



Finance and Expenditure Committee

Inquiry into Banking Competition

Federated Farmers of New Zealand

24 September 2024



0800
327
646 | **FED
FARM**
.ORG.NZ

SUBMISSION TO THE FINANCE AND EXPENDITURE COMMITTEE INQUIRY INTO BANKING COMPETITION

TO: Finance and Expenditure Committee, Primary Production Committee

DATE: 24 September 2024

ADDRESS FOR SERVICE

Name	Position	Phone Number	Email Address
Richard McIntyre	Federated Farmers National Board member, Domestic Commerce and Competition Policy spokesperson	0211431588	rmcintyre@fedfarm.org.nz

OTHER CONTACTS

Name	Position	Phone Number	Email Address
Paul Melville	General Manager, Policy and Advocacy	021812423	pmelville@fedfarm.org.nz
Oliver Ibbetson	Senior Policy Advisor	0272238779	oibbetson@fedfarm.org.nz

Federated Farmers of NZ (Inc)
Lambton Centre
Level 4, 117 Lambton Quay
Wellington
PO Box 715
WELLINGTON 6140

ABOUT FEDERATED FARMERS

Federated Farmers of New Zealand is a membership organisation, which is mandated by its members to advocate on their behalf and ensure representation of their views. Federated Farmers does not collect a compulsory levy under the Commodity Levies Act and is funded from voluntary membership.

Federated Farmers represents rural and farming businesses throughout New Zealand. We have a long and proud history of representing the needs and interests of New Zealand's farmers.

Federated Farmers aims to empower farmers to excel in farming. Our key strategic outcomes include provision for an economic and social environment within which:

- Our members may operate their business in a fair and flexible commercial environment;
- Our members' families and their staff have access to services essential to the needs of a vibrant rural community; and
- Our members adopt responsible management and sustainable food production practices.

SUBMISSION ON INQUIRY INTO BANKING COMPETITION

- 1.1 Federated Farmers of New Zealand welcomes the opportunity submit to the Finance and Expenditure Committee Inquiry into Banking Competition: with thanks to the Primary Production Committee for their significant input.
- 1.2 Federated Farmers has a strong interest in rural banking. A decade ago, only one in twenty farmers felt undue pressure from their banks; today, that number has risen to one in four. There is \$62.5 billion in agriculture loans across New Zealand. Agriculture accounts for 80 percent of the country's exports, making rural banking systemically important to New Zealand.
- 1.3 Federated Farmers would appreciate the opportunity to speak in support of this submission to the Select Committee on this submission.
- 1.4 Federated Farmers would like to thank all the farmers, bankers, and industry professionals, including Dr. Martien Lubberink, who helped support our submission. As we prepared this submission, we surveyed our membership, receiving thousands of quotes and contributions. These are included throughout the submission.

2. SUMMARY OF RECOMMENDATIONS

- 2.1 The Government should **adjust the capital requirements for agricultural lending**. Adrian Orr's one-in-200-year financial shock standard significantly increases the cost of borrowing for everyone in New Zealand, but disproportionately farmers. We suggest reverting to a more balanced one-in-100-year standard, which would still ensure financial stability while reducing the burden on farmers and improving access to credit.
- 2.2 **Agricultural loans should have risk-weighted assets (RWAs) that align more closely with residential mortgages**, as rural lending is often backed by high-value assets like land. Currently, farm loans carry disproportionately high RWAs, leading to increased capital costs for banks and higher borrowing rates for farmers. By adjusting these risk weights, borrowing costs could be reduced, providing farmers with more equitable access to financial resources.
- 2.3 Federated Farmers recommends that **major banks present annually to a select committee**. These presentations should include full disclosures on interest rates, lending practices, and profit margins, with a particular focus on how these factors affect agricultural lending. This transparency would enable MPs to scrutinise whether rural borrowers are being treated fairly ensuring accountability within the banking sector.
- 2.4 Federated Farmers supports **the implementation of Open Banking regulations**. Open Banking would make it easier for farmers to compare financial products and switch banks, fostering more competition and transparency in the banking sector. This would empower farmers to secure better financial services and lower borrowing costs.
- 2.5 Banks should take responsibility **for empowering rural lending managers by granting them more decision-making autonomy**. These managers are well-versed in the specific challenges faced by farmers and can offer more tailored financial solutions. Increased autonomy would improve lending practices and strengthen the relationships between banks and farmers.

- 2.6 The Government should ensure that Kiwibank is properly **capitalised and directed to actively enter the agricultural lending market**. A well-funded Kiwibank, focused on rural lending, would introduce more competition into the sector, offering farmers an alternative to the dominant players and providing more competitive loan options.
- 2.7 Federated Farmers also recommends **revisiting overseas investment rules to encourage international finance** and banks with expertise in agricultural lending to enter the market. This would increase competition, drive down costs, and provide farmers with access to more specialised financial services tailored to their needs.
- 2.8 Banks should **improve access to interest-only loans for farmers** with sufficient equity, particularly those with Loan-to-Value Ratios (LVRs) of 50% or more. Interest-only loans provide essential financial relief during tough periods, allowing farmers to manage their finances without adding undue risk to the banking system.
- 2.9 **Farmhouses should be classified as residential properties for mortgage purposes**, rather than being categorised under commercial or agricultural loans. This change would allow farmers to access lower residential mortgage rates, easing the financial pressure created by the current misclassification.
- 2.10 **Banks need to take responsibility for maintaining strong relationships with their rural clients**. This can be achieved by ensuring regular on-farm visits by relationship managers, particularly for farmers with substantial loans. Personal contact would foster trust and ensure farmers are supported in managing their financial operations, rather than relying on impersonal service channels.
- 2.11 Finally, the Government and select committees should **monitor the impact of the Net Zero Banking Alliance (NZBA) on agricultural lending**. While the NZBA's environmental goals are important, uniform lending practices driven by net-zero commitments could limit competition and restrict access to credit for farmers. Proper oversight is needed to ensure these policies do not disadvantage the rural sector.

3. GENERAL COMMENTS

3.1 Federated Farmers urges the committee to address the growing challenges in New Zealand's agricultural sector: banking practices and regulations that are increasingly out of step with farmers' needs. Rising borrowing costs, limited access to competitive financial products, and restrictive lending policies are placing undue pressure on farmers, who are vital to the country's economy. The current system is not providing the flexibility or fairness required to support the long-term sustainability and growth of the sector. Urgent action is needed to create a banking environment that empowers farmers rather than hindering them.

(a) Real-World Impacts of Current Banking Practices

3.2 This submission highlights the significant impacts current banking practices are having on New Zealand's farmers. From higher interest rates to limited competition, and from a lack of transparency to inappropriate lending practices, farmers are bearing the brunt of a system not designed with their needs in mind.

3.3 The current banking environment is marked by limited competition, restrictive lending policies, and capital requirements that, while aimed at resilience, are placing undue strain on the sector that fuels our economy. Farmers are finding it increasingly difficult to access fair and flexible financial services, and this must change.

3.4 One farmer noted, *"While I appreciate the customer margin should always reflect the mix of security and customer ratings, the bank-imposed margins on top of the COF need to be regularly and independently reviewed."* (Appendix C-16)

(b) Capital Requirements and Rural Lending

3.5 The Reserve Bank's 2019 decision to raise capital requirements, aimed at protecting the financial system from a one-in-two-hundred-year shock, has disproportionately impacted rural lending. The increased capital thresholds and risk-weighting of agricultural loans have driven up borrowing costs for farmers, making it harder to secure loans at reasonable rates.

3.6 One farmer shared: *"Is there a reason one business should be disadvantaged compared to other NZ businesses, where is the equality within New Zealand businesses."* (Appendix A-84)

3.7 Farmers repeatedly voiced their frustration with higher borrowing costs, despite rural loans being secured against valuable land. These loans are treated as higher risk by banks, leading to unjustifiably higher rates.

(c) Open Banking as a Partial Solution

- 3.8 Open Banking offers a partial solution by fostering competition and empowering farmers to take control of their financial choices. Farmers have expressed frustration over how difficult it can be to switch banks, despite having substantial equity.
- 3.9 One respondent said, *“Open banking would I believe make a big difference to rural banking market. We changed banks a few years ago and it’s disruptive and stressful.”* (Appendix A-60)
- 3.10 For Open Banking to succeed, regulations must ensure banks are transparent with fees and policies and make it easier for rural businesses to switch financial providers.

(d) Classification of Farmhouses as Commercial Loans

- 3.11 One minor adjustment is urgently needed: farmers are being forced to take out commercial or agricultural loans on what could easily be rated as residential property rather than commercial property. This classification results in higher interest rates for what should be considered residential mortgages, adding financial pressure.

(e) Lack of Competition and Barriers to Switching Banks

- 3.12 Survey data reinforces the need for competition, with 40% of respondents indicating they would consider moving to Kiwibank if it offered agricultural banking services. Many farmers feel trapped by their current banking relationships.
- 3.13 One farmer shared, *“We changed banks 18 months ago. Our new bank tried to make it as easy as they could, but it was still a lot of work and hassle.”* (Appendix A-376).
- 3.14 10% of respondents reported being unable to switch banks when they tried, representing a significant number of farmers who are effectively locked in due to bureaucratic barriers or the lack of viable alternatives.

(f) Transparency in Banking Practices

- 3.15 Federated Farmers members have consistently called for clearer explanations of how banks set their rates and margins. Many farmers feel they are being left in the dark, unable to understand why they are charged higher rates than urban businesses.
- 3.16 This lack of transparency fuels distrust between farmers and their banks, underscoring the need for an annual Select Committee review of banking practices.

(g) Increasing Competition in Agricultural Lending

- 3.17 Competition, or the lack thereof, is a recurring theme in the feedback. Farmers are calling for more players in the agricultural lending market to drive better terms and service. Capitalising Kiwibank to enter the agricultural sector would be a step forward.
- 3.18 40% of farmers expressed interest in moving to Kiwibank, demonstrating that the market is ripe for disruption. Other measures, such as adjusting overseas investment rules to attract international banks, introducing regional development banks, and providing interest-only loans for certain farmers, would also enhance competition.

(h) Misuse of Overdrafts for Capital Project Investments

- 3.19 Our survey revealed that 12% of farmers are being asked to use overdrafts to fund major capital investments. Overdrafts are meant to be short-term tools for managing cash flow, not for financing long-term projects. Average OD interest rate costs were 10.6% according to our May survey.
- 3.20 One respondent shared, *“12 months ago when we required an extension of our overdraft to what we believed was an existing limit which had never been accessed, we were denied it... After the dust settled our manager finally admitted that yes we did have pre-approval to extend OD and should not have had to go through that process. But for us it was too little, too late.”* (Appendix A-3)

(i) Environmental Compliance and Loan Conditions

- 3.21 A growing trend in loan conditions is the inclusion of environmental compliance requirements. Our survey found that 18% of farmers are now being asked about their emissions profiles as part of loan conditions.
- 3.22 One farmer said, *“I feel [t]he bank is starting to ask for too much information. EG Personal expenses. Regulation compliances such as the Fonterra cooperative difference [sic] and enviromental [sic] compliance.”* (Appendix A-143)
- 3.23 While sustainability is important, it is essential to ensure these requirements do not further marginalise farmers or place them at a competitive disadvantage.

4. CAPITAL REQUIREMENTS AND SUPPORTING FACTORS

4.1 In 2019, Reserve Bank Governor Adrian Orr set new capital requirements aimed at enhancing the resilience of New Zealand's financial system. The goal was to ensure the banking sector could withstand shocks anticipated once every 200 years, doubling the previous standard of once every 100 years. As a result, New Zealand's capital requirements are now among the strictest in the world.

4.2 The total capital requirement for systemically important banks (D-SIBs) in New Zealand moved from 10.5% to 18% of Risk-Weighted Assets (RWA). Some farmers, however, feel that these capital requirements place an excessive burden on the agricultural sector.

4.3 A former rural bank manager shared insight into this issue: *"The heat really came on rural loans around 6-7yrs ago when the RBNZ made banks essentially double their capital requirements... Not only did this push margins through the roof, the worst thing is it also made longer term fixed rates exponentially higher"* (Appendix C-24).

4.4 This is because the denominator in the capital ratio calculation, Risk-Weighted Assets (RWA), comprises Credit Risk, Market Risk, and Operational Risk. Different asset classes receive varying risk weights for credit risk, which directly impacts capital requirements. For instance:

- Cash, claims on the Crown, the Reserve Bank, and high-quality sovereign bonds generally carry a 0% risk weight, requiring no capital.
- Residential mortgage lending typically carries a risk weight between 35% and 100%, translating to a capital requirement of \$5.60 to \$16 for every \$100 lent.
- Small and Medium-sized Enterprise (SME) loans, including farm loans, usually have risk weights ranging from 100% to 150%, requiring banks to hold \$16 to **\$24 in equity for every \$100 lent** for farms.

4.5 In other words, banks must multiply their capital requirement (18%) by the RWA (100%-150% for farms) to determine how much capital to set aside for each loan.

4.6 One farmer expressed frustration: *"I see no reason why banks are forced to hold more capital against rural loans. Farming is not higher risk than the property market... This forces unfair margins on farming"* (Appendix C-172).

4.7 Suggestions to improve agricultural lending

4.8 This sub-section outlines several suggestions for adjusting capital requirements and encouraging greater competition in agricultural lending. These ideas are intended for both the committee and banks to consider, as they could lead to better lending practices and improved outcomes for farmers.

