



Ipswich
City Council
Quality Lifestyle

9 September 2002

Dear Sir/Madam

Re: Inquiry into the level of banking and financial services in rural, regional and remote areas of Australia

Thank you for the opportunity to make a submission to the Parliamentary Joint Committee on Corporations and Financial Services on the level of banking and financial services in rural, regional and remote areas of Australia.

Ipswich City Council has surveyed the rural community and although the comments received generally indicate that rural areas are satisfied with the level of banking and financial services provided, there are a number of issues causing concern and warranting specific attention.

LOCALITY ISSUES:

- **Walloon Residents** – Have access to a teller machine during business hours only and are charged a high fee for using a machine that is not linked to their personal banks;
- **Rosewood Residents** – Teller machine often not operating (closed) so people tend to rely on other areas to access funds out of hours rather than travel into Rosewood to find the teller machine closed. The teller machine is often out of funds (only ATM access after hours) and the ability to top up the machine in rural areas out of hours is an issue;
- **Marburg Residents** – EFTPOS access at the Post Office and Convenience Store, however the majority of people take their banking needs away from the region;
- **Applying for Bank Loans (Rosewood)** – Many were concerned that they couldn't apply for a bank loan in Rosewood without a Bank Manager; and
- **Location of Bank Branch (Rosewood)** – The importance of a bank branch located in town was stressed numerous times. Access to direct debit and credit facilities and the ability to request bank statements (as and when required) was also important.

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

Your Reference:

Our Reference:

Contact Officer:

Telephone No.:

h:/busdev/bdm/letters/[Banking &
Financial Services Inquiry]

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SECURITY ISSUES:

- **Privacy Issue** – It was also suggested that banks in rural areas located within existing businesses, do not provide the level of privacy created by a bank that is solely for that purpose; and
- **Operating Hours** – It was suggested that bank operating hours need to be investigated when establishing in rural areas as many people do not arrive back in town until after the banks have closed and this forces the use of banking facilities that can be accessed during business hours.

FINANCIAL SERVICES & FEES:

- **Profits & Reduced Services** – Many people felt that banks were making large profits yet seemed to be reducing services and staff, while continuing to increase fees;
- **Forced Electronic Banking** – Many were concerned with the push for electronic, telephone and ATM banking as many people (particularly the elderly) are uncomfortable with these methods;
- **Elderly Bankers** - The elderly prefer face to face contact and are uncomfortable/unable to organise payments via direct debit. They are also often not confident using an ATM and were concerned with fee charges when they access their funds;
- **Ability to Deposit Funds** – Access to perform daily banking processes was also raised as an issue (eg. deposit funds and access/reimburse petty cash); and
- **Business Credit Card Facility** – The issue of a business credit card facility was raised but the cost of this facility was deemed too high.

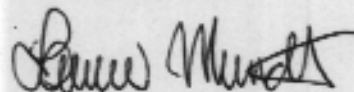
IN CONCLUSION:

Generally, comments indicated that the majority of residents in rural areas were fairly satisfied with banking services, however there were still a number of important issues/concerns identified throughout the survey.

The most noted negative to the banking and financial services issue is that if people are taking their banking away from the area, they are also most likely taking other business as well. Most agreed that if they were going to a larger centre to bank, they would also shop in that area. Obviously this means the local economy is affected greatly. Another issue which was raised on several occasions was the fact that the elderly are uncomfortable (for technology and security reasons) or unable to organise payments via direct debit. They are also often not confident using an ATM and concerned with fee charges when they access their funds. The other issue raised on several occasions was that while services are reducing, bank charges in general are considered too high.

Once again, thank you for the opportunity to make this submission and if you would like to discuss any of the issues outlined above, please do not hesitate to contact me on (07) 3810 6627.

Yours faithfully



Laurie Mundt

BUSINESS DEVELOPMENT MANAGER