Thank you for downloading this document from the RMIT Research Repository.

The RMIT Research Repository is an open access database showcasing the research outputs of RMIT University researchers.


---

**Citation:**


See this record in the RMIT Research Repository at:


**Version:** Accepted Manuscript

**Copyright Statement:** © 2013 Social Science Electronic Publishing, Inc. All Rights Reserved.

**Link to Published Version:**


---

PLEASE DO NOT REMOVE THIS PAGE
Technology Enabled Financial Inclusion and Evidence-Based Policy for the Underbanked: A study of Remote Indigenous Australia

By Vinita Godinho and Supriya Singh

RMIT University and the Smart Services Cooperative Research Centre

Abstract

Mobile technologies are proving transformative in enabling financial inclusion across both the developing and developed worlds. Policymakers in developing countries are at the forefront of innovative financial inclusion policies. In Australia however, the nearly universal access to banking draws attention away from a growing underbanked population, and technology-enabled financial inclusion is not yet on the policy radar. Remote Indigenous communities are the most financially and digitally excluded group in Australia. The literature on the use of mobile phones in these communities, and patterns of money management and banking is fragmentary. For underbanked Indigenous participants, their remoteness, combined with cultural preferences for face to face banking, means that many people pay higher account keeping and transaction fees. Though many have access to mobile phones (half of which are smart phones), mobile phone banking is not yet popular. An ongoing study of money, banking and mobile phones in remote Indigenous Australia frames the design and policy problems for industry and government. It outlines a methodology for gaining evidence about the underbanked and identifying user problems. It also suggests ways of designing ‘culturally appropriate’ financial products, services and education programs, which can be followed to address financial exclusion of other underbanked communities in Australia.

Keywords: Underbanked, Financial Inclusion, Consumer, Broadband, Indigenous Communities

Introduction: Research Question and Policy Relevance

In Australia, a bank account is a precondition for receiving pensions and benefits. The 99 per cent access to banking (Connolly, Georgouras, & Hems, 2012) means that unlike developing countries, financial inclusion is not at the centre of policy, and mobile money does not present a compelling case (Flood, West, & Wheadon, 2013). Yet this nearly universal access to banking disguises a growing underbanked population of 17.7
percent (Connolly, Georgouras, & Hems, 2013). The underbanked lack access to affordable and appropriate financial products and services from mainstream providers. Similar to the experience of one in five (20.1%) households in the United States (Federal Deposit Insurance Corporation, 2011), underbanked Australians have an increased reliance on informal providers such as payday lenders. They also share some socio-economic and demographic characteristics with unbanked populations in developing countries, including ‘geographic’ exclusion due to remoteness, lower education, employment and income.

Indigenous people living in remote communities are the most financially and digitally excluded Australians. The ubiquitous lack of banking infrastructure in remote Australia, combined with low Indigenous socio-economic status (lower employment, income and savings); poorer health; lower literacy and numeracy skills; and cultural barriers including language difficulties, have exacerbated their financial exclusion (National Indigenous Money Management Agenda, 2007).

A growing ‘digital divide’ between urban and regional / remote Australia also disproportionately disadvantages Indigenous people (Department of Broadband Communications and the Digital Economy, 2012). Lower levels of access and usage of information and communications technology (ICT) combined with lower digital literacy further restrict Indigenous financial inclusion, by limiting their ability to access electronic banking delivery channels (National Indigenous Money Management Agenda, 2007).

In developing countries with large unbanked populations, research is leading the way to evidence-based policy (Crandall et al., 2012; Gillwald, Milek, & Stork, 2010; Samarajiva, 2011). Policymakers, central bankers and regulators recognise the important role they play in creating conditions for financial inclusion, thereby unlocking the economic potential of their populations (Alliance for Financial Inclusion, 2010). Australia could benefit from similar efforts, yet evidence of the needs of the underbanked (particularly Indigenous people in remote communities) and technology-led financial inclusion is scarce.

