



# NARRANDERA SHIRE COUNCIL

Our Ref: KPS: 90/15/31

29 August 2002

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



Dear Dr Dermody

## **Inquiry into the Options for Banking and Financial Services in Rural, Regional, and Remote Areas of Australia.**

Narrandera Shire Council welcomes the opportunity to forward this Submission to the Committee.

The provision of adequate banking and financial services is a vital part of any community. While Council recognises that banking and financial services must evolve, it is felt that deregulation has resulted in many decisions being taken without regard to service levels and community obligations. In effect, the benefits of deregulation have not been spread evenly across the nation. Bank closures and a reduction in service levels has significantly impacted rural areas.

Council offers the following comments for the consideration of the Committee:

1. Despite the advances in technology, face-to-face banking remains an important service, particularly valued by the elderly. Further bank closures, or restrictions on operating hours, should be opposed.
2. Rural bank branches have generally been successful, profit making parts of the banking sector. The closure of branches has not been driven by poor business performance. For this reason there is a need to consider imposing *community service obligations* upon banks requiring them to retain branch services.
3. Rural Transaction Centres have the potential to provide small communities, such as Barellean in the Narrandera Shire, with access to electronic banking services. Council is presently awaiting the result of its application for funding to establish a RTC in Barellean. Council urges the Federal Government to continue with this program.

Address all correspondence to - The General Manager 141 East Street NARRANDERA 2700

Administration and Corporate Services - (02) 6959 5510

Planning Building and Health Services - (02) 6959 5550

Council's Facsimile - (02) 6959 1884

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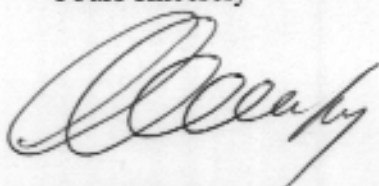
Engineering and Technical Services - (02) 6959 5560

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4. There needs to be consideration given to legislative safeguards for community banks to protect the franchise institution from large corporate takeovers.

For further enquiries please contact Kevin Scully, Economic Development Officer, on phone 02 6959 5503, fax 02 6959 1884, or email: [kevin.scully@narrandera.nsw.gov.au](mailto:kevin.scully@narrandera.nsw.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken Murphy', written in a cursive style.

**Ken Murphy**  
**General Manager**