in planning the operation of this facility included an existing non-represented bank to this area. Whilst face to face contact with customers on some banking facilities would not have been possible, the proposed rural transaction centre would have provided an additional banking choice in the town.

There is no doubt that in this Shire the younger residents will adapt fairly quickly to new banking technologies and non-traditional means of carrying out personal banking services, however Council has serious concern for the elder and less experienced members of the community that may now find dealing with their banking and financial services to be extremely difficult.

c) The level of service currently available to rural and regional residents.

Whilst obviously most residents of this Shire get by with the existing level of banking services in the town, it is fair to say that quite a few residents of this town are not happy with the level of service and would like to see at least one banking or rural financial service represented in town so that face to face contact can be carried out.

d) International experiences and policies designed to enhance and improve the quality of rural banking services.

This Council is not aware of international experiences and policies designed to enhance and improve the quality of rural banking services.

As mentioned earlier in this submission, generally a fair section of this community is fairly cynical with regard to the desires of banks and other financial institutions to provide a genuine service to its customers.

GENERAL INFORMATION ON THE SHIRE OF LAVERTON

OVERVIEW – SHIRE OF LAVERTON

Local Government in the Laverton area commenced in August 1906 with the formation of the Mt Margaret Road Board. In 1950 the Mt Margaret Road Board became the Laverton Road Board and subsequently the Laverton Shire Council in 1961.

The Shire of Laverton is located in the North Eastern Goldfields Region of Western Australia and is located some 1,000km north east of Perth. The Shire of Laverton shares its boundaries with the shires of Menzies, Leonora, Wiluna, Ngaanyatjaraku and the South Australian border.

Many people came to the Laverton area in the 1890s in search of gold. The town of Laverton was officially gazetted in 1900. In those early years development of this area was rapid with the extension of the railway line to Laverton which was completed in 1903.

The Laverton area has three major industries being mining, pastoralism and tourism. Mineral exploration in this area continues and will provide more opportunities for further development in the future.

The Laverton area is becoming more popular with outback tourism. Council in conjunction with local authorities in Western Australian Northern Territory and Queensland are also working on developing the Outback Highway which will provide a road link from Laverton in Western Australia through Alice Springs in Northern Territory and through to Winton in Queensland. Already this route is proving popular with tourists to this area keen to experience some real outback adventure travel.

Council maintains various facilities in the town of Laverton including the sealed airstrip and the airport facilities at the Laverton Aerodrome.

Council has a road network of some 3,500km the majority of which is unsealed dirt road construction. These roads provide access to the various pastoral properties in the Shire and to the various mining developments.

East and North of Laverton are the Jindalee Over the Horizon Radar installation sites which were constructed by the Commonwealth Government.

There are approximately sixteen pastoral leases located within the Shire.

While seasonal conditions have been good for the pastoral industry over recent years the high cost of operation and low rates of return of pastoral profits has seen a general decline in the number of people and investment into the pastoral industry in this Shire.

There are four major aboriginal communities in this shire. They are located at Cosmo Newberry, Mt Margaret, Mulga Queen and the Wongatha Wonganarra Community which is located adjacent to the Laverton townsite.

The major mining operations located in this shire at present are, Granny Smith (Placer), situated some 28km south east of Laverton, Sunrise Dam (Anglogold Australasia), located some 60km south of Laverton and Murrin Murrin (Anaconda Nickel) located some 60km east of Laverton.

These mines all employ a significant workforce however the majority of staff of these operations operate predominantly on a fly in/fly out basis.

Council is responsible for the provisions of health and building controls at all these locations and share an Environmental Health Officer/Building Surveyor with the Shire of Leonora for this purpose.

One new financial impact on Council's operations is the increased cost of fuel. Fuel costs in Laverton are now 15 to 20 cents per litre higher than Kalgoorlie.

STATISTICS

General

Area	183,198km ²
Population	1,185
No of Dwellings	350
Length of Roads	101km sealed 3,490km unsealed
No of Councillors	9

Urban Centres

Laverton

Population	417
Dwellings	350
Reticulated Oval	Yes
Library	Yes
Depot	Yes
Swimming Pool	Yes
Distance from Kalgoorlie	360km
Hall	Yes
Public Toilets	Yes
Parks/Playgrounds	Yes
Aerodrome	Yes
Tourist Information Centre	Yes
Telecentre	Yes

Note: *The Shire of Laverton has 8.25% of the Area of Western Australia*
 The Shire of Laverton has 2.5% of the State's Road Length
 The Shire of Laverton has 0.1% of the State's Population

INFORMATION ON NEW AND CONTINUING PROJECTS

OUTBACK HIGHWAY

Since 1995 Council has been heavily involved in the development of The Outback Highway. The Outback Highway links Laverton in Western Australia with Warburton, Uluru, Alice Springs and then across to Boulia and Winton in Queensland. This will become the Third Strategic Road Link across Australia and the Outback Highway Development Council's objective is to ensure that this route is upgraded to all weather road standard in the next few years. Already the development of the Outback Highway has seen a significant increase in tourism and other general east-west road traffic.

TOURISM

During the 2000/2001 financial year Council has developed a new Tourist Information Centre which provides a shop frontage to the main street of Laverton. To provide better tourist information services in addition to the provision of the a new Tourist Information Centre Council is also upgrading the original Police Sergeant Quarters in Laverton which is located very close to the former Police Station and Gaol which has already been restored to their former condition. This will provide visitors with an additional place to visit whilst in this Shire.

Council also has plans for the development of an Australian Explorers Hall of Fame which will be located in the former Indoor Sports Complex located also in the main street of Laverton. This is an ambitious long term project and we are hopeful of attracting some Federal funding towards this project in the very near future.

COMMUNITY SECURITY AUDIT

Council has completed a Community Security Audit of the Laverton townsite. Council will be implementing a number of the major recommendations contained in the Community Security Audit Report and this includes the upgrading of street lighting and various upgrading of town scape features. Some of the more social issues raised in the report will be taken up with various agencies servicing the Laverton Community.

YOUTH SERVICES CO-ORDINATOR

Council appointed a person to carry out the position of Youth Services Co-ordinator. At present there is very little for the young people of the town to do and this leads to boredom, vandalism, solvent sniffing, alcoholism and drug taking.

Council sees this as a positive move to try and reverse these trends and to improve some of the serious problems that exist in this area. This position has been part funded from Council's own resources.

TELECENTRE

In conjunction with the Tourist Information Centre which is now located in the main street, Council has developed a Telecentre facility. The Telecentre became operational in January 2001.

LIBRARY

Council has also relocated its Library facility from the existing Shire Office to our shop front facility which has been developed for our Tourist Information Centre and Telecentre. This again will provide easier access for many of the residents of the town to be able use our Library Services.

HOUSING

Council currently has thirteen houses which it provides to its staff and also to the local Doctor. During the 2000/2001 financial year Council constructed a new 4 x 2 bedroom house for use by the Doctor. The house currently occupied by the doctor will then be available for staff housing.

During the 2001/2002 financial year, Council constructed two 3 bedroom transportable houses.

RADIO/TV REBROADCAST FACILITIES

Like many small rural and remote local authorities this Council has been involved in the provision of radio and television rebroadcast facilities. The town of Laverton has access to four television stations and two radio stations.

LOCAL CALL INTERNET ACCESS

Residents in Laverton now have access to local call Internet Access.