This paper addresses the principal research question: How can a user-centred study of banking, payments and mobile phones in remote Indigenous Australia inform evidence based policy relating to the underbanked?

This question is important, as policy makers and providers in Australia recognise that banking and digital connectivity needs to become cheaper, more convenient and user friendly. Many Indigenous people on remote communities are dependent on welfare payments, yet pay more to access banking services than other Australians. Face-to-face banking in remote Australia can cost up to $20 per month in account keeping fees, though basic no-frills accounts elsewhere are free. Balance enquiries via cash Automated Teller Machines (ATMs) can cost $2.50 a transaction in remote locations, instead of being free via ‘own-bank’ ATMs (Financial Counselling Australia, 2010). The cost of digital access is also a disproportionately larger
barrier for Indigenous people in remote Australia (Rennie, Crouch, Wright, & Thomas, 2011), which further compromises their use of ICTs and digital literacy.

Yet there is little academic research on Indigenous people and finances (Gerrans, Clark-Murphy, & Truscott, 2009). The literature on the use of mobile phones in remote communities, and patterns of money management and banking is also fragmentary, and we discuss this in greater detail in the next section. This lack of knowledge compromises the ability to develop evidence-based policy for promoting financial and digital inclusion in remote Indigenous communities.

This policy failure is further exacerbated by policy measures inadvertently working against greater financial and digital inclusion. Feeling in control of one’s finances is a key contributor to financial capability (The Social Research Centre, 2011). Income management introduced under the Northern Territory Emergency Response to Indigenous communities, quarantines half of many government benefits, for approved uses only, such as food, clothing, travel and education expenses. This half of the benefits may not be used for tobacco and alcohol. This policy has evoked mixed reactions on the ground and in public. There are suggestions that dictating how money is to be used, may have further compromised Indigenous financial capability (Russell, Yoosuf, & Cattlin, 2011). The issue requires more detailed consideration, particularly about its effect on women’s control over money in the household.

Recent studies also suggest that changes to social and ICT policies, albeit well-intentioned, may have worsened the digital inclusion of remote Indigenous communities (Rennie, Crouch, Wright, & Thomas, 2011). Digital content is not local (i.e. in Indigenous language) and online contacts are few, which possibly explains why adoption and usage amongst remote Indigenous communities is low (see Thomas, & Rennie, 2012; Taylor, 2012).

**Literature Review**

Remote Indigenous communities are the most financially and digitally excluded groups in Australia. This is documented in industry and consumer research rather than government initiated research (The Social Research Centre, 2011; Connolly, Georgouras, & Hems, 2012 / 2013). There is a lack of specific knowledge about the following, in the context of remote Indigenous communities:

- money management, banking patterns and the role of alternative credit providers;
- the need and use of e-money (including converting cash into e-money);
- the provision and functionality of prepaid cards;
- the use of mobile phones for banking and payments;
- relative costs of provision of ICT-enabled personal banking services;
In this section we concentrate on what is known about the underbanked, banking and the use of ICTs in remote Indigenous communities.

The underbanked

The focus on the underbanked in Australia has come from industry, social and consumer researchers, rather than government bodies. Longitudinal studies of the underbanked in Australia (Connolly, Georgouras, & Hems, 2012 / 2013) and financial capability amongst the adult population (The Social Research Centre, 2011) have been funded by banks.

A lack of mainstream banking and financing options often means the underbanked rely on alternative, informal or fringe providers such as payday lenders and pawnshops. Albeit satisfying an unmet need for small amounts of credit, such fringe providers can charge unconscionably high interest and fees, often sending users into a debt-spiral. The underbanked also lack opportunities to save small amounts, and access insurance (Connolly, Georgouras, & Hems, 2013).

