



Abacus
Australian Mutuals

Association of Building Societies and Credit Unions

MEDIA RELEASE

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Australians love a fair go – and Mutuals offer just that

With Australia Day festivities about to launch into top gear, many Australians are worried about rising interest rates, especially pending the outcome of the RBA Board Meeting on February 2.

We all love a fair go, and this is especially important in home loans, where most people will be repaying the single largest amount of money they have ever spent in one transaction.

According to recent data from Canstar Cannex, credit unions and mutual building societies offer mortgages on average up to 30 basis points or .3% less than the average of the standard variable mortgage rates on offer from the banks.

This means that, based on a \$300,000 standard variable loan over 25 years and making monthly principal and interest repayments, Australians could potentially save over \$19,000.

“It just makes good sense: why should Australians pay more when they can get excellent service and products with a credit union or building society, that sit in exactly the same secure regulatory environment as the banks?” said Abacus CEO Louise Petschler.

“The mutual sector, credit unions and mutual building societies, are offering Australians the essential choice and competition they need.

“And mutuals continually deliver good deals; a survey by CHOICE released today on interest charged by 20 credit card providers on late or partial payments, found that credit unions and building societies were among the providers that treated their customers more fairly.

“Recent analysis by independent research group InfoChoice found that Australian mortgage holders were paying \$32,000 more in home loan repayments by sticking with the big banks, instead of shopping around for a better deal.

“Unlike the banks – we’re not run to maximise profits to keep external shareholders happy. Instead we put our profits back into offering better rates and outstanding service.

“Mutuals like credit unions and building societies meet exactly the same strict prudential standards and regulatory requirements as banks and have been providing home loans and outstanding member service to Australians for over 100 years.

“Aussies love a fair go and you’ll get that at a credit union or building society. They’re run to profit their members, so you can be sure that as mutuals, we will always put you first,” Petschler said.

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