(a) One-in-100-Year Standard

4.9 We suggest changing Adrian Orr's one-in-200-year capital standard and return to a one-in-100-year standard. The current stringent requirements are among the toughest globally and disproportionately affect agricultural lending, driving up costs for farmers.

- 4.11 This could come in the form of a specific recommendation by the committee; and in addition, a letter by the Minister of Finance to the Governor of RBNZ, stating that a one-hundred-year risk rating should be considered reasonable.

(b) Aligning RWAs with Residential Mortgages

- 4.12 Another suggestion is to align the risk weightings for agricultural loans with those of residential mortgage lending. This could be done directly or through the introduction of an Agriculture Supporting Factor (explained below). Or by simply instructing the RBNZ to reduce risk weightings for agriculture loans. This would lower the capital banks need to hold, making borrowing less expensive for farmers.

(c) Lowering Overall Capital Requirements

- 4.12 We also propose reducing overall capital requirements for all banks from the current 18% back to where they were at 10.5%, or to a more reasonable middle ground. Lowering this burden would encourage investment across all industries, including the agriculture sector, leading to greater growth in NZ.

(d) Transparency of Internal Risk Models

- 4.13 Banks currently use proprietary internal models to calculate risk weights, but there is little transparency about how these models are applied to agricultural loans. We suggest that these internal risk models be made available for review. This would allow both the committee and industry stakeholders to better assess whether farmers are being treated fairly in terms of loan pricing.

(e) Agriculture Supporting Factor (ASF)

- 4.14 The ASF is a proposed mechanism designed to reduce capital requirements for agricultural loans by adjusting the risk weights banks must apply. Agricultural loans currently have higher risk weights, typically between 100% and 150%, leading to increased borrowing costs for farmers. Introducing an ASF would reduce these risk weights—potentially to around 65.625%—lowering the amount of capital banks need to hold for each loan.
- 4.15 For instance, banks might only need to hold \$10.50 to \$15.75 in equity for every \$100 lent to farmers, compared **to the current \$16 to \$24**. This would make agricultural lending less capital-intensive and reduce borrowing costs.
- 4.16 To ensure the RBNZ implements these changes effectively, primary legislation may be required. Such legislation could compel the RBNZ to adopt the ASF or a similar measure, ensuring agricultural lending is more competitive and fair. This would require the central bank to address the needs of the agricultural sector.
- 4.17 It is important that any capital relief provided through the ASF be monitored to ensure that it increases credit availability and benefits the farming community. By reducing the financial burden on both banks and farmers, the ASF would promote greater lending activity and support the sector's investment in sustainability and productivity.

5. OVERSIGHT OF BANKS AND THE NET ZERO BANKING ALLIANCE

- 5.1 There has been a recent shift in bankers' behaviour, likely driven by developments such as the Rural Bank briefing, this committee's inquiry, and increased media coverage. Banks have become more proactive in offering agricultural products and competing for rural business, particularly in the lower South Island. However, this is likely a short-term response to avoid scrutiny, rather than a long-term change. For example, banks in the lower South Island are now offering rates closer to 5%.
- 5.2 This suggests that the prospect of being accountable to a select committee is already influencing banks positively. An annual appearance before a select committee could further improve competition and scrutiny. Knowing their actions will be reviewed could deter unfair practices and encourage transparency and equitable banking.
- 5.3 As an example; the survey conducted for this submission revealed that **22% of farmers believed their bank wasn't allowing them to structure their debt as interest-efficiently as possible**, while 18% were unsure. One farmer pointed out that while rural banking margins have increased significantly since the global financial crisis, this hasn't necessarily led to better outcomes for customers: *"Undoubtedly all rural lenders have significantly increased the lending margin and the liquidity premiums over wholesale funds charged onto farmers since I was a rural manager in 2003-2006... It is the margins that need attention, not the OCR."* (Appendix A-346)
- 5.4 To make these annual reviews meaningful, questions ought to be developed in consultation with Treasury and industry experts. Standardising these questions across banks would allow for consistent comparisons, ensuring that all financial institutions are held to the same high standards of transparency and fairness. One experienced banker commented on the way banks currently present their data, noting: *"Take a look at interestrates.co.nz. Who would choose a floating rate with such ridiculously high margins? It's not a fair comparison. Instead, look at the BKBM and swap rates, and compare the margin on home loan rates against that. The 6-month-plus rates are the key. What all banks need to do is disclose the margin gap they make between agricultural and residential loans if they were honest. That's the only fair approach, and it should be compulsory."* (Experienced financier, name withheld). This highlights the need for greater transparency in how banks report their lending practices and reinforces the importance of standardised scrutiny by the committee.
- 5.5 This process would also provide a mechanism to assess whether all borrowers, particularly farmers, are being treated fairly. By scrutinising interest rate margins, loan conditions, and overall lending practices, the select committee could help ensure that rates are fair and reasonable across all sectors. One farmer expressed the ongoing frustration of unequal treatment between rural and urban borrowers: *"Rural Banking services are not serving the NZ agri sector well. Interest rate creep is real & the ongoing differential between housing and productive loans... is not justified nor acceptable."* (Appendix C-353)
- 5.6 Oversight could also cover broader developments in the banking sector, including the impact of the Net Zero Banking Alliance (NZBA) on agricultural lending. The NZBA commits member banks to transition their lending portfolios to net-zero emissions by 2050, a goal shared by all major agricultural lenders in New Zealand. However, there

is concern that this collective alignment could lead to uniform lending practices that limit options for farmers and create an uncompetitive market. In fact, **18% of farmers surveyed reported being asked about their emissions profile as part of loan conditions, while 81% opposed funding discounted green products through higher rates for other borrowers.**

- 5.7 This alignment raises serious concerns about banks acting as *pseudo-regulators*, dictating farm operations and decisions around emissions to fit their own sustainability agendas. Such practices set a dangerous precedent. Banks have no business enforcing compliance with environmental regulations or making lending conditional on sustainability measures, particularly when these are neither uniformly applicable nor fair to all borrowers. This slippery slope risks creating an environment where farmers are pressured into meeting arbitrary targets without the flexibility or financial support necessary to do so, ultimately undermining their ability to run viable businesses.
- 5.8 As one farmer put it *“The problem with offering an incentive to reduce GHGs (or other environmental issues such as riparian areas), is that it disadvantages those who have done their best to keep these things low already, and rewards those who are currently high emitters so have a large percentage drop when they finally do the low-hanging stuff others did years ago. Or if things like freight to remote areas are included in GHGs, we cannot help where we live.”* (Appendix A-317)
- 5.9 As banks align their lending criteria with NZBA guidelines, the risk of homogenised lending practices becomes apparent. This could reduce competition and force farmers into costly compliance. One farmer reflected on this issue: *“During end-of-year budget discussions, we’ve been asked about sustainability and environmental plans... We were told about a ‘green loan’ to help with environmental goals, but it wasn’t financially viable for us.”* (Appendix A-90). Others expressed frustration over banks’ involvement in emissions-related issues: *“Banks should not be getting into the emissions space.”* (Appendix C-56) Another respondent echoed this sentiment: *“Don’t involve bank loans with carbon emissions. That is not a bank’s job!”* (Appendix C-282)
- 5.10 By integrating NZBA oversight into the annual select committee review, the government can monitor how net-zero commitments impact lending and competition in agriculture. This scrutiny could highlight if regulatory adjustments or capital changes are needed to ensure a fair financial environment while preventing banks from aligning their practices too closely. As one farmer notes *“Banks should not be an extra lever to coerce people into unscientific ‘green’ initiatives.”* (Appendix C-55)
- 5.11 This combined approach—annual select committee reviews that cover both general banking practices and NZBA-related activities—would help ensure that the banking sector remains both competitive and transparent. It would protect farmers from potentially harmful, uniform lending practices while supporting broader sustainability goals. One farmer emphasised the need for fair access to funds to support sustainability projects: *“Farmers need to be able to afford to do green projects, decarbonise, riparian plantings, decent effluent, replace woolsheds... An interest rate margin reduction will assist.”* (Appendix C-353) Ultimately, this process would contribute to a financial market that serves the needs of all borrowers and promotes economic resilience in New Zealand’s agricultural sector.

6. OPEN BANKING TO EMPOWER FARMERS AND INCREASE COMPETITION

- 6.1 Federated Farmers supports the introduction of open banking regulations that address the unique needs of the agricultural sector. Farmers need access to financial products that are tailored to the cyclical nature of their income and business models, and open banking could help achieve this by enabling them to compare and access those options more easily. One farmer summed up the potential benefit: *“Open banking for fair comparison across banks.”* (Appendix C-306)
- 6.2 Open banking represents a significant opportunity to boost competition and empower farmers by providing them with greater control over their financial data. It would allow farmers to more easily compare banking products, seek out better deals, and ultimately reduce costs by fostering a more competitive market. This aligns with the feedback we received from the survey, where **10.4% of farmers answered ‘yes’ to the question, “Have you tried to change banks and not been able to?”** We think this is high, and indicates a wider issue of farmers facing barriers when attempting to switch banks, underscoring the importance of open banking.
- 6.3 Under the current system, switching banks is often a complex and costly process for farmers. Transferring financial data and building new banking relationships can be a major hurdle, leaving many feeling trapped by their existing banking arrangements. As one farmer noted: *“Open banking is [the] most important thing that can be done to create an environment where customers can freely move from one bank to another without having to change account numbers. The Reserve Bank’s restrictive criteria need to be reviewed as it is also restricting lending opportunities.”* (Appendix C-307)
- 6.4 Open banking would streamline this process by requiring banks to provide secure, standardised access to customer financial data through Application Programming Interfaces (APIs). This would make it easier for farmers to transfer their financial data between banks, shop around for the best rates, and access bespoke lending options.
- 6.5 With the right regulatory framework in place, open banking could promote innovation in financial products specifically designed for the agricultural sector. In practical terms, this requires collaboration between government, regulators, and financial institutions to create a system that is both secure and easy to use. The Reserve Bank and other regulatory bodies must ensure that banks adhere to standardised data-sharing protocols to make open banking work smoothly. Farmers already face significant challenges in managing their financial operations, and simplifying the process of comparing and switching banks would help ease that burden.
- 6.6 To illustrate this, another farmer emphasised how beneficial open banking could be in easing the process of switching banks: *“Open banking where your account number can move with you would make all the difference in helping to start thinking of looking elsewhere. It is a major job to change banks when there is a lot of time pressure on farming already.”* (Appendix C-272)

7. CAPITALISING KIWIBANK TO ENTER AGRICULTURE LENDING

- 7.0 New Zealand's agricultural lending is controlled by a few large banks, driving up costs for farmers. While the Commerce Commission suggests capitalising Kiwibank, unless it commits to rural lending, this won't solve the issues. Without a clear focus on agriculture, capitalising Kiwibank won't benefit the farming communities. One respondent noted: *"More competition is needed, especially the removal of barriers to changing banks. Would like to see Kiwibank up its game."* (Appendix C-24)
- 7.1 The Commerce Commission's recent findings confirm that a lack of competition in agricultural lending is a major issue for farmers. It identifies Kiwibank as having the potential to increase competition and provide better alternatives to current options. This is backed by our survey feedback: **40% of respondents said they would consider moving to Kiwibank if it offered agricultural banking services**. A further 38% said they were unsure, and only 20% stated that they wouldn't go with Kiwibank. One respondent emphasised: *"Options like Kiwibank being better capitalised to provide more competition is a good one, but a good look at their statement of corporate intent with key metrics they need to hit would be important around providing more cost-effective lending."* (Appendix C-273)
- 7.2 The main challenge is ensuring that Kiwibank has the right capital settings to enter agricultural lending. Beyond financial incentives, a Government directive encouraging Kiwibank to prioritise agriculture lending would signal the national importance of this sector. One farmer said: *"That will need to come at the expense of what level of dividend Government expect from Kiwibank, but if powers up business that will be a small price."* (Appendix C-273)
- 7.3 For Kiwibank to compete effectively in this space, significant capitalisation is required. The Commerce Commission has pointed to several potential pathways, including utilising KiwiSaver funds, the New Zealand Superannuation Fund (Cullen Fund), or ACC. These measures would provide the financial backing necessary for Kiwibank to establish a meaningful presence in agricultural lending. A stronger, well-capitalised Kiwibank would give farmers the opportunity to access more competitive financial products, which is something many are open to exploring: *"More competitive banking options are needed in NZ regardless of your enterprise. I have no loyalty feelings for my bank and have often considered switching to Kiwibank."* (Appendix C-289)
- 7.4 Without a strong push into the agriculture market, the capitalisation of Kiwibank will be of little consequence to farmers. Entering this space would not only enhance competition but also give farmers better access to credit on fairer, more competitive terms. This aligns with broader economic goals, including supporting the sustainability of rural communities and ensuring that the agricultural sector continues to be a driving force in New Zealand's economy.
- 7.5 Federated Farmers recommends the Government take proactive steps to capitalise Kiwibank and incentivise its entry into the agriculture market through altering capital requirements. Furthermore, issuing a Government directive to prioritise agricultural lending would ensure that this opportunity is not overlooked. With the right backing and direction, Kiwibank can deliver real, tangible benefits to the farming community by providing greater choice and more competitive financial products.