Underbanked Australians share common socio-economic and demographic characteristics. The young and the elderly; those with low employment and income; those from non-English speaking backgrounds and ethnic minorities are more financially excluded. The general lack of banking infrastructure in regional and remote Australia translates to greater financial exclusion in these locations. Indigenous people are 2.5 times more likely to be ‘severely excluded’ than the average Australian (Connolly, Georgouras, & Hems, 2012), no matter where they are located (ChantLink & Associates, 2004). Those living in remote communities are amongst the most disadvantaged, due to a combination of socio-economic and cultural factors such as low employment, income and savings, low literacy and numeracy skills, cultural obligations and language barriers etc. (National Indigenous Money Management Agenda, 2007). They comprise 43.1 percent of the underbanked (see Table 1).

Table 1: Comparison of financial exclusion levels - Indigenous Australians and the national average

<table>
<thead>
<tr>
<th>Financial Excluded (combined unbanked + underbanked)</th>
<th>National Average</th>
<th>Indigenous</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.2%</td>
<td>43.1%</td>
<td>Connolly, Georgouras, &amp; Hems, 2012</td>
<td></td>
</tr>
<tr>
<td>Financial Literacy Score (FLS)</td>
<td>Mean 83.1</td>
<td>Mean 63.9</td>
<td>The Social Research Centre, 2011</td>
</tr>
<tr>
<td>Financial Knowledge &amp; Numeracy (combined)</td>
<td>Mean 91.9</td>
<td>Mean 70.7</td>
<td>The Social Research Centre, 2011</td>
</tr>
</tbody>
</table>

In Australia public policy has focused on improving financial capability and consumer education (see Australian Securities and Investment Commission, 2013). The Council of Australian Governments (‘COAG’) has a ‘Closing the Gap’ policy framework which describes government commitments to reduce Indigenous disadvantage, but financial inclusion is wrapped up under a broader economic participation and sustainability
agenda (Productivity Commission, 2011). More recently, cross-sectoral partnerships across government, industry and social policy stakeholders are developing ‘fairer’ financial products, offering alternatives to fringe service providers (Department of Families Housing Community Services and Indigenous Affairs, 2013).

Efforts to promote Indigenous financial inclusion are hampered by a lack of evidence examining their specific financial needs. Social policy researchers have called for more ‘culturally appropriate’ financial product and service design to better engage Indigenous consumers, particularly those in remote communities (National Indigenous Money Management Agenda, 2007; First Nations Foundation, 2011). However there is not much discussion on how this can be implemented in practice.

**Banking and use of ICTs among the Indigenous**

The evidence base examining the lack of infrastructure for banking, and information and communications technologies (ICTs) in remote Indigenous communities is comprehensive (see Australian Communications and Media Authority, 2008; Department of Broadband Communications and the Digital Economy, 2012). ICTs are seen as a key enabler of policy and industry service provision in regional / remote Australia, where many Indigenous people live. The shrinking banking infrastructure in remote and regional Australia has long been part of public policy debate. ICT-enabled alternative delivery channels such as online, phone and mobile phone banking could help bridge this gap, but studies find a growing ‘digital divide’ between urban and regional Australia (Department of Broadband Communications and the Digital Economy, 2012).

Remote Australia in particular, has the lowest access to ICT infrastructure, and lowest digital literacy. The ongoing rollout of the National Broadband Network (NBN) is not likely to improve services in remote Australia either. This lack of access restricts alternative options for delivering banking services such as online and phone banking. Indigenous consumers in remote communities are disproportionately disadvantaged due to their socio-economic marginalisation.

Despite lower access and usage of ICT and lower digital literacy, mobile phones are becoming increasingly popular in remote Indigenous communities. A recent study (Taylor, 2012) finds that although private ownership of laptops and internet use in the home is low in remote Indigenous communities, mobile phone ownership is high, even in communities without mobile phone coverage. Indigenous people living in remote communities are highly mobile, frequently travelling to other communities and urban centres for cultural reasons or to access services. Mobile phones support Indigenous cultural needs to ‘stay connected’ with family while travelling or for emergencies, and are easily shared amongst kin (Tangentyere Council Research Hub, 2007). Prepaid options are particularly popular as they allow users to control costs, avoid excessive debt and limit demand sharing (‘humbug’). Mobile phones are a ‘desired’ and ‘desirable’ asset,
especially amongst the young, who see them as necessary to life, and as a status symbol. Elders too find that the benefits from improving ICTs, such as helping them to preserve culture through digitally recording ceremonies and stories, outweigh the risks (Taylor, 2012).

