



For immediate release

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Westpac weathering recession well, but needs to change sales culture

Finance workers' union Finsec say that Westpac is weathering a deep and nasty recession well, but that their profit announcement is further sign that our whole banking industry needs to rethink their sales culture.

"While Westpac have seen a drop in their profits in the midst of the downturn, they are still a profitable business in good health," said Finsec spokesperson Michael Wood. "This is evidenced by the 4% increase in core earnings."

Wood said that the massive 236% increase in impairment charges highlights a problem that Westpac and the other banks need to confront. "Finsec members at Westpac and at the other banks know that the banks have been reluctant to change their 'sell, sell, sell' culture and the sales targets that create pressure for staff to sell debt products to their customers."

"Today there is more evidence that the sales culture is not only bad for staff and customers, its also bad for business," said Wood. "Only last week union members met with Westpac at our targets forum, to try and make these targets fairer and more realistic."

"The ballooning provision for bad debts show that the banks need to urgently rethink their focus on selling debt to customers who can't service it."

ENDS

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