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**FOR IMMEDIATE RELEASE**

**Savings Message Getting Through ... But Kiwis Still Struggling**

More Kiwis have switched on to Christmas savings this year, but financial pressure means they'll be tightening their belts and spending less, says the New Zealand Association of Credit Unions (NZACU).

Figures released today by NZACU, which represents 23 credit unions and mutual building societies throughout New Zealand, reveal that 7% more credit union members this year have been regularly contributing to a credit union Christmas Savings account compared with last year. However, the amount saved per person has declined by 3%, signalling that the average Kiwi is still struggling financially.

The figures are revealed as more than 26,000 credit union members are set to receive a pre-Christmas bonus when their Christmas savings accounts reach maturity this week.

"It's a positive sign in terms of the increase in the number of people saving, but the amount of savings per member has seen a slight decrease on previous years – a reflection that finances are still tight in many households,' says Henry Lynch, CEO of NZACU. "It's great that the savings message is starting to get through. Our members know they need to put money aside a little each week so they're not hit with a big debt at Christmas."

The tough times are supported by recent research conducted by Horizon Research that show that one in four people will be seriously cutting back on Christmas spending this year. However, interestingly, this research also indicated that on average credit union members are expected to spend 10% more at Christmas time compared to New Zealanders overall. 14% of credit union members also anticipate personally spending between \$500 - \$750 on presents alone compared to only 8% of New Zealanders overall.

"These stats clearly reflect the value of saving regularly for Christmas during the year" says Lynch. "It's also great news for the economy, with around \$15 million set to be injected into retail and on-line enterprises over the next month."

The 23 credit unions and mutual building societies represented by NZACU have combined assets of over \$1.27b, over 95 branches and represent more than 210,000 New Zealanders.

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For further information contact:

Henry Lynch

Chief Executive Officer

Phone: +64 9 522 3540

Mobile: +64 27 497 4993

Email: [henry.lynch@nzacu.org.nz](mailto:henry.lynch@nzacu.org.nz)

### **Notes:**

#### **New Zealand Association of Credit Unions (NZACU):**

*Credit unions and mutual building societies are co-operatively owned financial service providers, providing their members with a similar range of services to a bank. Credit unions and building societies are all independently owned and operated by their members for their members, and any profits are returned to the members in a combination of ways i.e. fairer fees, interest rates and community involvement.*

*NZACU is the industry association for credit unions and building societies and exists to represent, promote and support its 23 Member credit unions and mutual building societies, providing cost-effective business services. NZACU's members employ over 550 staff, represent 210,000+ members, with more than 95 branches, assets of over \$1.27 billion and collectively are the sixth largest financial transactor by volume in New Zealand.*

*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.*