



Media Release

Corporate Affairs
100 Queen Street
Melbourne Vic 3000
Facsimile 03 9273 4899
www.anz.com

For Release: 20 February 2005

ANZ matched savings pilot a success in helping low-income families to save

ANZ today announced it had successfully completed its initial pilot of Australia's first matched savings scheme contributing \$481,000 to the savings accounts of 257 low-income families in Victoria and New South Wales who have been saving for their children's education.

Saver Plus was developed as a business community partnership between ANZ and the Brotherhood of St Laurence to assist low-income families develop money management skills and save for educational purposes through a financial literacy and matched savings scheme in which ANZ matched every dollar saved with two additional dollars.

The first savings program was conducted during 2004 in partnership the Brotherhood of St Laurence in Frankston, Melbourne; Berry Street Victoria in Shepparton, Victoria; and The Benevolent Society in Campbelltown, Sydney. Savings account holders have also been provided with financial skills training and personal coaching. Key outcomes of the matched savings pilot include:

- 257 participants completed the savings program – 96% of the 268 families involved
- a total of \$240,500 was saved by the 257 participants over a 9 to 18 month period
- the average amount saved was \$936 with savings ranging from several hundred dollars to the maximum amount of \$1,000
- ANZ has matched participants savings with a further \$481,000
- educational items saved for include computers, computer equipment and accessories, books, uniforms, extra subjects and school camps.

In addition, ANZ and the Brotherhood of St Laurence today released a research report on the Saver Plus program undertaken by RMIT University, which provides an in-depth look at the experiences of participants. It indicates the program has:

- made a significant impact on the lives of participants through the creation of support networks, increased confidence and self-esteem and feelings of greater control over the future
- had an important flow-on effect to participants' families through transfer of financial skills learned, a better quality of life and a long-term commitment to saving.

ANZ Chief Executive Officer Mr John McFarlane said it was clear from the program that low-income families could save when the circumstances were right and could build assets to help improve their circumstances in the longer term.

"The success we have seen indicates this approach could have much wider application in creating a better future for Australians on low-incomes by encouraging saving, creating self-sufficiency through education and improving financial literacy," Mr McFarlane said.

"The outcomes are a tribute to the work of our community partners – The Brotherhood of St Laurence, Berry Street Victoria and The Benevolent Society. It is therefore very pleasing to have committed a further \$1 million to continuing the Saver Plus pilot in 2005 with these partners in Victoria and New South Wales and with The Smith Family in Queensland.

"We also expect to announce shortly details of an expansion of ANZ's Saver Plus matched savings scheme to reach Indigenous communities," said Mr McFarlane.

General Manager of the Brotherhood of St Laurence Community Services Division Ms Catherine Scarth said Saver Plus and similar programs were key to improving opportunities for Australian families.

"Our daily experience is that issues around money affect every person and every family we work with. The success of the Saver Plus pilot shows steps to improving financial literacy are critical in making a long-term difference to the circumstances of Australians on low incomes.

"At the same time Saver Plus improves opportunities for children allowing them to participate more fully in school life," Ms Scarth said.

The Saver Plus program pilot includes matched savings at a ratio of \$2 for every \$1 saved with a maximum matched amount of \$2,000, financial skills training and personal coaching. Those eligible for the program are parents or guardians of children enrolled in a government secondary school. Eligible participants must have a Health Care Card issued by Centrelink, additional earnings through employment or self-employment and a capacity to save.

For media enquiries contact:

Paul Edwards
Head of Group Media Relations
Tel: 03-9273 6955 or 0409-655 550
email: paul.edwards@anz.com

Note for editors:

The RMIT research report providing an in-depth look at the experiences of participants in the Saver Plus pilot matched savings programs conducted in 2004 can be found at anz.com/aus/aboutanz/Community.

The research included focus groups with 53 participants and showed Saver Plus is making a genuine difference to participants' lives and in more ways than initially expected. Some participant comments included in the RMIT research report are as follows:

On the Saver Plus financial education program:

"To make saving a priority, as part of your budget, in that money goes in first rather than tacking it on at the end of the week and then finding we don't have enough. I thought that was really good." (Shepparton participant)

"Being made to think through expenses and writing it down was scary at first, but it was a very useful exercise as you realise where the leaks are." (Frankston participant)

On strategies for saving:

"I cut our bills down at home, like with the phone, I've stopped mobile calls from the home phone and STD calls, because (son) and his friends come over and when their credit runs out on their mobiles, they just use my home phone. I have saved over \$300 in three months." (Campbelltown participant)

"I gave up smoking. It's the only way I could do it." (Shepparton participant)

"For my kids it has been really good, when we go shopping they are saying 'oh, we don't need that mum' or 'we can get a cheaper brand here mum' and they actually get involved." (Frankston participant)

On the impact on families:

"I used to give my daughter \$10 pocket money, now she will use \$5 out of that and save the other half." (Campbelltown participant)

"My kids were fascinated because I did them up a tally of what we spent, like medical, shopping and other things and junk food and sweets and they went 'oohh' so we actually consciously stopped how much junk food we were eating. That was an instant saving." (Frankston participant)

On the benefits of the program:

"I know for me personally, I look at it like it's very positive because I can see a bit of light at the end of the tunnel, more quality of life, like to continue saving each year and know that the year after I won't stress so much at Christmas because I'll start saving and that can be like Christmas money or holiday and having that buffer that we learned about. It gives you more peace of mind." (Campbelltown participant)

"I guess too, just coming to the groups was in some ways like a support group where you met other people who were doing the same things or were having the same issues as you were." (Shepparton participant)

On longer term saving:

"Regardless of the matching, we've seen that it can be done, so we'll keep doing it." (Campbelltown participant)

"I just direct debit to my saving. I'm not going to stop that ... regardless of whether I've got enough money to start them in high school." (Frankston participant)