8. FARMHOUSES TO BE CONSIDERED FOR RESIDENTIAL MORTGAGE RATES

- 8.1 Farmers are currently facing unnecessarily high interest rates on houses on their property due to the way Reserve Bank regulations classify their properties. Unlike standard residential homeowners, farmers frequently find houses on their property falling under the category of commercial or agricultural loans, which carry significantly higher interest rates.
- 8.2 This misclassification is not just a financial strain—it reveals a regulatory blind spot. Farmhouses often serve dual purposes: as family residences and as part of the broader farming operation. Yet the current rules ignore this distinction, applying the same terms as they would to a purely commercial enterprise.
- 8.3 Under current regulations, if a house on a farm is funded by farm income or included in the marketing of a farming operation, it cannot be classified as a residential property. As a result, these homes are treated as commercial or agricultural properties, which subjects them to higher interest rates and more stringent capital requirements, leading to increased costs for farmers.
- 8.4 Banking Prudential Requirement 131, Section C3.2 states:
1. *RML means a loan secured by a first ranking mortgage over a residential property used primarily for residential purposes by the mortgagor, a related party of the mortgagor, or a tenant of the mortgagor.*
 2. *A loan may not be classified as a RML if the mortgaged property is predominantly used for farming or commercial activities.*
 3. *A property will be considered to be predominantly used for farming or commercial activity if, for example,—*
 - a. *the mortgaged property would be marketed as a farm or a commercial property;*
or
 - b. *the principal or interest payments are predominantly serviced from the income generated by the use of the property for farming or commercial activity, except where that income is rental income, and the property is used for a residential purpose.*
 4. *For the purpose of this section, predominantly means more than 50%.*
- 8.5 This regulation unfairly penalises farmers by imposing commercial interest rates on houses on a farm. The key issue here is that the law applies a one-size-fits-all approach, failing to recognise the nuanced nature of farming life where the line between home and business is often blurred.
- 8.6 Federated Farmers recommends that houses located on a farm be eligible to be classified as a residential property for the purposes of residential mortgage loans. This wouldn't have an impact on income tax, just the amount of interest paid by farmers.
- 8.7 Amending this classification would allow farmers to access residential mortgage rates for the farmhouse portion of their property, rather than being unfairly charged at higher commercial rates. It would ease the financial burden on farming families and bring fairness to how these properties are treated under current lending regulations.

9.0 INCREASING COMPETITION IN AGRICULTURE LENDING

- 9.1 This section offers ideas to increase competition in agricultural lending, aimed at benefiting both farmers and banks. The suggestions focus on improving flexibility, lowering costs, and fostering a more dynamic lending environment.
- 9.2 Increasing competition in agricultural lending is essential to provide farmers with better financial products and flexibility. The dominance of a few large banks has driven up costs and limited options. Expanding the range of lenders would create a more competitive environment.
- 9.3 Revisiting overseas investment rules could attract international banks with agricultural expertise, introducing fresh competition and offering more competitive loan terms. This aligns with the government's current work on overseas investment.
- 9.4 Creating some rules, or an internal default, where farmers with Loan-to-Value Ratios (LVRs) of 50% or higher should be entitled to access interest-only loans, easing cash flow during tough periods. This would offer financial flexibility without adding undue risk to the lending system.
- 9.5 Granting rural lending managers more autonomy is another crucial improvement that could lead to better outcomes for farmers. These managers understand farming realities on the ground but are often constrained by centralised systems. Empowering them to make localised decisions rather than an Auckland based computer.
- 9.6 There is also value in exploring regulatory adjustments for non-systemically important banks, easing some of the requirements that currently act as barriers to their participation in agricultural lending. Allowing smaller institutions more flexibility could create a more dynamic market, providing farmers with better options.
- 9.7 Banks need to develop loan products tailored to the seasonal fluctuations in farming income. Flexible repayment schedules would help reduce financial pressure, while well-collateralised loans—especially those with high equity—should attract more competitive interest rates, reflecting their lower risk.
- 9.8 Strong relationships between banks and farmers are vital. Farmers with multi-million-dollar loans shouldn't be stuck calling 0800 numbers. Regular on-farm visits by relationship managers would foster trust and provide the support farmers need.
- 9.9 Additionally, the Financial Advisors Act may be inadvertently restricting rural lending managers' ability to offer tailored financial advice. Revisiting this legislation could empower them to provide more personalised services, helping farmers navigate financial challenges more effectively.
- 9.10 Federated Farmers recommends that the Government and financial institutions work together to develop innovative lending solutions for Māori landowners engaged in farming. Current restrictions on using Māori freehold land as collateral have made it difficult for Māori farmers to access necessary capital, preventing them from fully participating in the agricultural economy.

- 9.11 Solutions could include more flexible loan structures and frameworks that respect the communal ownership of Māori land while allowing farmers to capitalise on the increasing value of their whenua. These efforts would not only support Māori farming but also contribute to a more equitable and competitive rural banking environment.
- 9.12 Finally, the Federated Farmers Banking Survey provides valuable insights into how well banks are meeting rural clients' needs. We suggest banks, who will be reading this submission, use this data as a key performance benchmark to ensure their services are evolving in line with the farming community's expectations.

10 SECTION TWO: COMMERCE COMMISSIONS REVIEW OF RETAIL BANKING

10.1 Federated Farmers supports the Commerce Commission's retail banking recommendations but urges more focus on rural and agricultural lending, where complexities are greater. While capitalising Kiwibank is essential for competition, it must enter the agriculture sector to benefit farmers. Open banking should also account for rural challenges, like securitising farmland.

Recommendation 1: *The Government, as Kiwibank's owner, should consider what is necessary to make Kiwibank a disruptive competitor, including how to provide it with access to more capital.*

Comment: Kiwibank should be explicitly required to target agriculture lending as part of this disruption. This is important for farmers. Additionally, the Government could consider moving its own banking to Kiwibank, helping to bolster the bank's capital and spread risk.

Recommendation 2: *Industry and the Government should commit to ensuring open banking is fully operational by June 2026.*

Comment: Open banking would make it easier for farmers to change banks, driving competition. It's essential that open banking also allows for smoother transfer of securitised assets in rural lending.

Recommendation 3: *The Government should support open banking by being an early adopter and taking an All-of-Government approach to payments enabled by open banking functionality.*

Comment: Ensure that rural areas have the necessary infrastructure in place to fully benefit from open banking.

Recommendation 4: *The Reserve Bank should broaden the way it undertakes competition assessments under the Deposit Takers Act, placing more focus on reducing barriers to entry and expansion in the banking sector.*

Comment: More competition is good for farmers. Reducing barriers for new players will diversify options and foster a more competitive environment.

Recommendation 5: *The Reserve Bank should place greater emphasis on competition in several specific upcoming decisions.*

Comment: More competition is good for farmers. Reducing barriers for new players will diversify options and foster a more competitive environment.

Recommendation 6: *The Government should ensure that existing legislation and future decisions do not unintentionally favour banks, particularly larger banks, over other providers.*

Comment: It is important that Reserve Bank decisions do not disproportionately impact rural New Zealand.

Recommendation 7: *The Government should lessen barriers to switching home loan providers as part of the Credit Contracts and Consumer Finance Act (CCCFA) reforms.*

Comment: We need to ensure that the lessening of such barriers must have benefits beyond just home loans, but also deliver benefits for agriculture lending

Recommendation 8: *The Government should prioritise competition concerns when reforming the Anti-Money Laundering and Counter Financing of Terrorism regime.*

Comment: More competition is good for farmers. Reducing barriers for new players will diversify options and foster a more competitive environment.

Recommendation 9: *Banks should invest in making improvements to their switching services.*

Comment: Farmers find it unnecessarily difficult to switch banks, according to our survey 10% of farmers tried to switch banks but were unable to.

Recommendation 10: *Home loan providers should present offers in a readily comparable manner, accounting specifically for the effective value of cash contributions.*

Comment: All lending occurs in a readily comparable manner to ensure the benefits are felt by more than urban homeowners, but also rural borrowers as well.

Recommendation 11: *Home loan providers should pro-rate all clawbacks for mortgage adviser commissions and bank cash contributions.*

Comment: Transparency is good. This ties into our broader recommendation for more open information from banks.

Recommendation 12: *Mortgage advisers and banks should make changes to promote price competition and support it.*

Comment: Promoting price competition is positive, but we need to ensure this also benefits the rural sector who have limited competition in the banking market.

Recommendation 13: *Industry and the Government should prioritise reducing barriers to lending for housing on Māori freehold land.*

Comment: Such a move would help with revitalising many rural communities. It is important that all communities, including rural Māori, have equitable access to financial services. We would also hope this applies to Māori farming land.

Recommendation 14: *Industry should make basic bank accounts widely available.*

Comment: Ensuring widespread access to basic bank accounts supports financial inclusion is important for everyone. In rural areas, ensuring that basic banking services are easily accessible is key to supporting the wider rural economy and enabling everyday financial management for all members of these communities.

11 SECTION THREE: QUANTITATIVE SURVEY RESULTS

11.1 We conducted a survey between 21 August and 2 September 2024, receiving 1,151 responses from farmers of various regions and farm types. The survey gathered firsthand accounts of farmers' experiences with their banks to inform this submission.

11.2 The full survey results, can be located in the appendix E. According to our survey:

- (a) Farmers are carrying substantial debt burdens, with the average mortgage sitting at **\$5,067,000 and an average interest rate of 8.20%**. This highlights the financial pressure on farmers compared to urban homeowners, who typically face lower rates.
- (b) **20% of farmers reported using livestock finance** or hire purchase, with an **average interest rate of 6%**, adding another layer of debt to manage alongside mortgages.
- (c) **18% of farmers are now being asked about their emissions profiles as part of loan** conditions. This introduces additional pressure and complexity when securing loans, tying environmental compliance to financial decisions.
- (d) More than **1 in 5 farmers (22%) reported that their bank is not allowing them to structure their debt in the most interest-efficient manner**. A further 18% are unsure, meaning that nearly 40% of farmers find debt structuring inefficient or are unaware of their options.
- (e) **12% of farmers are being asked to use their overdrafts to fund capital projects**, a practice that puts them at risk of liquidity crises and exposes them to high interest rates on long-term debt.
- (f) **40% of respondents indicated they would consider moving to Kiwibank** if it offered agricultural banking services, suggesting significant dissatisfaction with current options.
- (g) **10% of farmers said they had tried to change banks but were unable to**, representing 1 in 10 farmers facing significant barriers to switching banks.
- (h) **13% of farmers—roughly 1 in 8—reported that they cannot get their bank manager on the phone** when they need them, a serious concern for farmers who rely on timely financial decisions.
- (i) **37% of farmers strongly disagreed with discounted loan rates tied to reduced emissions, with an additional 21% disagreeing**. Many oppose the idea that these discounts could be funded by other farmers paying higher rates, with 58% strongly disagreeing.

12. SECTION FOUR: SUMMARY OF FARMERS EXPERIENCES WITH THEIR BANKS

12.1 This summary presents insights from the qualitative section of Federated Farmers' most recent banking survey, conducted from 21 to 29 August 2024. Members shared their experiences and views on rural banking, providing a wide range of responses. Key themes have been drawn from four major questions in the survey, illustrated with direct quotes.

12.2 Please note, the full results and comments are listed in Appendix A through D in the final section of this submission. This is just a high level summary trying to capture the voice of farmers succinctly.

To note:

- These responses are unfiltered, unmoderated, and unedited for content, spelling, or colourful language.
- However, all single word responses 'Yes' 'No' 'N/A' etc were removed. The comments are the focus of this section.
- We have done our best to remove all names in this document.

12.3 The four questions asked were as follows, and a summary of responses listed below:

A. *Have you had any experiences with your bank that you your like to share with the Select Committee banking inquiry?*

B. *Do you feel you have been unfairly denied access to finance, if so, what happened?*

C. *What would you like to say to the Select Committee on rural banking?*

D. *Any further comments you like to make?*

13. Have you had any experiences with your bank that you would like to share with the Select Committee banking inquiry?

13.1 Farmers expressed a wide range of experiences with their banks, with many voicing frustration. Common themes included frequent changes in account managers, impersonal service from their banks, and inconsistent banking policies. A number of farmers shared that they felt abandoned by their banks during critical times, such as calving season or during financial hardship.

13.2 The frustration is palpable, many farmers still feel mistreated, as one respondent noted: *"Treated like I'm dummy with million dollar assets."* (Appendix B-207)

13.3 Another farmer highlighted the difficulty in maintaining long-term relationships with banks: *"had about 16 rural bank managers over 42 years some very good others lack people skills and dont really understand what you are trying to achieve in your farming business on top of meeting commitments one guy from westpac never came to our farm for 2.5 years."* (Appendix A-110)

13.4 Finally: *I feel [t]he bank is starting to ask for too much information. EG Personal expenses. Regulation compliances such as the Fonterra cooperative differance [sic] and enviromental [sic] compliance."* (Appendix A-143)

14 Do you feel you have been unfairly denied access to finance, if so, what happened?

- 14.1 Accessing finance remains a significant challenge, particularly for smaller-scale or younger farmers. Despite having substantial equity, many respondents reported being denied loans or offered finance with unfavourable terms, citing high interest rates and restrictive lending criteria.
- 14.2 A farmer shared their frustration: *After being an ANZ client servicing mortgages for 30yrs I was refused a mortgage for a new farm property despite having close to 70% equity. Having already sold my farm in order to complete the new property purchase this put me in a difficult position.*” (Appendix A-12)
- 14.3 Others pointed out the disparity in urban and rural rates *“Difference between our investment property loan and rural loan is 1.23 percent secured against the same property”* (Appendix A-85)
- 14.4 A similar point: *“I have previously asked my manager why I pay a higher mortgage base rate as a farmer than a person with a house mortgage... Surely this qualifies for a mortgage at the same rate as a house mortgage.”* (Appendix A-154)

15. What would you like to say to the Select Committee on rural banking?

- 15.1 Farmers overwhelmingly called for more transparency in how banks set their rates and margins. Many felt left in the dark about why they were being charged higher rates, leading to distrust and frustration.
- 15.2 One said *“After working as a rural banker for ~10years and now farming fulltime, I appreciate this is not as clear as some may be led to believe. The legislative requirements imposed created a scary place for banks following the low payouts in recent times. A lot of changes were imposed on farmers then to ensure banks met Reserve bank thresholds and maintained strong ROE's for their respective rural divisions. i.e. security thresholds increased, non-utilization fees charged on OD's etc. My concern is that perhaps things have not been adjusted as pragmatically as we would hope as farmers.*
While I appreciate the customer margin should always reflect the mix of security and customer ratings, the bank-imposed margins on top of the COF needs to be regularly and independently reviewed. (Appendix C-16)
- 15.3 Many farmers also expressed a desire for more competition in the banking sector, with several suggesting that open banking could be a solution. Farmers expressed a desire for more accountability in the banking system, with several suggesting that the Committee should address these issues directly to ensure fairer treatment for rural customers.

