

For immediate release

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NAB / BNZ's plan to cut dividends - not jobs

Bank workers' union Finsec says that BNZ parent company NAB's decision to cut its forthcoming half year dividend by 25% is a more socially response to the recession.

"We have already lost too many jobs in the banking sector to restructuring and offshoring," said Finsec General Secretary Andrew Casidy. "We hope that NAB's announcement today represents a shift to shareholders sharing the pain of the recession, rather than forcing it all on to workers."

"The BNZ and the other big Australian owned banks in New Zealand now enjoy taxpayer guarantees and therefore operate with far less risk to shareholders," said Casidy.

"The other half of that equation is that the banks should take responsibility for protecting jobs by maintaining their current staffing levels. During this recession, dividends should take a back seat to investing in the local economy."

Andrew Casidy said that the NAB announcement included plans for some restructuring and that the union would be watchful that New Zealand jobs are not lost as part of that process. He accepted the BNZ's assurances given this morning that NAB's announcements today will not lead to any reduction in New Zealand jobs. "Everyone is sighing with relief given the speculation recently that hundreds of jobs could be lost as a result of this process."

"We will be looking for government to work with us to ensure that banks that benefit from being underwritten by the taxpayer commit to protecting Kiwi jobs," said Andrew Casidy. "This would build on the work that the banks, government and unions began at the Jobs Summit."

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