

PRESS STATEMENT

Subject: Major Reform Called for of our Financial System

Major reform of our financial system was called for at a conference organised by the Council for Socially Responsible Investment. Investors seek a system that adequately identifies risk and gives fair protection and return. The New Zealand and international systems fail on this criteria. Nor do they identify and deal with the risks that drive the global economy, such as climate change, peak oil, water depletion, and food deficits.

Dr Howell, CEO of the Council said that our investment system is fraudulent and incompetent, losing in recent years around \$6 billion of New Zealanders' investment. Through that failure, we have recent examples of investment in New Zealand agriculture being taken up by the Chinese.

The conference was told of many opportunities of New Zealand clean tech low carbon and sustainable options in the natural and built environments, that will contribute to New Zealand's future, but were restricted through poor political and business leadership.

Dr Howell said that Australasian banks claim to be committed to sustainability, but because of poor risk analysis, they had not developed or changed their lending criteria. They are not doing enough and their development of responsible policies is far too slow to deal with the ecological threats and the business and investment opportunities.

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