16. Any further comments you would like to make?

- 16.1 Farmers' final comments echoed their dissatisfaction with current banking practices, with many feeling that banks were more focused on profit than supporting the agricultural sector. The perception was that banks were driven by shareholder interests, leaving farmers feeling undervalued.
- 16.2 *"My only concern with the bank is that agri is seen as more riskier than home loans. We have to work on getting rid of that perception. For that, I need all farmers having the same attitude to be the best rather than letting the bank decide who is the best. Our industrie will be a winner if we can convincingly show the world that we are good for our money. Time will tell."* (Appendix D-52)
- 16.3 Several respondents also raised concerns about the growing compliance burden tied to environmental regulations, with many feeling that banks were capitalising on these regulations rather than genuinely supporting sustainability efforts.
- 16.4 *"Banks should reward us for being proactive with environmental initiatives, but it seems like they're more focused on making money from these regulations."* (Appendix A-196)
- 16.5 They also had some general comments to make on farming:
- 16.6 *"Without farms, there are no rural towns, and it will also cripple large towns as farmers hire truck drivers, contractors, shearers, bankers, and accountants. Without the farmers, these are also in for business reduction—FARMERS ARE AT THE WRONG END OF THE PRICE SETTING. We sell at wholesale and have to buy back at retail!"* (Appendix D-603)
- 16.7 *"My late father said, 'The Bank will give you an umbrella in the good times and take the shirt off your back in the bad times.' Nothing has changed!"* (Appendix D-3)
- 16.8 *"One percent drop in interest rates across all rural loans would make a huge benefit to all of NZ at present, not just rural people."* (Appendix D-5)
- 16.9 *"Transparency around margins. Rates reflect on-farm emission reduction."* (Appendix D-485)
- 16.10 *"Treat business lending on par with residential home lending. Also, I don't believe the banks should be allowed to offer better rates for people who have a supposedly lower GHG emissions while we still do not have an accurate measurement for this."* (Appendix D-487)
- 16.11 Feedback from Federated Farmers members shows widespread dissatisfaction with rural banking practices in New Zealand. Many feel abandoned by an increasingly impersonal system. Recurring issues include access to finance, interest rate disparities, and a lack of transparency, with farmers calling for greater competition and accountability in the sector.
- 16.12 Final comments, *"Richard McIntyre is a legend 🍷🍷🍷"* (Appendix D-191). *"Love your work Ollie"* (Appendix D-181)

APPENDIX: A THROUGH D

In the appendix below, A through D, you will find questions that were asked as a result of our banking survey of our members.

The survey was conducted 21 to 29 August 2024; sent out to all Federated Farmers members.

In this appendix, you will see the written responses to the following prompting questions

- A. Have you had any experiences with your bank that you your like to share with the Select Committee banking inquiry? [466 comments]
- B. Do you feel you have been unfairly denied access to finance, if so, what happened? [208 comments.]
- C. What would you like to say to the Select Committee on rural banking? [609 comments.]
- D. Any further comments you like to make? [228 comments.]

Some provisos to note:

- These responses are unfiltered, unmoderated, and unedited for content, spelling, or colourful language.
- However, all single word responses 'Yes' 'No' 'N/A' etc were removed. The comments are the focus of this section.
- We have done our best to remove all names in this document.

A. Have you had any experiences with your bank that you your like to share with the Select Committee banking inquiry?	
1	<ul style="list-style-type: none"> - The service level has dropped off as a result of lack of incentivised banking . - us older farmers are paying higher interest. (I am a consultant for a private biz discussion group and recently we compared rates and margins.) this resulted in one back dropping there liquidity margins. - lot of part time time banker farming and part time now. hard to get hold of. - large scale farmers are getting better interest rates. - and some farmers getting green loans for dubious reasons.
2	11 years ago I had a marriage break-up which cost me 1.65 mill on top of existing debt of about 3 mill. About 3 years later my ex came back with a new lawyer (no win no fee) and a Judge awarded her another mill. This put me outside ASB lending rules but they funded it on the basis that if I couldn't make it work I would go quietly. So I have around 5500000 term debt plus upto 600k od. I have struggled through the high interest rates, but now have real belief that the business will survive. I will stick with ASB because they have stuck with me. This is a 269 ha irrigated, mixed sheep, beef, and cropping farm, run by myself and my son.
3	12 months ago when we required an extension of our overdraft to what we believed was an existing limit which had never been accessed we were denied it. Then spent the next 2-3 weeks trying to convince our Bank manager that we had agreed to pre-approved levels 10 years ago. Had to re-summit financial budgets, show ways to reduce spending, agree to BNZ interest and principle repayment terms, emmissions reduction proof, all just to get Overdraft extended. This was at the busiest time of year (calving) and caused the most mental stress I have ever had to cope with, really strained the relationship with our bank manager (same manager for 15 years, also my parents manager (seperate farm businesses). Mentally has put us in a position where we never want to borrow more money to grow our farm business again. After the dust settled our manager finally admitted that yes we did have pre-approval to extend OD and should not have had to go through that process. But for us it was too little late.
4	18months ago we changed from rabobank to ANZ - quite frankly rabo were taking the piss with a mortgage rate 1.2%. Process of changing wad simple and less expensive than I imagined.
5	9.43% is greedy relative to a first mortgage over GV of \$15-5m aprox ASB refuse to recognise the potential of carbon credits to produce cash and exceed 150% interest cover ASB has even stated by letter that the Privacy Act does not apply to them I have evidence that ASB policies are designed to maximise returns from rural lending ASB declined to participate in Govt Gabrielle loans, since that would reduce returns
6	a few years ago when things were financially difficult for us the anz decided to have 6 monthly account manager visits to the farm instead of annual visits. Fair enough. However just as my account manager was stepping into his car to leave he let me know there

	would be a \$300 - \$500 charge for the visit! WTF!!! I would have thought it was this sort of work that he is being paid for ...its his job. They did this twice until I happened to meet the ANZ CFO at the horse of the year show in Hastings. After explaining whats happened he contacted the HB ANZ boss man and had the money refunded. I had a visit from this guy and my account manager some time later and just as the boss man was finishing his scones he said to me , "Well are you happy now [Name withheld] ? Because we can always claw it all back again by increasing your risk status!!" Oh how I have thought of the things I should have said to him but of course I was flabbergasted at the time and didn't have the words.
7	A great relationship .Always there on the phone. Easy to talk to. A great honest and frank relationship. Great ideas
8	A lot more intense cashflow budgeting has been demanded to secure seasonal finance As costs have increased and product prices have dropped over the last 2/3 years
9	A number of years ago I aproached Rabbobank for a loan to buy neighbouring property and the offered interest rate seemed very high even though at the time my existing farm was completely debt-free. Accordingly that proposed land purchase by me did not proceed.
10	About to meet and discuss with their executive team in Auckland next week around all of this. Science needs to be accurate and fair. All emissions should be mitigated by all trees sequestering carbon. It can't be based on the ETS rules. Banks are in the best position to provide clients with incentives (lowered interest rates) for those willing to show that they're all over environmental impacts, animal welfare, staff welfare, financial management (win/win for both farmers and banks). Meat processors are passing on nothing via NZFAP+, so feel that given the banks are making such horrendous profits, surely they can lead to some real industry improvement and change.
11	After being a customer for many years when we went to get a new loan, they no longer provide us with rural lending, we are now in the Hub which means that people you deal with really have no idea about your business. An example was a bank agent was delegated to answer a query about repayment of a portion of the loan and if we could re borrow in the future. After several generic answers I enquired to see if they actually knew what business we were in, and the answer was they hadn't even looked at our file. Hard to get value from service like that.
12	After being an ANZ client servicing mortgages for 30yrs I was refused a mortgage for a new farm property despite having close to 70% equity. Having already sold my farm in order to complete the new property purchase this put me in a difficult position. Heartland have been good to deal with and offered interest only finance however in the last couple of years my interest rate has gone from 4.25% to 10.15 currently meaning I am required to find an additional \$90000 for debt servicing.
13	All major banks are charging farmers too much interest.
14	Although we have been in the farming game for a long time, for the last couple of years we find ourselves in the position of being threatened to be taken to management. We have been fine until now when our interest rates doubled. Instead of dealing with the same bank manager, we are now dealing with minions who have very little life experience. We have always done what was asked of us but every time we have a meeting with them, requirements have changed and we now seem to be always on the back foot, no matter what we do. Valuations seem to be required yearly, at our expense and the banks have used these as justification to up our interest rates.

15	Although we have good equity that was once good enough, the move to cash income and throughput is not helpful for a sheep & beef business that historically has most of its income in 3-4 months and at present is under pressure from huge inflationary pressure while not only being not able to pass on costs, is in a downturn of income values.
16	always very good
17	ANZ - We had to change because they were dishonest
18	ANZ refused to accept I was a farmer as a Woman, and told me to get a residential loan as it would be easier to get approved. Westpac only marginally better but eventually agreed as I have banked with them for 30 years.
19	ANZ are not the same as several years ago, although my debt is quite low now they just seem harder to deal with. Interest rates should drop more than what they have
20	ANZ are waiting till the end of this month before they will pass on whatever % of the 25 point OCR drop from last week
21	ANZ Gore rural bankers have offered excellent top notch service, couldn't fault them
22	ANZ has now "approved" a limited list of land valuers that you can use when we have to mandatorily get valuations completed every 3 years. These valuers know it so can inflate their fees. The bank instructs the valuer, not the farmer, so they can "influence" the valuer if they wish.
23	ANZ have not passed on all the OCR Reductions during Covid. They also have passed on all the OCR increases plus .25 percent in anticipation of another rise that didn't happen.
24	ANZ Rural was scammed on farm Visa card for \$18,300. Noticed early, asked them to withhold payment of the scam deductions, they declined and said Visa would not allow that to occur and they wanted me to contact them next week. I did so, deductions had been made, after several weeks they said on the balance of probability it was probably our fault and they would only pay half back. We moved all farm banking and lending to Rabobank two months later at a cost of \$5,500 plus the scam loss of \$9,000.
25	ANZ seem to have a policy of rotating bank manager/client every few years. You finally develop a good working relationship then you have a new manager. It's easy for a new manager to be "hard nose" & inflexible when there isn't a relationship in place. I have an urban property which I have used to obtain a loan at housing rates. My rural lending has just gone down to 8.9% with the recent drops (but was over 9%) & the bank manager said "that's because you have that" (meaning my rural lending% was high because I also had a loan at normal housing rates). ANZ is now requesting I implement a new Deed of Postponement of debt for my wife. I own all the shares in the company and on paper my wife has provided a loan to the company (a convenient way to simply pay her an interest income, rather than wages & all associated drama). Frustrating to have to incur legal fees for that. Overdraft fees are 0.5% of the overdraft limit + \$12.50 per month (\$650pa for \$100k overdraft even if not used)
26	ANZ were not interested in me as a VOSM. Heartland Bank has been great to deal with
27	Appreciate having a bank manager that I can contact whenever I need to
28	Approached ASB to change banks but was declined as loan was not "big" enough.

29	As a sharemilker I put in a massive pool of people and I have no relationship with a manager. The person I deal with looks after over 100 people. I have not spoken to that person in almost 12 months and they never contact me to see how I'm getting on. I tried to look at moving to the likes of Rabo bank but they do not support small farmers like myself, You have to have over \$1million in debt to get into that bank.
30	As an banker to much box ticking and sitting in offices rather than out in field. This is a partnership, or used to be, where BOTH parties benefit. Little risk taking is encouraged by bank of new employees with an attitude of doesn't fit in box we cant,wont, or dont want to do it. They don't understand that accounts are for tax assessment and spending is influenced by the decision around allocation of funds to insulate business rather than give it to tax man for govt to waste on variety projects or vote grab. Return on equity by the banks is disgusting and further illustrates late of risk taking. The first advice I got when started in bank was "are we a banker or a wanker?" If you want to retain client's and relationships strive to achieve cheapest cost of funds. In my experience the people I worked with thought if they farmed or ran a business they would operate in the top 5%. 95 % of rural managers and especially credit would struggle to be average.
31	As far as I know my bank has been pretty good to deal with.
32	As [Name withheld] , a learned and wise farm accountant often says "Your bank manager is not your friend" Tax deductability of interest for farmers (and other businesses) is no excuse for higher interest rates.
33	As we are no longer in the farming sphere(our 12 cattle don't really count as farming) we have no contact with our rural manager re overdrafts or loans.
34	ASB - Principal reduction completed for last 5 years, put on credit control - over 50% equity, refused to reduce margins. We then changed to BNZ one week ago - which I (40yr old son) completed for my parents. The banks take advantage of older people who don't understand or know how to change banks. They are total bullies and its extremely difficult to change banks - a lot of work and \$3k legal fees.
35	ASB bank, at a time of record interest rates, record high input costs and low payout they demanded we make loan principal payments using our overdraft at 13% interest. They also upped our interest rates on loans by .25% because we were now "high risk" felt like we were being forced out of business. Luckily we have now managed to change banks to Rabobank
36	ASB offers 1 % loans on EVs if one is a residential borrower but 6.75% for same EV financing if one is a farmer
37	Asking for a lot more cashflow , I feel they are getting stronger and asking a lot more of us seem to have a lot more say , now want me to ask them when I take out a hire purchase never had that before and it's in the fine print clause's
38	At this point have had no issues with our banking arrangements
39	At this point I am happy with BNZ service and availability to meet our requirements. We have a relationship of mutual trust.

