

MEDIA RELEASE

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Credit Unions Increase their Branches - Win for Consumers

Credit unions and mutual building societies are expanding their branch network and are well positioned to fill the gap left by big banks swallowing up regional banks such as St George and BankWest.

Data released today by the Australian Prudential Regulation Authority shows that credit unions have increased their points of presence to the public by 75 outlets, which is more than 5 per cent.

APRA's *ADI Points of Presence* publication reports on all banking service channels provided to customers of all Australian Authorised Deposit-taking Institutions (ADIs). In the report, APRA notes that "the range of services provided by Authorised Deposit-taking Institutions (ADIs) has grown substantially over the past two decades."

This year's report reveals that mutual ADIs have increased their branches and service channels to their customers.

Mutual building societies have increased branches by nearly 10 per cent over the past 12 months. Banks have increased branches by 3 per cent.

Mark Degotardi, Head of Public Affairs at *Abacus – Australian Mutuals*, said that this good result is more evidence of the strength of the mutual ADI sector and its emphasis on the needs of its customers.

"Credit unions and building societies are very good at meeting their members needs and being a presence in their local communities", said Mr Degotardi.

"This is another reason why mutual ADIs strongly outperform the major banks in customer satisfaction surveys," Mr Degotardi said.

"The mutual ADI sector is trusted with more of Australia's household deposits than any bank except the Commonwealth Bank.

"Mutual ADIs are strong and secure, with the highest capital and liquidity ratios in the banking sector and have the lowest non-performing loans ratio.

"The role of mutual ADIs in providing competition and choice in retail banking is becoming even more important with the disappearance of regional banks and the demise of non-ADI lenders," Mr Degotardi said.

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