



Shire of Ashburton

246 Poinciana Street, Tom Price WA 6751

P 08 9188 4444

E [soa@ashburton.wa.gov.au](mailto:soa@ashburton.wa.gov.au)

Committee Secretary

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[ashburton.wa.gov.au](http://ashburton.wa.gov.au)

Senate Standing Committees on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Via email: [rrat.sen@aph.gov.au](mailto:rrat.sen@aph.gov.au)

To whom it may concern,

#### **SUBMISSION RE: BANK CLOSURES IN REGIONAL AUSTRALIA**

The Shire of Ashburton makes the following submission regarding Bank closures in regional Australia.

The Shire of Ashburton is in the Pilbara region of Western Australia, about 1,400km north of Perth. At over 100,000 square kilometres in size, the Shire is nearly half the size of the State of Victoria and considered one of the largest Local Governments in the world. The Shire of Ashburton has four major townships being Tom Price, Paraburdoo, Pannawonica and Onslow.





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The Shire continues to be a driving force of the Pilbara region and the Western Australian economy, delivering 12% or \$38.6B of WA's Gross Regional Product and 1.9% of Australia's Gross Domestic Product in 2021. Each worker within the Shire of Ashburton produces almost 11 times the Australian average for industry value add.

The resident population in the Shire of Ashburton is 7,785 people. Although growth is expected to continue, as natural gas and iron ore mining expands, the main employing industries in the Shire (being the resources sector) have moved a significant portion of the workforce to "fly in fly out" (FIFO). These workers live in the Shire on a temporary basis and are generally not counted in official population statistics. It is estimated that 7,300 people reside in mining camps and Aboriginal communities.

### **Shire of Ashburton Strategic Community Plan 2022-2032**

This submission takes its strategic direction from the community. The Shire of Ashburton Strategic Community Plan 2022-2032 is the overarching plan that captures the views of the Shire's diverse community our vision for the future and our planning direction for the next decade. Prosperity is one of the four pillars included in the plan, which states that we will advocate and drive opportunities for the community to be economically desirable, resilient, and prosperous.

Despite the economic strength of our region access to key services such as banking services are diminishing. With the recent closure of the Westpac Branch in Tom Price, none of our towns have a physical banking branch presence aside from limited services provided by Bank@Post.

This means that our residents must make the following round trips to Karratha to access physical banking services:

- Pannawonica – 400km
- Onslow – 600km
- Tom Price – 700km
- Paraburdoo – 850km

The Shire of Ashburton are concerned about the impact that this will have on vulnerable members of our community as well as on the productivity of businesses in the Shire if they are required to travel those distances to access banking services.



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The Shire of Ashburton believe that more work needs to be done to look at the level of services that Bank@Post provide. As we understand it, Bank@Post is purely a transactional service which doesn't enable people to open financial products including accounts and loans. We are concerned about the impact that this will have on everyday services as well as on the availability of capital for investment purposes. Given our vast distances in regional Australia, there will be reduced availability to 'have a conversation' with the local branch manager to access credit to purchase a home or start a business.

One possible solution that could be investigated is whether the Australian Local Government Association could look to form up a banking service as a commercial enterprise. Whilst there are many pressures on Local Government in Australia, with the right funding model and support there could be a system to utilize the buildings, staff, and presence of Local Government to deliver this service to regional communities. Any profits could then be reinvested into regional Australian communities.

Whilst banking models like Bendigo Bank's Community Bank have delivered services like this in the past, recent experience suggests that this model is dwindling for new branches. The Shire of Ashburton enquired with Bendigo Bank to look at the Community Banking model in Tom Price but were told that it was not commercially feasible in our Shire.

Regional Australia needs innovative solutions and support to solve these complex problems to ensure no Australian gets left behind.

On behalf of the Shire of Ashburton I would like to thank you in advance for your time reviewing our submission.

Kind regards,

Kenn Donohoe

Chief Executive Officer