40	<p>Attempting to reduce the amount of security held by the bank, as the mortgage has dropped over the years, has been a very "difficult birth" as my wife (Vet) would say.</p> <p>Also we had to finance our new 50:50 sharemilkers into their herd as the same bank manager refused them finance after they sold their small (uneconomic) farm and retained a house & 1/2 hectare section to sell. This after they were with the bank for 12 years and never missed a payment. They were told to come back and apply again for the 500,000 loan after they had sold the house. Sold for 850,000 within 3 months.</p>
41	Awaiting interest reduction. No word as yet
42	Bad experience with Swap rates
43	bad experience with swaps but thats old news
44	Bank has been good.but struggle to forge business relationships with managers when they change all the time.as our debt supposedly low we have had 7 manager in 6 years.there doesn't seem to be career driven mangers that we deal with.it can be quite frustrating as a 5050sharemilker.
45	Bank has made requests for huge increases to principal repayments and it was only by threatening to go to another bank that i got them to reverse the decision
46	Bank manager changes very often
47	Bank Manager has been very good (farmer himself) , does look into how best to structure mortgage to get best rates. Have 50% of borrowings on floating currently which reflects higher rate
48	Bank margins are far too high compared to other industries.
49	Bank offered interest only when we needed it in period of high interest rates
50	Bank requested farm to be valued a few years ago. Expensive process resulting in a very low valuation which triggered an increased margin which seemed very difficult to shake.
51	Bankers pretend to be business people - they may know about finance and they know nothing about business. My bank has held back my profitability.
52	<p>Banking are their to make money. I prefer to be the best I can so that the bank gives me the opportunity to have a lower interest rate then others. Internal competition.</p> <p>My only concern with the bank is that agri is seen as more riskier then home loans. We have to work on getting rid of that perception. For that I need all farmers having the same attitude to be the best rather then letting the bank decide who is the best. Our industrie will be a winner if we can convincingly show the world that we are good for our money. Time will tell.</p>
53	Banking experiece has been more positive over the last 12 months, however I still feel that our interest rates are too high.
54	<p>Banks are closing earlier which is not always convenient.</p> <p>Personal contact is much less than it used to be. Used to feel valued. Now we are just a number.</p>

55	Banks are fair weather friends. Loyalty still counts for something, but if we found ourselves in a difficult financial position, whether contributed to by the bank or not, their primary interest is recouping their money.
56	Banks are good at making users pay higher interest rates and extremely good at offering below average interest rates on term deposits or excess funds in current account . There margins don't change so profits are steady/ guaranteed
57	Banks are not being fair to those starting out or looking at each situation as an individual. The banks should be have capped interest rates as above a certain amount is too high for longevity and also if they keep making record profits while small businesses don't survive, that doesn't make sense.
58	Banks are not interested in Over draft or business accounts..TSB change to no farm loans and ANZ have no managers to call any more..
59	Banks are supposed to be helping and encouraging business people not placating a tiny percentage of the population: diversity, equity,inclusion people and worrying about pro-nouns. Banks should not be influencing customers on how to fill out their surveys with subliminal messaging.
60	banks consistently offer lower margin loans to 'new to bank' clients. they additionally readily accept lower returns from some clients and demand higher margins from others, this is not always risk related as they claim. open banking would i believe make a big difference to rural banking market. we changed banks a few years ago and its disruptive and stressful the housing market receives significant market manipulation from banks and the rbnz which leads to the house price being pumped, this includes close to nil margin loans to them when competition is hot. the jawboning about house price escalation being a concern is a nonsense. the rbnz and banks often stimulate the market for their own benefit banks set their own risk assessment tools for rural and business lending, the incentive from the exec is to set tools to encourage margin increases when cash earnings are being sought
61	Banks have lost the personal approach to farming. Our bank manager used to come out say quarterly, sit down talk about operations and then go for a walk over the farm. Discussing what has been done and what could be done to improve things. They were an important part of our business. Today we are lucky to see or hear from out bank manager once a year. The only time in the last 12 months that he came out was when we wanted to borrow some money to buy a runoff. We were denied access to a loan. We cover two of the three requirements that the bank request. We missed out as our costs were to high. We wernt given an option to prove that we could make things work.
62	Banks need to lower there interest rates farmers are working to pay banks they are making a lot out of us we make a 3% return and banks are making 8% out of us how is this fair we shouldn't have Interest rates like this where banks are making a killing the farmer lives on the property and is there family home we should receive home interest rates Owners and aged 35,38 and considered younger for farm ownership and have been for the last 5 years but are extremely concerned about the future of farming the farmer needs to make the profit we getting raped by the bank and raped by the ird mean while we are working 18 hour days to get ahead the future of farming is slim we can not attract good staff as there is no money in it. And all the regulations are extremely concerning also not to

	Mention there is no capital gain in it anymore like the baby boomers had however we still need to feed the world. It's time for interest rates to be brought down and we reap the rewards that are due.
63	Because Rabobank operate a "revolving credit" system, loans for a particular project or item are easy to lose track of as all the borrowing is swept into one pot, which makes it harder for the borrower to pay off eg. large piece of machinery. Great for the bank though!
64	Because we are Dairy Goat Farmers (with Dairy Goat Co-op) and the only bank that offers security on our shares is BNZ so for the majority of DGC Dairy Goat Farmers only option is BNZ. Therefore, we are price takers and have very little (if any) bargaining power when it comes to getting the best financial package possible.
65	Because we are now mortgage free it is hard for me to comment. We struggled for 20 years and had to have an off farm income to earn enough to meet our payments. During all that time we stayed with Westpac because they never did anything that other banks weren't doing and we always had prompt service from our bank manager.
66	Being a farmer with no core debt, the bank removes one from their Rural services, local mall branch now. No bank manager. No services offered.
67	Being supported to change to more sustainable farm practices that are connected to market access or premiums makes sense to me. The amount of funding and the interest discounted interest rate
68	Being told to pay principal and interest repayments from a high interest overdraft facility was common through the downturn of 2014-2015 seasons.
69	Believe that bank should (and are looking into) giving products with discounted rates to customers who are performing better environmentally. Look after the customers who are proactive and working hard
70	BNZ have been reasonably good to us although I think rural interest rates are way too high and it took too long for rates to move when the OCR dropped.
71	Bnz I've found to be very fair as long as you can meet their fresh holds of lending ie deposit ect which is 30 % in what I have found very hard to achieve some times compared to other loans ie housing
72	By having regular transparent contact we have an excellent banking relationship which has helped our business enormously
73	Calling me to lock in fixed 2 and 3 year rates before the OCR drop
74	Change of relationships Manager to often. We have had 4 in 2 years, and its hard to build a banking relationship.
75	Changed from BNZ to ANZ last December after our BNZ manager of 18 years left, new BNZ manager was very poorly supported. Very impressed with ANZ and their team
76	Communication is getting harder. The requirements to go with any loan are really tough and some are very unrealistic and the point of tying you down so you can't move.
77	Compared our interest rate to a similar farmer with same debt structure who was also with Rabobank and found out their online interest rates were a lot less than ours. Was so angry with the bank and after confronting them they dropped our interest rates. Lost a lot of trust with them as why was ours higher?

78	Considering private bank create money. To get your title as security as an asset on there Balance Sheet. [Name withheld] .
79	Currently asking for some of my lending to be moved to residential (against off farm assets) to access cheaper interest rates. Unsure if they will do this. Also asking for the environmental loan rate (cheaper by 0.2%). Currently they will not give me this due to my risk rating as per their calculations. The frustration here is that I am having to meet environmental regulations like everyone else and am actively doing so, as well as voluntarily fencing, planting and retiring wet areas all at a cost to me.
80	debt recently reduced by over 50% from \$1.27m to \$658000. a 2nd mortgage was forgiven. security improved as the 2nd mortgage had a priority amount over most of the farm. Intetest rate only went down by 0.7%, saving \$4000 per year. No reduction in our OD rate , no meeting notes or historical accounts analysis. After 3 weeks I've had no answer & no communication about a reduction in our OD rate or future borrowing capacity .Over the past 2 years bank communication has dropped significantly with many emails going unanswered. Poor, unprofessional service adding to stress levels. farms worth z\$5.5m, averaging 120000kgms . EBIT last season(production of 103 000 due to wet season was \$440000. In the last 4 seasons we have funded \$1.25 m of capital expenditure from cashflow including a \$500000 upgraded effluent system. The bank has security over all our land. Any further borrowings they want security over all our livestock & dairy company shares & to increase our interest rate.
81	Defiantly more hops to jump through to get finance approved. Less supportive then previous downturns in the economy
82	Definitely putting the pressure on a s far as casflows and reviews are concerned
83	Difference between our investment property loan and rural loan is 1.23 percent secured against the same property
84	Difficult and unhelpful. No debt on farm and the ability to borrow has been limited. Negative help from Bank Manager. Overdraft rate is incredible high at 9.88%, unfair considering residential rates are lower. Is there a reason one business should be disadvantages compared to other NZ businesses , where is the equality within New Zealand businesses.
85	Difficult to access a manager at least local bank is open in Feilding ANZ in Palmerston North has only one bank in the Central City used to have Three difficulty in banking customers accounts
86	Disappointed local rural branch closed
87	disappointing interest rate paid on a credit balance
88	Dislike the requirement to have access/guarantee over ALL other assets eg bach which is more than the bank risk by 88% and still charge 8.4% for the privilege of doing so.
89	Due to a range of unforeseen circumstances, i have been through farm debt mediation, now probably looking at the next step. Interest rates are the main reason for me being in this situation, along with several factors out of my control. I feel that the bank has already made a decision to get me out of farming and are hiding behind 'process' to get me out quickly.

90	<p>During end of year or during the year budget discussions, we've been asked about sustainability and environmental plans whether we have them, apply them etc. I assume this is to help our credit rating or standing with bank? We haven't had to do anything extra to maintain our current mortgages, but I feel that something like farm assurance will be needed in future. (we haven't got any new loans recently, but did swap some seasonal finance to a term loan)</p> <p>I wonder do townies need to do that when applying for a loan or maintaining relationship with bank? I imagine most businesses yes in little bit?</p> <p>We were told about a "green loan" to help towards environmental goals, did not take it as not financially viable option right now (eg didn't want to take more debt that we found hard fathom paying back)</p>
91	Environmental incentive should be for business' that have good environmental footprints not those that improve (their bad footprint to one that is a little less bad)
92	Even being in a really low risk group we still have a 2.5+ margin.
93	Everybody, including household mortgage holders should all have the same interest rate, as we all owe money so why not be fare about it.
94	Excellent bank manager
95	Extremely difficult to get hold off, making equity amounts to high for first farm buyers
96	Extremely hard to contact bank as we have no manager as we do not owe enough. I have been given an 0800 but I feel a huge disconnect with our bank.
97	<p>Fair weather friends driven by the dictates from Sydney.</p> <p>Drive self fulfilling margins ie deem agri high risk therefore justify charging higher margin thereby increasing risk. Often talk about the risk of losses from the agri book but never been able to quantify any actual losses.</p> <p>Very open about pricing to achieve 10-11% returns for them</p>
98	Family succession, they get s%\$t done an ask the questions that are of taboo
99	Farmers interest rates shouldn't be higher than other business, we are the backbone of nz after all
100	<p>Farming loans are easy as land is security.</p> <p>Try getting a small bussiness loan and straight no.</p> <p>Farming loan about 4% cheaper than small bus. loan</p>
101	Generally positive , world banking has changed and market demands are moving. We all need to evolve or become a twilight industry. On a world stage we are pretty replaceable
102	Get interest S rates down
103	Good service p
104	Got court by ird mistakes by acct and lawyer 750000 had to find out of my own bank!!!
105	Govt needs to change the amount of security banks need to hold against rural loans

