



Media Release

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Public short changed by bank tax avoidance

Finance workers' union Finsec says the public have been short changed by two major banks who owe the government over \$1.6 billion in outstanding tax.

The court determined today that Westpac owes the IRD over 900 million in tax payments and earlier this year determined the BNZ owes over 600 million. ANZ National and ASB face similar cases.

"When the government is facing long term budget deficits and the public is faced with cuts to core public services the least Westpac and BNZ can do is help out by paying the 1.6 billion dollar tax bill the court has determined they owe," said Finsec Spokesperson Andrew Campbell.

"It's just not fair that these banks did not pay the right tax yet are receiving government support through the bank guarantee schemes, while the average tax payer pays on time and is faced with cuts to public services," said Campbell.

"Westpac and the BNZ are part of two of the largest banking corporations in the world. They have come through the financial crisis relatively unscathed and can afford to pay this bill. They should stop further litigation and stop short changing the New Zealand public," said Campbell.

"We are calling on the banks to not cut local jobs or staff pay and conditions to cover these bills. Local staff shouldn't suffer the cost of decisions they didn't make," said Campbell.

"This behaviour shows New Zealand banks are not immune from the drive for excess profit that has seen other countries banking systems collapse. It is timely for the government to consider what further monitoring and regulation of the banks is required to ensure they play fair and don't damage the local economy," said Campbell.

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Contact: Andrew Campbell, Finsec spokesperson, 027 548 7006