

Banking for Everyone



More affordable banking.
Backing Kiwi innovation.

New Zealanders and Kiwi businesses should be getting a better deal from their banks.

Almost everyone relies on a bank – to get paid, pay the bills, buy a home or get finance to grow a business.

But the big four hold around 85 to 90 percent of registered bank assets and their profits are high compared with banks overseas.

Labour will open banking up to more competition, so Kiwis get better prices, better services and more choice.

And we'll back innovative New Zealand financial businesses to grow, create jobs and compete with the big banks with new and better ways of doing things.



More competition means a better deal

Banking in New Zealand is controlled by four big banks – ANZ, ASB, BNZ and Westpac.

They play an important role in our economy. But their control of the market makes it harder for new competitors to break through. That matters because competition puts downward pressure on prices and improves services.

Small businesses feel it too and can often pay around 4.5% points more in interest than big businesses.

The big banks are putting a smaller share of their lending into businesses while focusing more heavily on mortgages. That makes it harder for a good Kiwi business with a good idea to get the backing it needs to grow, employ more people and lift wages.

Labour wants banks competing harder for your business – and more businesses competing with the banks.

Backing Kiwi innovation

Stronger competition doesn't have to mean waiting for another big bank to come along. It can come from smaller, innovative companies offering a service better or cheaper.

We've already seen it with international money transfers. Companies such as Wise have made it easier and cheaper to send money overseas and forced traditional banks to compete.

New Zealand has talented people building new financial technology here too. They could be developing cheaper payment services, smarter digital wallets, easier ways for businesses to get paid, or entirely new banking products.

We want those businesses starting here, growing here and creating good jobs here.

But too often they hit barriers that favour the big established banks. They can struggle to get access to the payment systems and information they need, or face rules designed for a big bank even when they are offering a much simpler service.

New businesses can take on the big four one service at a time - payments, digital wallets, and more. But right now, the rules are stacked against them. The laws that keep banks safe can also keep competitors out, and the big banks control the systems new players need to access.

Labour will change that.

We'll make it easier for good Kiwi ideas to develop, while keeping strong protections for customers and the financial system.



What Labour will change

More businesses will be able to compete with the big banks

Major banks will have to give smaller competitors fair access to the payment systems and banking information they need to offer new services.

Kiwi fintechs will have a simpler way to get started

A business offering things like digital wallets, prepaid cards or payment services won't have to become a full bank before it can compete.

Labour will create rules that match what the business actually does, with strong protections for customers. That gives innovative New Zealand businesses a better chance to get off the ground, attract investment, grow and create jobs.

Successful new businesses will have room to grow

We'll create a clear pathway for a payments company to develop into a digital bank, so New Zealand fintech can grow. National has held fintechs back. Labour will license them to compete with a new digital banking license.

Payments will be faster

Labour will deliver secure, 24/7 real-time payments for fintechs by 2030, so money can move when businesses need it to.

Switching and signing up will be easier

If you choose to, you'll be able to use government-verified identity when joining a provider, cutting paperwork and making it easier to move to a better deal.

It will be easier to compare insurance

We'll open up insurance information too, starting with clearer, more standard terms for car and life insurance, helping people compare what they're actually getting.

Kiwibank stays Kiwi

Labour created Kiwibank to bring more competition into banking.

It has an important role to play in challenging the big four and offering New Zealanders more choice.

Under Labour, Kiwibank will remain 100% New Zealand-owned.

A better deal for New Zealand

These are practical changes to give Kiwis more choice, make banking easier and make banks work harder for their customers.

More competition means downward pressure on prices and better services. It means more options for small businesses. And it means Kiwi entrepreneurs with good ideas have a better chance to get started, grow and create jobs here.

National promised to shake up banking. Three years later, the biggest banks are still calling the shots.

Labour will open up banking, bring in more competition and give Kiwis a better chance of getting a better deal.

It's part of our wider plan to lower everyday costs - alongside cracking down on price gouging and hidden fees, taking on the supermarket giants and cutting household bills.

Good for customers. Good for Kiwi businesses. Good for jobs.

Better starts now.

