

MEDIA RELEASE

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Consumer Fees Campaign

Abacus – Australian Mutuals says consumers unhappy with bank fees should consider joining a credit union or mutual building society.

Commenting on this week's announcement by consumer groups of a campaign against "unfair bank penalty fees", Adrian Lovney, the Chief Executive of Abacus said: "Don't bang your head against a wall, join a financial institution that will work for you."

"Credit unions and mutual building societies are owned by their customers and do not have to maximise profits for external shareholders," Mr Lovney said.

"Our industry's leading position in customer satisfaction reflects our consistent, member-focused approach and our ability to deliver products and services at a reasonable cost.

"As mutuals, we aim to deliver fairer fees, better service and a competitive difference to members. Direct debit dishonour fees charged by credit unions and building societies are, on average, lower than fees charged by the major banks - around \$24 compared to \$36 - and our average transaction and account fees are much lower than those charged by our competitors," said Mr Lovney.

Abacus has met with consumer groups Choice and Consumer Action on fee issues and is conducting consultations with its members on approaches to fees and charges.

"Campaigns to empower consumers are very welcome, but we also recognise that businesses that don't recover their costs don't stay in business," said Mr Lovney.

"If credit union or building society members are experiencing problems with fees, we encourage them to contact their institution directly and raise those concerns."

"Abacus has met with Choice and Consumer Action on this issue and we hope to maintain a constructive dialogue with consumer groups."

Abacus - Australian Mutuals is the industry body for credit unions and mutual building societies. We work with our 150 member institutions to promote the role of mutuals - building societies and credit unions that are owned by, and operated for, the benefit of their members. Our industry offers a different kind of banking: one that puts members first. More than four and a half million Australians are members of credit unions and building societies.

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For a full list of Abacus members around Australia go to www.abacus.org.au