

12 September 2002

The Secretary  
Parliamentary Joint Committee on  
Corporate and Financial Services  
Room SG 64  
Parliament House  
CANBERRA ACT 2600

The Secretary

**Parliamentary Inquiry into rural, regional and remote  
area financial services**

I write in response to your invitation for input to the inquiry into banking and financial services in rural, regional and remote areas of Australia.

In view of BankWest's extensive contribution to the Hawker Inquiry in 1997, I propose to bring the Inquiry up-to-date on developments subsequent to that Inquiry, and describe our current position in relation to regional services. For your information and background, I have attached a copy of BankWest's original submission made in confidence to the Hawker Inquiry.

During 2001, BankWest launched a coordinated program to work with individual lines of business to develop and implement key initiatives aligned to the Bank's strategic objectives. Part of this program, which is ongoing, has focused on rural and regional areas, where we have maintained a strong and stable physical presence during the last five years.

We have recognised the importance of this sector by continuing to provide better products and better service, both in Western Australia and interstate, where we are opening new regional offices.

Our expansion interstate into the major regional centres of Dubbo, Wagga Wagga, Tamworth, Orange and Toowoomba, is based on the same service model that has been successful in Western Australia. In particular, we have introduced a new level of service to rural small business with the national launch of Business Express, which provides dedicated relationship managers and a fee free product called FreeB.

Following are some of the key features of BankWest's rural and regional banking operations.

- 37 rural branches in operation in Western Australia.
- There have been no closures in the last five years.



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- New branch opened at Dunsborough in the South-West as direct response to increased demand.
- Refurbishment program underway to upgrade rural branches.
- We have provided written confirmation to each WA local government office that BankWest representation will be maintained in their towns and cities.
- ATM fleet is being upgraded throughout the country.
- We are investing in new technology such as teller processing systems, to improve customer service in rural areas.
- We are providing in-branch Internet & phone banking services to Country customers.
- Express Commercial Deposits facilities to help small business.
- Fast deposit boxes in branches for faster transaction processing.
- All branches provide a full range of banking services.

During the last year BankWest introduced the Community Leadership Program into rural areas of the State. In this important program we have enlisted the services of former test cricketer Kim Hughes and former Eagles AFL coach Ken Judge to conduct motivational and leadership development seminars for young people, local councils and business people.

We have also developed a rural and regional relationship-building program under which I, and other senior executives, regularly visit regional areas to meet local government bodies, business owners and community leaders.

BankWest has recognised that customers these days require more extensive and sophisticated financial services from their bank. This is particularly the case in the area of wealth creation and financial planning, where BankWest has developed new products and provided new services through our joint venture with Plan B Australia.

During the last five years BankWest has made a significant investment in the provision of wealth creation and financial planning services to rural and regional areas.

This has included:

- Recruiting qualified financial planners.
- Appointing financial planners to key regional locations in rural Western Australia.
- Appointing specialists in will and estate planning and superannuation.
- Initiating training programs to accredit internal staff in wealth creation services.
- Creating an internal capability to provide financial advisory services.

At the same time, BankWest has located financial planners in rural branches as part of a broad financial advisory service. In addition, we have developed an education program with regular financial planning seminars in rural areas.

Our long-term aim is to improve our ability to provide the full range of financial services in local areas in line with increasing demand from rural and regional customers.

BankWest is committed to a full service offering in regional locations. The bank has endeavoured to ensure that services provided to rural regions are comparable to those of urban location, subject to the constraints of technology. There is currently no significant differentiation between the services provided by BankWest in rural and urban centres. BankWest continues to work towards bridging any gap that may exist.

BankWest is West Australian based and has a big distribution network, which requires flexible approaches to providing financial services to all areas of rural Western Australia.

As described in our submission to the Hawker Inquiry BankWest has continued to expand its relationship with GiroPost and other providers to improve transaction capability for customers.

GiroPost provides a number of services including:

- Retail customers can carry out transactions.
- Business customers can make simple deposits.

A pilot program is currently underway to expand the transaction capability to commercial deposits for businesses.

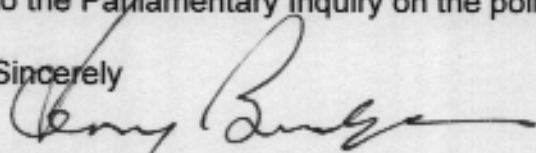
BankWest continues to operate agencies in some remote areas of Western Australia and where appropriate has worked with local government to provide banking services. For example the East Kimberley Wyndham Shire Office currently manages agency arrangements for BankWest for Wyndham customers.

The Internet banking channel has been very successful with 18 per cent of our customer base using the service. BankWest has achieved an excellent adoption of these new services from our rural customers within Western Australia.

These initiatives continue to extend the level of service available to rural communities within Western Australia and also continue to demonstrate to the wider community of our ongoing commitment to rural Western Australia.

This letter provides a brief snapshot of BankWest's commitment to rural and regional Western Australia. BankWest is happy to provide further information to the Parliamentary Inquiry on the points I have raised.

Sincerely



Terry Budge  
Group Managing Director