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TRANSCRIPT

Incoming NAB CEO Andrew Irvine and outgoing NAB CEO Ross McEwan's interview with the ABC's Peter Ryan

Peter Ryan (PR): Ross, you've been described as one of the last old school bankers. Have you succeeded in putting the back-to-basic stamp on the NBA?

Ross McEwan (RM): One of the things that I looked at when I first got here was, we just needed to get back-to-basics and banking. Probably from where I'd come from Peter at the Royal Bank of Scotland, it was just a different challenge for me and I believed that underneath NAB was an incredibly good franchise, but we just had to work on it and I thought if we did a good job with the bank, it would be recognised. We're certainly on that journey. We're not finished, but certainly on that journey.

PR: Ross you mentioned there your time at the Royal Bank of Scotland, which you took on after it was bailed out by the British taxpayer and then publicly owned for a period, that sort of crisis managed experience would have come in pretty handy at the NAB?

RM: Yes it did, but it was always around - how do you engage colleagues to really concentrate on doing the right thing by customers while you were trying to fix some of the issues that you got yourself into. And that was the same here, Peter, we had really good franchises, but I found that our colleagues were down in the mouth, they'd lost their mojo and if we could concentrate on getting them back and just doing the basics well, we'd do OK. I think that's proved to be the right strategy for this bank.

PR: Andrew, you would have been watching the Banking Royal Commission from afar, but as you prepare to come in as the new chief executive, do you feel confident that the NAB has got all that dirty laundry out of the way and there are no more ticking time bombs within the bank?

Andrew Irvine (AI): We are a better bank today than we were three and a half years ago. I've been part of the leadership team working with and for Ross to improve the foundations of who we are as a bank. My job working with 38,000 colleagues is going to be to continue to keep the banks safe, to innovate and to look after our customers.

PR: Andrew, as you said there you plan to innovate but what do you think about the future of cheques? Are banks going to stop issuing them pretty soon or taking them? Or is there still a demand?

AI: Every year I think the cheque usage is falling by, it's pretty consistent 5 to 10%. I think the government has already set a timetable for cheques to be expunged and we will work with all the banks as an industry to do that in an orderly manner.

PR: Andrew, also on a similar theme, what about the future of cash? Fewer people are using it, even Armaguard is having trouble making money out of delivering money but a lot of people are

still demanding it. How are you going to be navigating cash because that's going to be one of the big issues that banks face.

AI: It's a real one for us. We're seeing that at our ATMs. We're seeing the decline of cash in our branches as well. I personally was just at a store just recently and they actually wouldn't accept cash. I had to pay by card.

PR: So Ross McEwan, will cash still be used in five, 10, 20 years time?

RM: There's going to be less cash circulating. There's a lot of cash out there. There's more cash than there's ever been. But I don't see a cashless society. I just see less cash being used as the medium for payment. But there's a lot of people still who use cash and their normal way of doing business but it's less people using it in a transaction form.

PR: Ross, you know, you and I have talked a lot over the last couple of years about fraud and scams. Have you got the feeling now that scammers really are the 21st century bank robbers?

RM: Peter, I'm old enough to have seen people coming into the bank and try to take cash off our tellers. Then they went to the forging of cheques. Then they went to taking it out of your ATMs and blowing up your ATMs with gas and all sorts of things. Now it's very much online scamming. 90 to 95% of everything that's coming at us is coming from a technology source that's controlled by either social media or by a telco. This is theft and it's worse.

PR: Ross just speaking about history there, given that you've been around for a long time, were you one of those early bankers where there had to be a roster, where people had to be the person having the gun when the bank was closed or over the weekend?

RM: No not that old, Peter, but I, but I did go out to see and spend some time at Armaguard recently where they, you know, took me through the gun practise and I experienced that. But no, we've still got staff in the place who used to have gun practise as branch staff, but those days are certainly over and you know I haven't experienced that.

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