**Method**

Our study includes an analysis of the policy, banking and ICT literature as it relates to remote Indigenous communities. It builds on an ongoing ethnographic PhD research on users in a remote Indigenous community by the leading author of this paper. This ethnographic study uses participant observation, yarning circles (discussions with community members typically conducted over the course of a shared meal), informal conversations and interviews to ask participants for their stories about money and banking (particularly mobile services) and possible improvements. Findings from this study have policy implications for the design of ‘culturally appropriate’ financial products and services, including consumer education programs.

Our user-centred policy study supplements the PhD research by including literature and interviews with banking and telecommunications service providers, relating to the cost and sustainability of providing services to remote Indigenous communities. We have partnered with an Indigenous-owned credit union (referred to as ‘BushProvider’), the only financial services provider with a presence in remote Indigenous communities. Our field-notes and electronic journal are supplemented, wherever permission is obtained, with audio-taped conversations which are further analysed using NVivo 9.2, a computer program that aids the analysis of qualitative data.

Based on these inputs, and in collaboration with the providers and other stakeholders in the banking and telecommunications industry, we aim to design and trial an effective SMS application for balance enquiry. This tool could also be expanded in future, to include money management functionality. There are existing models for such an application. Balance enquiry is routinely available via Australian mainstream mobile banking offerings. Money management, particularly tracking progress towards wealth creation goals is at the centre of Simple, a digital money management and banking service in the United States (see Jackson, 2012; Thomas, 2012). These applications however have the middle-income, often male professional at the centre. Through user experience workshops with the staff and users, we will examine how these applications need to be modified for a remote Indigenous community in Australia.

The method for our policy study is informed by user-centred design, where proposals have to work for all stakeholders i.e. providers, users and policy makers (Norman 1990; Cooper 1999; Brown and Duguid 2000; Carroll 2000; Dertouzos 2001; Vredenburg, Isensee et al. 2002). We found this user-centred approach...
helped us reframe and broaden the policy questions, beyond implications for ‘culturally appropriate’ design (Dourish, 2006). We have visually represented this policy reframing journey in Figure 1 below:

**RE-FRAMING OUR POLICY DESIGN QUESTION**

![Diagram of policy reframing process]

Figure 1: Re-framing Policy Design Question

This approach complements our use of “Indigenous” research methodologies (Chilisa, 2012), the main elements of which hold that:

- The intended research should reflect the priorities and interests of the Indigenous communities, rather than those of the researcher
- Indigenous knowledge and intellectual property should increase as a result of the research, enabling communities to work through issues that confront and concern them
- Cultural sensitivity in research protocols should apply to all aspects of consultation, negotiation, consent and involvement of communities in the design, facilitation and publication of research

We have built these learnings into our research, so that this important topic can be progressed collaboratively by both Indigenous and non-Indigenous stakeholders.

This approach is more likely to reduce Indigenous disadvantage compared to previous policy and industry approaches which start from policy imperatives and providers’ services. We hope this process will lead us to a design for ICT-enabled banking that is culturally appropriate for communities, sustainable for businesses and simultaneously is able to inform effective policies of the Council of Australian Governments (COAG), the Reserve Bank of Australia, industry and cross-sectoral efforts to reduce Indigenous disadvantage by promoting greater digital and financial inclusion.
**Data Sources**

The on-going ethnographic PhD research is based on fieldwork undertaken by Godinho in Darwin and two Indigenous communities (here called ‘InlandTown’ and ‘CoastalTown’) in remote Northern Territory (NT), between September 2011 and June 2012. While in Darwin, she also interviewed people from six other remote communities, who were visiting or had recently moved to, Darwin.

