

Association of Building Societies and Credit Unions

## MEDIA RELEASE

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### Younger members attracted to credit unions

More than a third (35%) of new credit union members across Australia are under the age of 25, with a further 10% of new members aged between 25-30, according to new industry statistics announced in the lead-up to International Credit Union Day (Thursday 18 Oct).

"These figures reinforce the view that credit unions offer highly relevant products and services to young Australians seeking a full range of financial services," said CEO of Abacus – Australian Mutuals (the industry association for Australia's 150 credit unions and mutual building societies), Adrian Lovney.

Personal loans and new daily banking accounts formed the bulk of this new business for credit unions.

"Credit unions are very attractive to a new generation of banking customers," said Mr Lovney. "They are recognised for offering a full range of prudentially regulated financial services, while having a strong reputation for better service, fairer fees and for making a valued contribution to the community.

"Unlike the banks, mutual organisations are owned by customers and exist only to serve their needs. They do not pay dividends to shareholders, but return value through better service, fairer fees and support for their communities."

Other benefits of mutuality can include pricing or loyalty bonuses, or broader community benefits such as the promotion of savings, or investing in financial literacy and other socially responsible initiatives.

Mr Lovney also said the focus on members through the mutual ownership model was a major factor behind mutuals consistently exceeding the customer satisfaction performance of the major banks. "90% of customers using their credit union or mutual building society as their main financial institution are satisfied with the service they receive," he said.

Australia currently has 140 credit unions, serving 3.5 million members (17% of the Australian population) across nearly 1,500 branches and agencies.

#### For more information:

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*Since 1948 International Credit Union Day has been set aside to reflect upon the credit union movement's history and to promote its achievements. It honours those who have dedicated their lives to the movement and is an opportunity to raise awareness about the great work that credit unions are doing and give members the opportunity to get more involved. In Australia, credit unions are using International Credit Union Day to raise public awareness and understanding about the movement.*