NZACU
New Zealand Association of Credit Unions

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Cooperative Values On The Rise

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Member-owned financial cooperatives, like credit unions, are seeing a huge upswing in popularity globally as growing numbers of people express a genuine desire for socially responsible choices in terms of who they deal with.

"Given what has happened around the world after the Global Financial Crisis, it's understandable that more and more people are being attracted to trustworthy financial service providers like credit unions," says Henry Lynch, Chief Executive of the New Zealand Association of Credit Unions (NZACU), which represents 21 member credit unions throughout the country.

"Credit unions are 100% democratically owned by their members, with every member having one vote in terms of how the credit union is run, regardless of their level of investment. And being member owned means all 'profits' are returned back to members through a combination of improved customer service, fairer fees, better interest rates and local community sponsorships."

The worldwide credit union movement has seen phenomenal growth in numbers, and currently the World Council of Credit Unions, of which the NZACU is a member, represents some 53,000 member credit unions in 100 countries, with over 188 million owner-members – a 4 million increase on the previous year alone.

"It's very timely that the United Nations has designated 2012 as International Year of Cooperatives in recognition of the fantastic contribution these enterprises make to poverty reduction and employment generation worldwide, as well as highlighting the strengths of the cooperative model as an alternative way of doing business."

Collectively, credit unions rank amongst this country's largest financial service providers (by financial transactions), with one of the largest ATM networks in the country outside of the major banks. And whilst credit unions are, according to Lynch, 'New Zealand's best kept secret', local credit unions here will be actively promoting their cooperative values and democratic structure as part of ***'International Credit Union Day'*** on Thursday 20th October.

"As the umbrella organisation for 21 of New Zealand's credit unions, the NZACU is using International Credit Union Day to raise awareness of the good work credit unions do around financial literacy and the promotion of savings" explains Mr Lynch.

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"Many people still fall victim to ruthless loan sharks because they believe their credit history and lack of financial understanding makes them ineligible for loans" says Lynch. "We're keen to use International Credit Union Day to highlight the fact that there are other options. With our 'people helping people' philosophy, credit unions are a genuine, viable alternative for communities."

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Notes for Editors:

Credit unions are a co-operatively owned financial services provider, providing its members a similar range of services to a bank. Credit unions are all independently owned and operated by their members for their members, and any profits are returned to the members by way of fairer fees and interest rates.

The New Zealand Association of Credit Unions (NZACU) is owned by and represents 21 of the 27 registered credit unions in New Zealand. Collectively, the NZACU credit unions are amongst the largest financial transactors by volume, have over 100 branches throughout the country and more than 175,000 members.

The NZACU is a member of global trade association WOCCU, the World Council of Credit Unions, which represents over 188 million people in 100 countries across the globe. This international network operates under the vision: "Improving people's lives through credit unions" and promotes the sustainable development of credit unions and other financial cooperatives around the world.