

Committee Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
Department Of The Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600
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BANK CLOSURES

To the Committee,

My wife and I have an account with the Westpac Bank and we used to do our banking at Sandgate. Westpac decided to close its Sandgate branch. As we live in Bracken Ridge (a northern suburb of Brisbane) we now have to go to Chermside or Strathpine to do our banking. Like all bank closures around Australia this will destroy the economy. We still need cash because electronic transactions cannot always be reliable.

The closing of the Sandgate branch has also made it harder for the business community in the area, who deal in cash as well as eftpos to function.

The major banks in Australia are not interested in providing a service to their customers.

Below was my submission that I sent in 2019 about changes needed in the banking system.

Inquiry into the Banking System Reform (Separation of Banks)Bill 2019

"The current banking system as I see it is a complete destructive organisation which has been slowly destroying the fabric of society in Australia.

Lack of proper regulation has allowed banks to create excessive loans to people that should not have been given these loans in the first place.

This problem I believe started when the elected government with Mr Bob Hawke as Prime Minister and Mr Paul Keating as Treasurer started deregulating the financial sector. But not to be outdone, the next government elected with Mr John Howard as Prime Minister and Mr Peter Costello as Treasurer kept deregulation going.

The Banking Royal Commission has shown that the present set up with the Reserve Bank of Australia, ASIC, and APRA has shown that some of them may

have been derelict in their duty to bring the banks and the financial sector to account.

The bill needs to be passed in the parliament to safeguard businesses, consumers and households to make sure that all parties get a fair go.

The separation of the functions of Banks and financial intermediates is very important so that financial stability helps the country gain confidence again.

- Deposits in Banks should be protected. No bail in or bail out.
- Stop vertical integration, stop the banks engaging in trying to sell to their customers other services within their banks other businesses.
- Stop the banks from securitising mortgages-that means on selling them to other banks to be bundled into risky derivatives. This should put a brake on mortgage fraud and excessive mortgage lending to risky borrowers. Remember the problems in the United States with Fanny May and Fanny Mack. We don't need that problem in Australia.
- Regulate all Australian and Foreign banks who conduct business in this country.
- Strengthen through the Parliament, the activities of the Australian Prudential Regulatory Agency (APRA) as the Banking Regulator. The people who are put in charge at APRA are to enforce the banks and other financial sectors to adhere to the rules. If those appointed to APRA do not do the job efficiently, then they should be sacked by the Minister in charge.
- Make sure to separate retail commercial banking activities involving the holding of deposits from wholesale and investment banking involving risky activities..

When Australian Treasury Officials met with IMF Officials was that a secret meeting to discuss Bail-in provisions so as to destroy peoples deposits and save the big banks from their own stupidity?

I don't have any confidence in Treasury, the RBA, APRA or ASIC actually doing anything to bring the Banks and Financial Sector to account .

I would not be surprised that The Australian Bankers Association will completely oppose this banking bill and come up with excuses as to why they oppose it. They will probably have their lobbyists out in force to do their bidding.

I support this banking bill to be put to the parliament."

But as usually happens in this country nothing gets done about the private banks behaviour when they arrogantly decide to close their branches and disregard the well being of the community and my submission in 2019 was completely ignored.

It is about time the Federal Government got off its backside and stopped this garbage by the banks and withhold their banking licences.

One of the best ways to rein in the corrupt banking power of the Big Four is to re-establish a public alternative. It can be a public post office bank, utilising the Australia Post network to break the banking monopoly of the Big Four banks and provide safety (no “bail-in”) and guarantee banking services for all Australians, support the cash payments system and contribute to national economic development, all while ensuring the long-term viability of Australia Post, its thousands of licensed post offices, and the communities they serve.

The other alternative would be to set up through legislation in the Federal Parliament a National Bank based on the original Commonwealth Bank Legislation.

Banks have been destroying branches in major cities, regional and remote towns and been making excuses for their destructive behaviour. This has got to stop.

The banking industry should not be involved in this inquiry as they have a vested interest in justifying bank closures.

Communities across Australia are suffering from severe economic and social disruption due to bank closures which are impacting small businesses, charities dependent on cash supply and processing and farmers who are running a business need credit and specialised banking services. Also customers dependent on face-to-face banking services which includes the elderly, the disabled and other people.

The questions that I would be asking is:

How much influence does the banking sector have when it comes to the running of government in this country?

Will this inquiry go nowhere and just be forgotten and the big banks win again?

How much money does the banking sector give to the major political parties in donations?

Another area that members of the parliament should be educated on is to go on the website of the Bank of England and type in, "Money Creation in the Modern Economy" and this will give you a better understanding of how the banking system works.

Some time ago I was amused when I received an email from Westpac to inform me that I was a valued customer and after reading the email I laughed. I am going to send a letter to the Westpac CEO, Mr Peter King and ask him why they closed the Sandgate branch.

When I send the letter I will be surprised if I get an answer.

Dennis Denning