Ninety-five per cent of the population of InlandTown and CoastalTown is Indigenous (less than 1,500 people each) and more than a third are under 20 years of age. Each town has a vibrant, distinctive language and culture, and a history of pre-colonial trade with Macassans. They face the common challenges of limited employment opportunities which cause high unemployment and welfare dependency. There are chronic housing shortages leading to overcrowding and high maintenance costs. Expensive freight rates drive up prices of everyday necessities. InlandTown has a bank branch while CoastalTown has none. Both have Electronic Funds Transfer at Point of Sale (EFTPOS) and ATMs located in the community store.

Fifty one people were directly included in this study via five yarning circles with sixteen participants, twenty-nine one-on-one interviews (nineteen participants and ten key informants) and observation at a private workshop with six participants. Key informants included consultants, academics and service providers with expertise in remote communities. Godinho was also invited to observe presenters and attendees at a conference on financial and commercial literacy in remote Indigenous communities.

Our user-centred policy study focuses on ‘Inlandtown’, supplementing the PhD research data with a further thirteen interviews with InlandTown users, BushProvider executives and telecommunication and technology providers. We also spoke with a government department involved with Indigenous money management and resources, and those specialising in ICT-enabled banking services. This expanded focus broadened the literature review to include quantitative data on BushProviders’ transaction volumes and the use of mobile phones in remote Indigenous communities.

The supplementary interviews and data led us to reframe the original policy design question which focused primarily on mobile banking in the industry. The re-formulated design problem now addresses the twin issues of making remote financial services provision sustainable and viable for providers; and designing affordable and culturally appropriate banking for customers. In the next phase of our study, we will work with BushProvider to develop and trial a simple SMS application which will give users information about money in their bank account. This should help reduce the cost of balance enquiries to customers and the provider, while allowing people to exercise control over their money. We will also help BushProvider to develop and communicate a strategy that will reduce its costs of delivery, increase funding sources, expand their services to include microcredit, and redirect staff towards helping people articulate and track their progress towards
their money management goals. In the last phase of our study, we will broaden the policy implications to apply to other underbanked Australians, and the design of financial products and services, including consumer education.

**Results & Discussion**

We have two sets of findings at this stage of our research. The first set of findings from the ongoing ethnographic PhD research, detail the cultural distinctiveness of ‘Indigenous’ money. These findings set the context for the broader, user-centred policy study. The second set of findings from our policy study, focus more strongly on the challenges of the provision of remote banking services, from both the users’ and providers’ viewpoints. These two sets of findings together have reframed the policy design questions.

**The distinctiveness of ‘Indigenous’ Money**

The ethnographic PhD research reveals that ‘Indigenous’ money is different in crucial ways from mainstream ‘Anglo-Celtic’ money which is at the centre of policy relating to banking, payments and welfare in Australia.

- The domestic financial unit is larger than the ‘nuclear household’ and is more likely to be ‘household clusters’. Money is regularly shared among a wide set of kin and extended family. This influences the way money is managed and controlled in the ‘pay’ week and the ‘myla’ (non-pay) week.

- Money is one of many resources both tangible (eg. food, clothing, shelter) and intangible (eg. love, respect, obligation) constantly flowing through related households. Little money is left over for personal discretionary spending. Money is not the top priority, caring for family is.

- Cultural norms and kinship obligations to share money compete with individuals’ need for control of their own money. ‘Demand sharing’ can create tension, reduce motivation to save and compromise the achievement of individual goals. People try to cordon off money whilst maintaining relationships.

- Money does not ‘connect’ with traditional Indigenous knowledge systems, and has been imposed on Indigenous people from outside the culture. Elders, as traditional holders of knowledge, say they do not fully understand money, and are unable to lead their people in respecting money by using it wisely. Higher fees can be incurred due to usage patterns. Participants lack knowledge of how to control and ‘grow’ money (i.e. wealth creation). Money creates tension, is seen by many as a ‘problem’ and people avoid engaging with money. The government has introduced financial capability training in school curriculum.
The distinctiveness of ‘Indigenous’ money has specific policy implications for the design of ‘culturally appropriate’ financial products, services and education programs, which we have summarised in Figure 2 below.