106	Great that our Bank is interested in our greenhouse gas emissions, concerned that they could be double counted at our processor level also.
107	Had a poor relationship with Westpac previously changed 3 months ago to ASB so in honeymoon phase
108	had a revolving credit account as part of a package.then some years later they didnot offer it any more. we also have tried to change banks but were told they could not help us even though our equity was over 70% because we were not borrowing enough.no
109	Had a rural bank manager not at all proactive at converting OD to term debt and had been paying 12% on 500k OD until we got accountants and NZAB involved
110	had about 16 rural bank managers over 42 years some very good others lack people skills and dont really understand what you are trying to achieve in your farming business on top of meeting commitments one guy from westpac never came to our farm for 2.5 years
111	Had pressure put on by bank to increase principal repayments substantially to a level that was unsustainable and the request was only retracted when we suggested we were moving to another bank. Not how you want to operate
112	Had pressure to pay 2% principle out of OD when the interet rates rose until we had to sell a property to reduce debt. This was a change in direction after the bank being more than satisfied for over 10 years. with both properties being interest only and fulfilling all of its interest and performance obligations
113	Hard to get a emission system that will fit all types of diary farming in different areas of the country. Might be hard to make that work but could be possible with a lot of thought and planning for different regions.
114	Have a yearly visit from the ASB Agriculture team every year.
115	have always felt that farm interest rates have been higher than was acceptable
116	Have been a good bank to deal with. Would always like it to be cheaper, but overall happy. Only thing unhappy about was having to add holiday house to security a couple of years ago even though our financial position hadn't changed
117	Have been reasonably helpful
118	Have been with them a long time and no problems that we could not solve
119	Have good relationship with bank but would like their interest rate to be similar to home loans.
120	Have just got a new bank manager as ours has just retired (early). [Name Withheld] has big boots to fill as [Name Withheld] our previous manager was great. At this stage he's going well. A good relationship with our bank manager is essential for monetary reasons but also in recent times for peace of mind. Six years with the nutters on the left has been very stressful for the country but especially for farmers.
121	Have managed to get a 1% reduction in floating rates by talking to other banks and putting pressure on my bank manager. I was told that the banking market is more competitive in mid Canty and that was why interest rates are cheaper in mid Canty compared to north Canty

122	Have no support or communication extremely unhappy
123	Have recently changed banks to Rabo. Prior we were with ASB who refused to give interest parity over different family entities.... ie as parents our loans were 2% cheaper than our sons, whom we were guarantors for and sharing farm equipment, silage, staff etc,
124	<p>Have two floating mortgages. Several years ago, I asked if we could fix those mortgages down (only paying interest). We were denied, they didn't offer this. 2 years ago, I asked again as they come due (5 year term) - they would do a fixed term at the new high interest rates - asked me why we hadn't fixed down in prior years! No lower interest rates offered for their stuff up.</p> <p>The OCR has been reducing - especially in the last quarter, and still we haven't seen any reduction in our mortgage rates on floating loans, or overdraft.. Bank making money out of farming..</p> <p>Our debt is over multiple assets(farm and off farm), and our debt equity ratio at 10% of assets. Why with high security and low risk, are we not offered lower interest rates? Re financing, no offer reduced interest rates in the last 12 months.</p> <p>We changed from ANZ to ASB 10+ years ago as they offered agricultural loans at good rates. Now nothing for agriculture, in the way of reducing loans - only housing...</p>
125	Haven't met our manager for over 5 years. Even on TEAMS calls he turns the screen off. He sent an email advising no significant change in our arrangements, but hidden in the attached letter had increased our margin. When we wanted to fix interest rates in late 2021 when they were clearly trending up, he turned us down. That decision has literally cost us millions. Wanted a report from a consultant on our business. We used the consultant he suggested. Report came out saying we were good operators. Didn't like the outcome, so then wanted another report from another advisor he suggested. Again it was favourable to us. It said we were good operators and provided good financial budgets and forecasts. Bank manager keeps telling us we can't budget when variations were due to extreme La Nina conditions that we couldn't predict. \$50,000 wasted on reports and valuations. Still now asking for more valuations, even though we have 50% equity and he openly admits they will never lose money on us.
126	<p>Having a personal bank manager who knows our business and us, has helped us build a relationship with our bank, where both parties understand each other's business. Thus we make decisions we want and our Bank understands this and helps make these decisions happen.</p> <p>The banks should set interest rates to promote farming and to maintain farming profitability.</p>
127	<p>Having been with Rabobank for 14 years, we have achieved a lot over that time by reducing debt with their revolving credit system ... being able to fix our own mortgage at intervals that suit us and having capital available to us when required.</p> <p>However Our main focus as share-milkers is to reduce debt! We have found that our interest rates have "always" been higher than the farm owners because we are "high risk"! Yet, we always focus on reducing our mortgage annually.</p> <p>Over the past 5 years I have found our rates have not been as "competitive " as they used to be.</p> <p>Currently we are in the process of changing to ASB. We are driven to grow but Rabobank's communication and approachability has become really slack. They focus more on farmers with higher debt, bigger mortgages... we've had 4 different bank manages in the</p>

	<p>past five years! We are wanting to move into the housing market, and Rabobank don't do residential mortgages! So we are moving everything over to ASB. ASBs rates win!</p>
128	<p>home loan rates dropped quickly after OCR reduction farm floating rate didnt move for a week and then only dropped 9.4 to 9.3 we are paying way too much</p>
128	<p>I am a contract milker and had lower than expected season production wise. Rang Westpac for assistance in getting a short term extension to my OD and was told there was nothing else they could do. We are always told to speak to them before shit hits the fan but when we do they don't even try to assist why would we. I have been a loyal customer of Westpac for over 20 years with multiple mortgages and other personal loans before going into business for my self. There agribusiness team are below average and it is very difficult to get in touch with them compared to other banks agribusiness teams.</p>
129	<p>I am in my early 70s and had 2 rounds of Bovis then more than double in interest rates and it has been very tough. Starting to improve now but a long haul. Bank riding in terms of only granting OD which is less than you require to make descision for the right reasons and at the best time. Our equity is sound but there has still been a push to move us on by the above method and others.</p>
130	<p>I am never in overdraft and are paying principal and have several fixed and floating loans which were 8.7% so I got onto them and it was dropped 2.5% straight away just shows they will rip you if they can!</p>
131	<p>I am tied to the 90 day BBR. When that started to come down my margin was increased 7 points.i</p>
132	<p>I am very happy with ASB, although I strongly support the enquiry into the difference between interest rates for rural lending relative to home-loan lending. The banks quote higher capital requirements for this type of lending and greater risk. I challenge that in that rural businesses are required to have a far greater percentage of capital upfront, sometimes as high as 60% to get accross the line. They take security over land which has a very stable value, I would therefore argue that rural lending is no greater risk, certainly not to the value of 150 to 200 basis points of interest.</p>
133	<p>I approached my bank to change, or I would leave, and they offered a competitive package to stay, hopefully saving 80k this year it was only offered because I said I would leave</p>
134	<p>I believe that banks offering lower interest rates on lower farm emissions will just lead to farmers falsifying their records</p>
135	<p>I believe the current reserve ratio is 20%. This means that for every \$1,000 of real money banks can lend \$5,000 of real and virtual money. While they claim modest margins on their loans, they can do this 5 times. eg. 150 basis points equates to 750 net basis points margin in total. Equally, fees needed to renew existing loans are absorbent. We have been charged \$250 per loan instrument. We have 5 rural loans (2 banks) with loans being fixed every 2 years, \$650 cost pa. More if we need to change things. That is a silent finance cost of 0.02%. Equally, we pay 0.75% overdraft management fee witch is a hidden interest cost provision to have access to overdraft used or not. This is in addition to the current 10.6% we charged for OD drawn.</p>

	I believe that bank deliberately include these charges to amplify their returns. There is also a huge inequity between interest charged 10.6% and interest earned 2.45%. Their claim that there is no certainty of positive or negative balances is invalid.
136	I currently have a green loan with a .2% discount. I am also forgot have a relationship through unrelated family businesses. Which helps. I have still had to push to get the best load structures rather than the bank sit down with me to optimise. I'm also lucky to have a great accountant
137	I disagree with the bank being able to add basis points when our balance sheet has a reduced profit eg due to drought or weather conditions or even higher costs etc. That is due to conditions outside of the business running and the bank has received all interest and payments due on time etc. It feels like banks are only interested in you when its a hard season. The saying when its fine financial weather they are prepared to give you an umbrella but when its raining they will take away your umbrella.
138	I don't like the high interest rates. Seems crazy in the amounts we borrow and makes it very hard to make a profit and pay back debt. We always paid P&I right from the start if farm ownership but theses last to years have only been able to ist interest only. However my bank manager is wonderful from wanganui BNZ. Had always been very supportive and fair. We gave never been declined anything do guess we have had a positive experience other than current interest rates but that's out of her control. She always lets us know thresholds or ways we can bring our rating down to get lower interest so can't loan.
139	I don't have a mortgage or an overdraft.
140	I don't see why rural interest rates are not more closely aligned to housing - there is just as much security on offer.
141	I don't think it is fair that I was paying over 9% interest on the last of my mortgage when my debt was fully secured. I thought the rules force banks to offer the lowest interest rates to the lowest risk customers, not those with the biggest mortgages.
142	I feel banks have a responsibility to encourage farmers along the reducing emissions journey and if they can incentivise change they should but not at cost of other customers not making change as after all it is the banks Scope 3 being helped in this situation.
143	I feel he bank is starting to ask for too much information. EG Personal expenses. Regulation compliances such as the Fonterra cooperative differance and enviromental compliance.
144	I find it unfair that should you be in a position to pay down some money on your loan you can only do it immediately if the sum is \$50,000 or more, otherwise you have to wait till your monthly principal repayment date is due
145	I found that bnz staff use false cards or incorrect numbers. When i did contact someone he was at the other end of the country and this staff member whose card i was given often used false numbers when she did community type events. Had no contact from bank even when loans being repaid
146	I have a couple of green loans with a reduced interest rate that have help fund some waterway fencing, retiring and planting 100ha in manuka, and setting up solar panels for electricity generation.
147	I have delt with the ANZ since the National Bank closed shop many years ago.
148	I have found ASB to be reasonable to deal with in all areas expect interest rates. We are on a pretty good margin but I still feel it's too high.

	Also with the recent OCR drop we still haven't had that flow through to our floating loan but have been told it will happen in a week or 2.
149	I have generally had a good relationship with my bank
150	<p>I have had many experiences with a number of the banks in relation to clients of mine. I find them at time unfathomable in their decisions and whist some ask you to move banks, they make the process as difficult and expensive as possible. In addition with clients other banks cannot see why the previous bank did not want to continue to bank them as they are a very viable bankable proposition.</p> <p>Often the banks want you to continue to use an overdraft facility which at times is often inadequate and yet at others instead of allowing a new term loan, are happy to extend an overdraft to a higher limit when the cost of funds is much higher.</p>
151	I have literally told our bank manager to change the record when he has repeated his line about paying off more principal. We do pay principal, but at a lower rate than bank would prefer. We have it structured this way to preserve our cashflow. That has enabled us to be in a position of only having to borrow for one of the years of the big dairy payout crash 2014-2016, when most/many farms increased term debt both years. Also in early 2023 when payout dropped and prices hiked we approached the bank for an excess on OD only needing it for a few months across winter. The bank offered term debt but we said no because we didn't need it. The increased OD was made available for 12mths but we only used it for 2. Our long term proven track record of a low cost structure and excellent cashflow management with the same bank and manager doesn't seem to make any difference to how our business is treated. If we don't fit into the boxes perfectly there isn't any lateral thinking.
152	i have no idea who my bank manager is or how to contact them. poor communication from ANZ
153	I have paid \$130,000 in principle every year for the last 5 years . My interest rates are to 3 to 3.5 percent higher then housing rates. We have a robust business the land is no going any where yet we have to pay higher rates
154	<p>I have previously asked my manager why I pay a higher mortgage base rate as a farmer than a person (townie) with a house mortgage. Answer - they do not have as much risk.</p> <p>I replied that you (the bank) have a 1st mortgage, and the value of my property is \$5 million with no more than \$10,000 as an overdraft facility and my mortgage is now less than \$100,000. Surely this qualifies for a mortgage at the same rate as a house mortgage. Answer - we don't operate like that. You are a farmer, and the bank has a base rate for you and the bank sets how much above the base rate it will charge you. I voiced my dislike to my manager that I have a proven track record with the bank of reducing my mortgage each year (in recent years by quite big amounts), not a credit risk to them and deserve to have a mortgage rate that reflects at least what I would be charged if I had a house mortgage -- no luck which was what I have earlier said -- we (the bank) do not operate like that.</p>

