

For immediate release

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Mortgage holiday and jobs protection should be condition of bank guarantees

Finance workers' union Finsec describes the Australian year long mortgage holiday as a win-win deal that the Aussie banks should also be offering their Kiwi customers.

"The mortgage holiday gives workers who have been made redundant a real breather while they get back on their feet," said Finsec Campaigns Director Andrew Campbell. "As the interest still accrues during that year the banks don't miss out either. What's not to like about an arrangement that can keep people in their homes during the recession?"

Campbell said that the union's experience had taught them that government would need to intervene to ensure Kiwi workers would receive a similar deal.

"Sadly, the Aussie banks operating in New Zealand have been very reluctant to assume any social responsibility. They are still overly focussed on their profits during this recession – and its their customers who are paying the price."

"The Government's guarantee schemes provide the perfect mechanism to persuade the banks to show a social conscience. The Australian government has provided a great example of how taxpayer support for banks can be used to deliver greater benefits back to customers," said Campbell.

Finsec is currently campaigning for government to make retention of New Zealand bank jobs a condition of our retail deposit and wholesale lending guarantee schemes, and also supports using this deal to deliver benefits to customers.

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