<table>
<thead>
<tr>
<th>Domestic financial unit is ‘household cluster’</th>
<th>Money is for caring - one of many resources shared amongst related households</th>
<th>Culture of sharing money competes with individuals’ desire to control money</th>
<th>Money disconnected from traditional culture &amp; knowledge systems, held by elders</th>
</tr>
</thead>
</table>

**POLICY IMPLICATIONS**

**‘CULTURALLY APPROPRIATE’ DESIGN FOR FINANCIAL PRODUCTS & SERVICES:**
- Personalised banking, in local language wherever possible
- Low-cost options to access account information
- Facilitate ways to share money for caring
- Tools to assist money management and control whilst maintaining relationships

**‘CULTURALLY APPROPRIATE’ DESIGN FOR CONSUMER EDUCATION:**
- Connect to & build upon traditional knowledge systems
- Empower elders to lead, role-model how to respect money & use it wisely
- Reinforce ‘positive’ aspects of social norms for collective support, collective benefits

Figure 2: Policy implications from ethnographic PhD research

**Challenges of Remote Financial Services Provision**

Findings from our user-centred policy study and expanded literature review point to the need to get more evidence of present banking patterns and use of mobile phones. They also highlight challenges of financial services provision, for both the users and the providers. ICT-enabled solutions may help to make remote service provision more usable and sustainable. We also need to discuss with providers, government agencies and regulators, how improved funding and the design of ‘culturally appropriate’ banking products, services and financial education programs, can expand the provision and use of financial services for underbanked communities.

**User-Focus: Banking Behaviour and Usage Patterns**

- Problems of access to banking, payments services and the internet combined with the cultural norm of sharing, lead to a greater and nearly routine sharing of passwords and user codes for online banking in many Indigenous communities (Singh, Cabraal, Demosthenous, Astbrink & Furlong, 2007). This leads to a distinctive pattern of banking, characterised by frequent enquiries about the account balance (even at the cost of higher fees); and the practice of drawing nearly all the money from the account, to prevent
unauthorised withdrawals. These behaviours exacerbate privacy and security concerns, and a lack of trust in financial institutions.

- There is a greater need to cordon off money, whilst maintaining relationships and obligations. Similar to mainstream consumers, Indigenous consumers regularly use multiple banking accounts to separate money that is accessible (for everyday transactional use and sharing) and inaccessible (to save). They also pre-allocate money towards regular expenses, thereby reducing the amount at hand. In Indigenous communities however, such cordoning off has the added function of restricting what others can demand they share. Centrelink and BushProvider offer facilities to pre-allocate welfare benefits towards utilities, bills and other regular repayments. Moreover, many people admit that they ‘hide’ some of their money by saving it in banks which do not have a physical presence on their community. This ‘safety’ money is not able to be demanded by their kin, so people are able to ‘save’ it.

- Other unmet user needs were also noted. Converting cash into e-currency (eg. for online purchase of air travel, pay for interstate school boarding etc.) is a problem due to lack of access to the internet; low digital and financial literacy; and concerns about privacy and security. BushProvider-issued Debit cards are not popular, despite an evident need to convert cash into e-currency. BushProvider has also identified unmet needs for micro-credit and affordable micro-insurance.

**Provider-focus: Balancing Value proposition with Sustainability of Remote Service Provision**

- The cost of establishing and maintaining face-to-face banking and digital service provision in remote communities, often under harsh climatic conditions, is undoubtedly much higher in than urban areas. The culturally distinctive banking patterns in remote communities further exacerbate BushProvider’s cost of service delivery. Customer transactions are heavily weighted towards low-value balance enquiries, especially in the lead-up to payday. Once the pay is received, many people withdraw the entire amount immediately, leaving little ‘float’ in their bank accounts. BushProvider also loses revenue-generating deposits which are ‘hidden’ in other banks, not physically located on the community. Since land ownership is communal, BushProvider is as yet, unable to provide revenue-generating home loans.