155	I have worked relentlessly to improve the environmental footprint of the business as have others whilst some do the bare minimum- not a good look / immoral behaviour for them to let others improve the public appreciation of farmers- piggy backing off other's social responsibility.
156	I like dealing with Rabobank, I question their interest rates when I feel they are not competitive, and they take it onboard. I do need to keep a watch on the interest rates so that I can point it out, they have come to the party every time I have questioned it.
157	I like rabo although I think they could be more competitive.
158	I recently looked at my banking requirements and had 2 banks beside my current one wanting our business, they both offered recognition for environmental and other processes on farm. When my current bank found out they made an effort to reduce rates even though I had asked a few months prior and they said they couldn't do anything. Due to break fees etc it was not worth us moving due to the new deal offered by our bank and the relationship we have built up with our local accounts manager.
159	I recently purchased Halter. A hi tech virtual fencing collar that will allow me to save staff hours, especially early mornings, grow more grass and reduce reliance on imported feed, increase production, reduce lameness and identify sick cows quicker, detect heats, save pasture damage in wet weather and so protect waterways, and make farming more fun. Westpac made me pay for the capital cost by selling some of my Fonterra shares. They have also forced me to get a valuation for the farm valued at \$7500, and pay for that with share sales also. I don't want a valuation right now.
160	I repaid significant debt during GFC (\$2M+) when Banks were under huge stress, to be rewarded with an increase margin on my remaining loan. I have debated the Banks lending policy with managers a number of times and feel that major lenders are being preferentially treated, despite all the standard requirements being met... the general excuse is compliance costs are the same, so relatively more costly for smaller loans... i would argue lower risk
161	I think it's hard for sharemilkers to reduce emissions etc if the farm owner isn't willing
162	i think the margin over the base rate - 90 day bill rate banks charge is too high the banks are making very large profits
163	I was a rural bank manager 15 years ago. Term loan lending rates at that time for hood performing businesses were inline with some loan rates. Now the rates I am offered for rural loans is 1-1.5% higher than published home lending rates.
164	I was sold up and kids and I left homeless. Had never missed a mortgage payment. Due to matrimonial split ASB [Name Withheld] sold us up. Kids and I been homeless since 1 April 2023. ASB refused to allow me to get equity partner, refused to fix loans while I tried to sort out with ex husband. In the end the stress with raising 3 kids and being abused by bank became too much. Had significant counselling and lucky to be here. Currently money sits in lawyers T account thanks to ASB bank forcing me to sell farm with no matrimonial.
165	IF THE OVER DRAFT HAS NOT BEEN USED AS N OUR CASE TWO TO THREE YEARS AND THAT ACCESS IS THEN DENIED CAUSE IT WAS NOT BEING USED TH EN WE HAVE A DROP IN RETURNS BECAUSE OF DROUGHT EXCHANGE RATE ON INTERNATIONAL LEVEL THERE IS SAFE GUARD FOR THE BANKS EG SELL THEM

	UP BUT NOT THE PRODUCER THE BANKING FRATERNITY DONT HAVE THE FINANCIAL INDIVIDUAL PRESSURE OF ANY PERSONEL LOSS
166	If you are a desirable customer, you are likely to get a better interest rate
167	If you are already efficient like we are it is lot harder lower emissions and you could be penalised. Question above. This question We went from a highly stocked to a lower stocked system and needed to change farm system which meant costs were all in one year. Even though we had built a relationship with the bank over many years it was hard at end of year meeting as profit was low due to costs. Sometimes very hard for banks to think long term. And long term was only two years. We are very profitable now.
168	Im possibly lucky hearing what else is going on out there. We have a great relationship with our bank manager and believe we get great service from her. Unsure if the bank has our best interests in mind though.
169	Impossible to get lending from Kiwibank for our business. Had to use heartland for lending
170	In 12 months of being with our current bank we are on our third account manager. Prior to being with this bank no one would bank us as we didn't owe enough money, (we asked several banks). The interest rate is compounded by having to pay 1.98% for the money we have on loan and not using. (We have a BNZ CARL loan)
171	In general, I have found the banks extremely hard to deal with as part of the dairy sector. I worked in finance in other industries and as an accountant for approximately 10 years before moving into farming full time and the requirements for dairy farmers to obtain any sort of finance are far more extensive and restrictive than I have seen for any other industry.
172	In our experience, as your "flight risk" increases, the interest rate decreases. Although this is usually explained as an equity/risk equation. The difference between clients can be in excess of 2% interest. There needs to be universal transparency around loan pricing. If there is rate margin differences, there should be a clear explanation of why and a full disclosure of what the client can do to lower the rate.
173	In regard to emissions banks should limit their interest to finance! Their staff should have rural experience not whizz kids from uni who have little interest in the sector Experienced a sudden increase in risk factor when we both turned 70 which led to an increase in borrowed funding interest the only assumption we could make having never missed a mort. Payment!
174	In the last couple of weeks we were suddenly offered a 1% reduction in our interest rate for our dairy farm mortgages and our other land holding. (8.94% to 7.94% and 8.54% to 7.54%) It came completely out of the blue and seems quite strange. Even our accountant can't figure it out. It was offered with the ability to fix for 6 months which we have never been allowed to do for our farm mortgages previously. We are not complaining but it possibly indicates that the rates have been too high previously. The only one making money on our dairy farms the last couple of years has been the bank!

175	In times of difficulty they have been most understanding and helpful.
176	Instead of paying off long term debt on mortgages we should be allowed to pay down the OD which is at very high interest rates
177	interest rates are high. I feel very heard by my bank and they understand my farming goals
178	Interest rates are too high
179	Interest rates that farmers pay is higher than those with house mortgage and this should not be the case. Fees are high It's hard and expensive to change banks.
180	Interest rates too high for risk but access to capital more important so have just rolled with it. We have 80% equity but are paying interest rates in line with commercial property where they only have 40% equity.
181	Interst rates to high
182	Involved in a business previously and the opportunity to buy the neighbouring block came up. Westpac agreed to loan us the money but then promptly added 1.6% extra risk margin. Blamed the GFC. Also as Central Bank rates came down our floating margin did not - manager blamed the oversees lending market. Prior to the GFC and during the latest inflation cycle, as Central bank rates increased so did theirs - so which was it?
183	It has been harder over the last 6 months to get access to extra funding. It seems like a constant battle to get the best rate. If you don't keep hounding them they just quietly shift the rate up on you.
184	it is hard to shift banks based on the parameters the reserve bank set
185	It seems unfair that those that have houses or other businesses get lower interest rates.
186	It should be much simpler to change banks than it is! but is should be easy to change - as this creates competition and would make bank offer "deals: etc. It is so difficult to do, and why should it be difficult with all the technology banks have? With computers all info should be easily transferable. ?????
187	It would be easier to pay off debt if the interest rates weren't so dam high all the time, and now that this country has a new Government, the brainless ideas of keep paying people not to work and giving away money to who ever, May help bring the country back to Reality and make young learn to be honest and work again. We need new blood with energy honest and grateful to live in this country, OUR so called Welfare Country, it is now..
188	It would be nice to break loans without the big penalty
189	It's extremely difficult to get them to communicate
190	It's pushed us to our limit, we've often felt there's no way out. They won't support us to farm forward, they keep pushing for more interest cost and making us feel like we at inept and the only ones who are failing.
191	I've had generally good experiences with individual managers, although their staff turnover prevents building good working relationships. Problems, such as delays or odd questioning, arrise when information is passed to different departments, or due to corporate policy.
192	Just changed and what a mission still not completely sorted 3 mth later make it simple then they will possibly have competition because the threat of issues prevents changes

193	Just feel interest rate soon be lower as at present I are not paying principle back
194	Just feel with such a low mortgage and good repayment history, wd should be offered a lower interest rate. When asked, they were set that we couldn't go longer because we ard high risk having a debt lower than \$1 million We feel this is unfair.
195	just get the interest percent down
196	Just not having support to get capital required to grow
197	Just on the two questions above. I disagree because banks should not be involved in ghg. they do not produce food and scope 3 stuff should be between me and whatever company I supply not the bank. If they insist then yes we should be rewarded but that is a flawed reason. Banks should bank and you need to ask why are they wanting to get into ghg unless they see that they can make money out of it
198	Just think banks make too much money If a person is stressed the finance rate is higher so more pressure Why are housing rates so much better agriculture is the country's big business 🤔
199	Lack of bank that can do their job quickly an efficiently
200	Lack of engagement with local bank representative. Lending services called in with little consultation. Bank basically just pawned us off to the Rural support trust to bring on consultant who then said we didn't really need to have him on as we operate at a good level already
201	Last year we completed a major infra structure development. It was a long and difficult process to get loan approval but in the end I think we have been well supported by the bank. we were required to employ a financial manager who does our budgeting and reporting to the bank. while this is an additional cost to us it has given the bank a level of comfort that they have an ongoing understanding of our business.
202	let us run our farms according to rules from govt
203	Level of security when obtaining a loan is exhorbitant especially considering excellent banking history over two generations. Far exceeds the cost AND repayment of original loan.
204	Main banks do not loan against equity (of excess of \$5-6,000,000.00) Wanted cash income that we didn't have for debt servicing each month. Forced to set up a reverse mortgage facility that we haven't yet needed with SBS bank , the only bank that dose them now !
205	Main issue I have is the lack of visibility over how the rate is set vs other farmers and also vs residential. I know of some larger enterprises (and we are large) that are incentivised when purchasing more land with lower rates which does not seem right.
206	Many managers are not from farm or farming backgrounds. Do not want to understand limits Might as well ask my local coffee cart lady to redo my budget.

207	Moved banks 6 months ago from the ASB who expected monthly principal reductions even when cashflow said it can't happen. ASB expected you to fund principal reductions on 8% loans with overdraft money at 12%! And a bank manager who had no clues on seasonal cashflow revenue streams
208	Moved to Westpac a few years ago Mainly due to the local agri manager who has really turned our business around
209	Moving to BNZ from Rabobank was the best move I've made.
210	my account earns 2,5 and /i am charged 8.9
211	My bank decided to force me to try and go to another bank even though I had never missed a payment, or asked for more money. My accountant couldn't understand where they were coming from either.
212	My bank has been great to deal with although we have a lot of debt over different types of businesses including farming. I do however think the rates for farmers with a profitable business most years and a huge asset are unfairly treated with their rates.
213	My bank has been quite good to deal with from a relationship perspective, however I keep them well informed. Obviously I would like a better interest rate as there is no question banks are making super profits when farmers are doing it tough.
214	My bank manager blames the Reserve Bank rules for having to hold more capital as a reason why I pay 2% more interest than my friends in town that have a mortgage
215	My experiences with the bank are limited to Bank managers. They say they have very little control over anything. I can't negotiate with them. They seem powerless. I'm not sure of their role, apart from granting a bigger overdraft limit over winter (for us) and signing off on loans.
216	New farm owners, bought when interest rates were below 4%. Now 7-8% for term and over 10% for seasonal. This has severely limited cashflow so projects for making environmental gain go on the back burner. Can't do both. It's interest or it's farm improvement.
217	Nit the bank's business
218	No .I have always had a good relationship with Rabo
219	No bank issues. Low risk profile, low cost production, so no issues.
220	No experiences so far.
221	No issues other than fast at putting up rates but slow to bring down
222	No longer have a bank manager. Haven't had any face to face contact with our bank in over 5 years
223	no problems at all
224	No real complaints, but. -Why am I paying 2% more than a homeowner given the excellent security I am offering? -I now have the firm impression that Banks are much less willing to lend on anything than ever before. I suspect that excessive Govt regulation has removed all optimism about Dairy's future

225	No real issues apart from they will put rates up on speculation that the OCR will increase but wait for an actual cut before dropping them
226	No reasonably happy. Feel interest rates could be sharper
227	No Reserve Bank
228	No review of interest rate in three years until we recently requested it be looked at - we had been paying monthly principal back during in that time and had operated either in credit or within our OD limit. Have been advised the margin will be reduced by approx 0.3%.
229	No support from the local Westpac agri- business team.
230	no, haven't had any bad experiences
231	No, not really. I have been with my bank since I first signed up with a bank away back when I was 20, today I am 76. I have had a few willing discussions over the years, but as I work towards my retirement the local staff are being very kind and considerate.
232	NOT APPLICABLE.....
234	Not as much contact as previous years.
235	Not at present
236	Not having a morgage and shifting borders ,we didnt exist to our now local branch. On a timeframe for bank to sort was piss poor Bring back the paper trail as this computer shit is setting everyone up to FAIL
237	Not interested in our business other than the impact it has on banks income. They look after banks shareholders with scant regard to impact on our business
238	Not much help sorry as we are freehold at long last.looking to retire and go fishing. Farm environment plans and nitrate plans are costing a small fortune. How about we concentrate on carbon monoxide instead of the life giving dioxide!
239	Not this bank
240	Not with Westpac, but we previously were with BNZ and were seriously misled in some swaps deals that cost us a lot of money. We did not ever receive any compensation for this, though many borrowers did at that time. One of our shareholders had to put in a lot more capital so that we could refinance with another bank.
241	Nothing we can think of
242	Notice our rates much higher than houses even when our debt equity is low and when interest rates went up we never got higher rate when in credit
243	OCR dropped . 25 Home loan rates drop same day by full amount. We waited 10days and then floating rate was reduced by .15

	Have emailed bank manager asking for reason why our margin has effectively increased. Still haven't heard back! When OCR was increasing Full increase was always passed on very quickly!
244	On my last answer, reasoning for agreeing is because everyone needs to make an effort n some, the minority, are not pulling their weight in the dairy industry to improve outcomes. Rabobank has been extremely good to us. We left ANZ and they knew that no one else was going to bank us. We got a good rate with a margin of 215 n LVR of 63% last year. ANZ try to put us in receivership 10 years ago n use every dirty tricks available: high interest rate, not renewal loan, limited overdraft .
245	On the whole I have a positive relationship with my bank.
246	Once I paid off my mortgage the rural side of the bank didn't want to know me and i dont know who to ring
247	Once we had reduced our mortgage they don't seem to want to know us. Used to get a yearly visit now no communication at all.
248	Only good
249	open source banking should be established ASAP providing the ability to shift banks in efficient and seamless way.
250	Our agri manager knows our business well, he is available when required. However, we have had low debt and good cashflow management for many years.
251	Our Bank is Rabobank. We have a farm and a 4ha block, QV is over \$6.5m. We do not have a mortgage, but have an overdraft of \$500000.00, over which the bank has security. However, we pay 10.66% interest and have been doing that for quite a while. We have asked the bank to explain why, they have promised to look at it, but last month was still 10.6%. Our Trust account is in credit, we get .05%
252	Our banking relationships have always been reasonable. Professional approach on our part likely to have contributed to that.
253	Our current bank did not lower interest rate, after 2 yrs of reviews and request until we went through the process of changing banks
254	Our debt ratio is 15% of our GV and for first time ever we were asked for a cashflow when we wanted to go on interest only due to increasing interest rates. Hang over from lower income because of Covid restrictions It took 2 weeks for them to analyze cashflow because they are so far behind we ended having to hold off paying some accs due to an extra principal payment going out. We also had to put some hard-core debt in our overdraft into loan but by doing that it saved us heaps on monthly overdraft limit fee of \$150pm as based on limit not use they have certainly got many ways to clip the ticket of which we have no control
255	our experience is we have always taken full responsibility for our debt its a privilege to have and we must keep to what we agreed on and if things change and they sure do let bank /accountant know facts and what one planning to do to minimize the risks /changes the risks are with us not the bank they can be tough at times but in reality are not just protecting them selves but us as borrower too we are now in a more fortunate situation to many as not all one enterprise we spread your risk

