NZACU
New Zealand Association of Credit Unions

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FOR IMMEDIATE RELEASE

Credit Unions to Tackle Loan Sharks

Credit unions around the country are celebrating 'International Credit Union Day' (ICU Day) this Thursday 17th October, with the desire that they can help more New Zealanders see that loan sharks are not their only option if they experience financial difficulties. The theme for this year's ICU Day is "Unite for Good, A Better Way."

Credit unions will be celebrating with a variety of local and in-branch events and Henry Lynch, the Chief Executive of the industry body, New Zealand Association of Credit Unions (NZACU), will be representing credit unions at the Consumer Credit and Financial Literacy Forum 2013 in Auckland on Friday 18th October.

The Forum is being hosted by Hon Craig Foss, Minister of Consumer Affairs and Minister of Commerce, and will bring together lending, budgeting services and other industry representatives to discuss responsible lending practices and ways to improve financial literacy throughout New Zealand.

The theme for the Forum 'Responsible Lenders, Informed Borrowers' highlights what credit unions are doing every day to help "mum and dad" kiwis understand better ways of managing their finances without turning to loan sharks.

"Improving financial literacy is something that credit unions are very passionate about; they work with their members to find the best solution for each individual situation," said Mr Lynch.

"Credit unions know that if they don't help struggling families they will often end up turning to loan sharks," Mr Lynch said. "It's a sad indictment of human greed that these kind of businesses prey on those in lower socio-economic communities who often lack a full understanding of the financial contracts they are entering in to – and in particular, the potential penalties they may face if they can't meet their payments."

"Credit unions have a long and proud history of 'people helping people' and, being cooperatives, our customers, or members as we call them, are also our owners," said Mr Lynch. "So our fundamental goal is to do what's in the best interest of our customers, and in turn, we're doing what's best for our owners – so we're in a win-win situation. "

This year's International Credit Union Day theme, "Unite for Good, A Better Way" supports this cooperative approach to solving members' every day financial problems.

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Notes for Editors:

New Zealand Association of Credit Unions (NZACU):

Credit unions and mutual building societies are co-operatively owned financial service providers, providing their members with a similar range of services to a bank. Credit unions and building societies are all independently owned and operated by their members for their members, and any profits are returned to the members in a combination of ways i.e. fairer fees, interest rates and community involvement.

NZACU is the industry association for credit unions and building societies (www.nzacu.org.nz) and exists to represent, promote and support its 23 Member credit unions and building societies, providing cost-effective business services. NZACU's members employ over 550 staff, represent 210,000+ members, with more than 95 branches, assets of over $1.3 billion and collectively are the sixth largest financial transactor by volume in New Zealand. NZACU also wholly own Credit Union Insurance Ltd (www.cui.co.nz), a fully licensed insurance provider, under the Insurance (Prudential Supervision) Act 2010.

The NZACU is a member of global trade association WOCCU, the World Council of Credit Unions, which represents over 200 million people in 101 countries across the globe. This international network operates under the vision: "Improving people's lives through credit unions" and promotes the sustainable development of credit unions and other financial cooperatives around the world.

The NZACU is also a member of Cooperative Business New Zealand (www.nz.coop), the industry body whose mission is "bringing together the country's cooperative and mutual businesses to promote, encourage and support the cooperative and mutual business model, and act as the advocate for those engaged in cooperatives and mutuals." Collectively the mutual banking sector, including mutual banks, building societies and credit unions, represent more than $600 million in revenue per year with a number of these organisations among Cooperative Business New Zealand's "Top 40" cooperative and mutual businesses (by revenue) and NZACU is ranked at number 28.