- One of BushProvider’s key mission statements is to provide personalised banking services to remote Indigenous communities, in their own language. BushProvider employs upto four local staff in some remote branches, in order to offer personalised services. Their Darwin-based head office provides intensive staff training and quality control, which requires expensive travel (upto $1,100 for a return trip). However, an unanticipated downside to providing locally sourced service is that some users feel their
privacy and security may be compromised by local staff, who are known to them. This may have eroded their trust in BushProvider, and lost some customers.

- Remote Indigenous communities have limited employment opportunities. BushProvider sees itself as providing local employment and training, which is central to its mission. However, the higher cost of delivering remote personalised services in the local language is leading the provider to reconsider its strategy and sustainability. A possible option is to extend the meaning of ‘personalised' beyond face to face transactions, to include customised money management training and advice. This may offer additional revenue streams from government funding, and also improve productivity by redirecting staff time away from low-value balance enquiries.

- ICT-enabled solutions to reduce the cost of remote service delivery are challenged by the general lack of access and usage. InlandTown is serviced by a sole telecommunications provider. Almost every InlandTown respondent had access to a mobile phone (half of these were smartphones) yet lower-cost online banking is not commonly used. Remote mobile usage has been found to carry associated threats such as increased online bullying and abuse. Regular sharing of mobile phones and SIMs across related households also compromises privacy and security of individual banking. Most people subscribe to prepaid options for their mobile contracts, costing $30 per top-up per fortnight, so a typical month bill is around $60.

**Summary of Findings and Policy Implications**

Building on learnings from the ethnographic PhD study, our user centred policy study needs to influence two main areas of policy– provider policies (relating to ensuring culturally appropriate design and delivery of financial products and services) and government policies (relating to ensuring sustainable access by supporting remote service providers, and enhanced consumer education). ICTs may have an important role to play in implementing such policies. We summarise the findings and policy implications in Figure 3 below:
Figure 3: Policy Implications from user-centred policy study

Industry policy on the design of ‘culturally appropriate’ financial products, services and education programs for the underbanked in remote Indigenous communities, must take account of how they (i.e. Indigenous customers) themselves understand, and want to use money. There are some unmet user needs that the industry can take note of, including gaps in the access to micro-credit, micro-enterprise services and opportunities for micro-savings. Successful models developed for the poor can be used as a basis for such products. Tools which empower Indigenous people to manage and control their money whilst maintaining relationships and fulfilling cultural obligations, are also needed.

Government policy must recognise both the disproportionately high cost of remote service provision (be it banking or digital infrastructure), and the societal value of servicing underbanked communities, thereby promoting financial inclusion in remote and regional locations. Funding for employment, money management training and other capacity building for marginalised communities, is currently 'silos-ed' across different government agencies. Pooling these funding sources together may make remote financial services provision a more sustainable venture, and encourage others in the industry to follow BushProvider’s lead. The design of consumer education programs must also be ‘culturally appropriate’.
Conclusion

The underbanked pose specific challenges in Australia, where nearly the entire population is banked. They are not at the centre of regulatory or industry policy. In order to develop evidence-based policy, we need to know more about different underbanked groups in Australia. Where money cultures differ from the majority group, there is a need to develop ‘culturally appropriate’ products, services and education programs. We also have to openly recognise the costs of servicing remote communities, placing them against the social and economic returns of financial inclusion, including developing capabilities that offer greater freedom and choice. Designing policy to meet the needs of the most marginalised underbanked community in Australia (i.e. Indigenous people in remote communities), can establish a methodology for addressing the needs of other marginalised underbanked communities such as refugees, migrants, sole parents (particularly women) and those from non-English speaking backgrounds,

List of References / Sources

Cooper, A. (1999). The inmates are running the asylum. Indianapolis: SAMS.
Financial Counselling Australia. (2010). ATM Fees in Indigenous Communities


