



2015-12/002
T:/D102
December 4, 2015

Finance and Expenditure Committee
Parliament
Wellington

Tēnā koutou

Keep Kiwibank Bill

The New Zealand Nurses Organisation (NZNO) welcomes the opportunity to **support** the above Bill. NZNO is an affiliate of the New Zealand Council of Trade Unions, Te kauae kaimahi, (NZCTU) and warmly supports its submission

As the leading professional nursing association and union representing 46,000 members – around 5 percent of the female workforce – our interest in the banking sector relates solely to its impact on the lives of New Zealanders. Debt, interest rates, the ability to secure an affordable loan, buy a house etc. are significant factors affecting the physical and mental health of individuals, families and whole communities. Kiwibank has made a positive difference in that respect. The competition it offers the Australian banks which dominate the market have kept excessive interest rates, penalties and service charges in check, and that has benefited New Zealanders, both individually and collectively. It is an award-winning bank which focuses on helping disadvantaged people to gain financial security, which would otherwise not be available to them through the traditional banking model. It also delivers substantial returns to the government, a small counterbalance to \$4.5m the New Zealand banking sector delivers to Australia's¹. Nor has IRD had to pursue it through the courts for millions of dollars of tax².

The loss of public ownership through the whole or partial sale of Kiwibank threatens these substantial benefits. We urge the Committee to guard against that loss, and accept the Bill's proposal that:

¹ Reserve Bank Statistics (Table G1 Summary information for locally incorporated registered banks) indicate that the four big Australian banks in New Zealand (ANZ, ASB, BNZ, Westpac) made net profits of \$4,587 million in the year to 30 June 2015

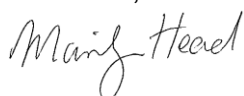
² Eg <http://www.interest.co.nz/news/44534/ird-wins-massive-tax-case-against-bnz-ominous-sign-other-big-3-banks-update-5>

....no sale or other disposal of ownership or control of all or any of New Zealand Post Ltd's interest in Kiwibank may proceed unless a proposal to do so, including a proposal contained in a clause in a Bill,—
(a) is agreed to by a 75% majority of all members of the House of Representatives; or
(b) has been carried by a majority of the valid votes cast at a poll of the electors of the general and Māori electoral districts.

We also take this opportunity to voice our concern about the impact that the State Owned Enterprises chapter of the TPPA will have on Kiwibank. As the NZCTU points out, the requirement to act in accordance with commercial considerations only will undermine the most important aspect of kiwibank's success and value: the ability mix commercial and public good objectives to deliver fairer outcomes for New Zealanders. NZNO is opposed to the Trans Pacific Partnership Agreement because of the adverse implications it has for public health and the ability for the future governments to act in the interests of public good.

Kiwibank is an important state owned enterprise which continues to deliver real benefits to New Zealanders. We urge you to ensure public ownership of Kiwibank is maintained by supporting this bill.

Nākū noa, nā



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NEW ZEALAND NURSES ORGANISATION

NZNO is the leading professional nursing association and union for nurses in Aotearoa New Zealand. NZNO represents over 46,000 nurses, midwives, students, kaimahi hauora and health workers on professional and employment related matters. NZNO is affiliated to the International Council of Nurses and the New Zealand Council of Trade Unions.

NZNO promotes and advocates for professional excellence in nursing by providing leadership, research and education to inspire and progress the profession of nursing. NZNO represents members on employment and industrial matters and negotiates collective employment agreements.

NZNO embraces Te Tiriti o Waitangi and contributes to the improvement of the health status and outcomes of all peoples of Aotearoa New Zealand through influencing health, employment and social policy development enabling quality nursing care provision. NZNO's vision is *Freed to care, Proud to nurse.*