	Dont use others money stick with one source but do look what others offering and leverage off that We did start farming in 1971 plenty debt/ interest 22% but we wanted to farm so had to cut our cloth for that
256	our experience was young bank manager came to our place and suggested that we were too old to still be farming both in our seventies. We will make that decision not him. When his assets are more than ours then he can tell us what to do. This is not good enough, felt like the eighties all over again.
257	Our experience with ANZ is that they have not been as sharpe on there interest rates as example Taranaki ANZ claiming that it is about competition in Taranaki that is why they the ANZ Taranaki clients get a cheaper interest rate. Which is very upsetting when we ourselves have been loyal clients for forty odd years . So loyalty does not come into it .
258	Our experience with the bank has for 40 years been very good. there are always glitches along the way. An eg of this is the branches lending floor limits. And the historic background of the current lending criteria. We were originally with Rural which became National which was bought by ANZ.
259	Our holiday home has 1.5 percent lower rate than ag lending The house doesn't provide anything in terms of the economy or jobs The agri lending leads to jobs taxes etc I think this is wrong ,there is less risk in agri lending than home loans
260	Our kids were buying thier first homes in town with around 70% of the property value borrowed. At the same time we were in a very strong poistion with less than 10% of our property value borrowed yet our bank was charging us a1.7 % higher intrest rate on the farm loan. When asked why this was the bank said your's is a Farm loan???
261	Our last(rabobank) with the new bank manager, asked us why we borrowed 100000 dollars after second 4.00 dollar payout year why we didn't make profit that year. we considered this a direct attack on our banking relationship with the bank without any explanation. We submitted our financial accounts to two other banks who both offered too refinance us , choosing asb terms and changing banks Rabobank has never contacted us since , very disappointed with their lack of client feedback not what we would from a professional banker
262	Our margins have not decreased even though we have paid debt back 6 out of 7 years. Our margins remained high due to the requirement to hold extra capital because we have low equity. How are younger people meant to grow if we can't take risks, higher interest means less principal paid back.
263	Over the top for security of loan do not like the personal guarantee required
264	Over the years our business has had very positive experiences with my Bank and Bank Managers who i might add we have had only 3 in the past 25 years. We have borrowed money over the years for many diverse projects which the bank has supported, this has allowed us to grow our business to which we are most grateful for.

	However my brother did not have a very good experience with his bank when he was under financial pressure, his bank ASB literally pushed them off the farm. Fair weather friends.
265	Over these years while interest rates have been peaking, the bank would not allow us to fix our loans, so we had to have all our loans on floating. Our bank manager keeps telling us our best option is to sell and go do something else. Absolutely not support.
266	overall we have been with the b n z for 55 years and havent had a lot of trouble
267	Overdraft, visa and loan int too high. Business interest rates should be same or less than house interest rates as they are providing jobs and feeding the world. I have talked to some young people and they have said they can only survive one more year. We have just lost another young farmer who has sold to trees. The old saying ' the definition of child abuse is handing the farm down to you child' has become a reality. There shouldn't be fees when setting up a new loan. Why do they need monthly fees.
268	Overly compartmentalised. They need to streamline their services
269	Personally our experience has been largely positive with the exception of high interest rates. However we have family members who have not been so fortunate
270	Positive experience with the sustainable farm loan registration through Westpac. Had to recently complete a full market valuation as part of our loan requirements, an expensive exercise at our cost but with no seeable benefit. Have had to question and challenge our loan margin and risk rating, to see how we can get it lower. With impeccable finance history, will never be able to get it any lower or comparable to the larger corporates.
271	Present bank is hopeless
272	previous bank (westpac) put us under pressure when we were faced with loses due to being exposed to M bovis - we always met our loan requirements yet were put under mirco scope and had overdrafts removed.
273	Previous bank started taking loan repayments out of our account without consent because the manager was getting paid commission for getting said loan repayment. 12 months previously they were being paid commission to lend us money. 2006-2007. A lot of people hit the financial wall with this practice. They were pushed to take loans out and then pushed to pay back.
274	Previous banked with ASB and they increased our margin by .5percent ,when we queried this we were told it was the government forcing them to do this and they had to comply. We contacted Rabobank who said they would be out on Wednesday,I called ASB and said Rabobank were coming and the next morning we received a call from the regional manager to say that he had gone against government policy and will keep our rate as it was. Needless to say we now bank with Rabobank.
275	Previously with ANZ and swaps contact Had to sell 200 acres and 200 cows to be able to break that as they had us by the throat BNZ have been very supportive however interest rates still too high Banks should be valuing homes and feedpad etc as assets currently ignoring valuable farm assets

276	Problem is that sharemilkers don't have their equity in stock recognised by banks when they try to move towards owning land. This can cause them to exit the dairy industry!
277	Rabobank has been amazing in all aspects
278	Rabobank have been very supportive However BNZ we had a huge problem with selling us bogus life insurance from a meeting with our bank manager and her manager with bnz life salesperson under the pretence of being tax deductible because the bank would own the policy also would help our equity? It took 6mths to cancel it after we found out it was wrong! Then rates went up we took three years to get away from bnz now our rates are normal hadn't seen a bank manager for three years the ombudsman is useless they go through the bank first then you have to prove wrong doing which the banks send innocent replies and lies!
279	Reasonably happy with Banking services . Good relationship with manger. As I see it, their hands are tied by current monetary and fiscal policy. A heads up for your pushing for banking enquiry
280	Recently changed banks after several years with a difficult bank which had many things that made our situation difficult to trade in due to limited finance in a profitable business after some bad years, which led to excessive interest paid with inability to restructure loans
281	Recently reduced margins because of Femp completed and value of land taken into account
282	Reduction in interest rates has to be initiated by us. We have asked twice over the last 18 months for a review of our interest rates on our all in one account. Both times we have had a reduction in rates. It is frustrating that we need to ask, they should ensure customers with good credit history are always on the best possible interest rates.
283	Relatively happy with bank. Talk of fees being charged on unused portion of overdraft facility is a little worrying.
284	Retired but have been satisfied with all loans and overdraft conditions
285	Rural interest rates are 1-2% higher than urban or housing loans. When our equity is 75% or higher why should I be paying more for rural loans than I do for a house loan. My rural loan is far more secure and safe for the bank!
286	Rural interest rates are unfair compared to residential rates. Farmers suddenly aren't 'bankable' especially sharemilkers and contract milkers. Lending is crucial to get ahead in dairy.
287	Sadly over the years banks have changed, now no managers staff support though. Our needs not as necessary as before. Pity you lose identity with your banking staff now, just a number. No
288	Secured a loan on a house and got cheaper rate, even though ability to pay hadn't changed, equity same, security actually less !
289	Seems so unreasonable that farmer lending interest rates are so much higher than other personal and other commercial operations. I know there is greater risk etc
290	Sheep and beef farmers interest rates are now based on cashflow not equity. Our costs have doubled and our income has almost halved. Of course we have low cashflow, the last thing we need is higher interest! So backwards! Sick of subsidising lower housing rates.

291	Sick of the high interest rates
292	<p>Since purchasing new runoff block the bank increased margin by 50% (from 2 to 3 %)</p> <p>They said the rate would revert to old rate once capital work was completed on farm.</p> <p>We did this within a few months, but when asked about reduction, they said we had fallen outside their criteria with our swaps. Something that had never been identified as an issue before.</p> <p>Every time we thought we had met criteria something else would be used as an excuse to keep margin up. This has cost us an extra \$150k a year in interest for 4 years now.</p> <p>Just in the last couple of months now have they decided to reduce margin by 50 points, anything to do with an inquiry?</p> <p>Until we can freely change banks by keeping our account numbers will there be some form of competition, as the hassle to change a bank is huge</p>
293	<p>Slow moving and keeping OD high not able to put on cheaper term debt.</p> <p>Their forecasting of farm financial data etc stock prices are completely unrealistic</p>
294	Slow to drop interest rate. Require us to ask the question before rates are dropped.
295	<p>So far our bank manager has been very supportive of our business which we are grateful for. We have been through some very tough times though with pressure, higher interest rates because of our high risk etc etc....dreadful. The only reason we are now being treated more leniently is that we have reduced our debt significantly....and the only reason we have done that is by not spending money...so we have dropped a labour unit, went for 3 years with no fert and have done no development...so that is not such satisfying farming and we have certainly not bought any more land or new tractors or off farm investment in preparation for our retirement. We watch others (and on Country Calendar) farmers going ahead and being 'innovative' and spending money with interest (not envy as we are not into being covetous !) .</p>
296	so many extra fees for everything - bank loan fee, account fee, drawback facility fee all on top of the tens of thousands we are paying in interest to them, don't have an overdraft but if we did there would be a fee on that also
297	Some bankers views on agricultural production, emissions and sustainability are not based on science and facts and reflect a political viewpoint
298	Some of these questions are not applicable as I do not have bank debt.
299	<p>Some time ago I was told by our bank manager and colleague at a meeting here at our home that our yearly 'carbon tax' would be in the tens of thousands of dollars and would likely keep increasing. What a terribly stressful revelation that was. They were talking about the whole carbon thing and I was thinking this is all just a narrative. I said to them something along the lines of - "Look out the windows here at our expansive farm covered in grass and bush. We are conservationists. How can this be that we are having to pay this money when we are caring for the environment as we do. We use environment-friendly fertilisers and we don't use Nitrogen. How can we potentially have to pay a huge amount of money when we are actually positive for carbon on the Beef and Lamb NZ Carbon calculator?"</p> <p>It was like our bankers had been told a bunch of stuff and they had believed it all, or at least had been asked to pass it on to us verbatim. It was a complete wrought.</p>

300	Terrible service with poor knowledge by the bank staff
301	The ANZ New Zealand branch of the bank is very much controlled by Australia. I dislike being charged a higher rate of interest compared house lending mortgages. They say that it is a much higher risk for mortgage lending to farmers than house holders. I say rubbish to their way of thinking. Surely it should be based on risk. My risk is low at \$3million mortgage with over 20million of assets and yet I have to pay several percent more than than someone with house mortgage. Its not fair. They are ripping us off.
302	The bank decided they no longer wanted to bank us. We had to find another way to fund remaining mortgage.
303	The Bank lending margins over their cost of funds for rural financing are too high
304	The bank seems to be disconnected from reality when trying to negotiate interest only periods, bank strongly encourages principle payments
305	The Bank takes in to account the amount of credit you have on a bank card when considering your interest rate. Our amount has been put up by the Bank over the years and never used by us. When we recently requested the credit card credit limit be reduced it was such a performance to get this done. Surely it should be a simple telephone request to have the limit dropped, especially when we had never asked for it to be increased at any stage.
306	The Banks are Simply working like an Oligopoly. They are uncompetitive, charge massive margins despite significant equity and quite simply are raping farmers, destroying any confidence or profitability. It's long past time there was true competition in the rural banking sector.
307	The banks need to stay out of asking for our farm environmental plan etc. We get audited by irrigation company and dairy company every year. A farmer who is struggling should never have to subsidised some other well off farmer to get "green loans". We are carbon neutral because of soil and grass growth and until a fair system of science and everything included (every tree, grass and soil is counted) then this sort of loan should not be offered. Some farmers like me are 1st generation and struggle to have the backing compared to 3rd or 4th generation with no or little debt, then make out they are better farmers.
308	The drive for loans for emissions reductions or renewable energies seems to be driven by the Reserve Bank offering cheaper funds to banks for loans meeting certain criteria.What 's the goal behind these directives and who is promoting it?
309	The green loans appear to be a minimal benefit currently, and not enough of an incentive to invest in the capital equipment required.
310	The lastest OCR drop of .25, it has taken the ASB half a month to pass this reduction on to us. Also ASB is the first bank to increase their interest rates even before the OCR goes up and the last to drop it, very disappointing.
311	The life experience or lack of is frustrating, example "what are you going to do with it all" in relation to NOT going into partnership with family memebers
312	The minimal analysis and apparent lack of understanding of my business makes me question why I need a bank manager at all. I suspect the bank management function represents a substantial overhead that has a significant impact on the cost to serve me as a customer - passed on to us in interest rate margins. If my bank can accept my business with such minimal analysis, the I would prefer to bank with an industry disruptor who determines my bankability through an algorithm - and i pay a lower margin.

	<p>The other frustration that I have is how opaque my interest rates are. There's no indication that anything I do in my business to improve key bank indicators (equity and cashflow but also environmental initiatives) has any impact on the interest rate margin.</p> <p>It's also a bug bear that banks are impressively slow to move interest rates as their wholesale financing costs come down - I'm seeing a 0.25% shift when I know wholesale markets baked in an OCR cut weeks or months ago.</p>
313	The o/d interest rates are exorbitant. I am pushing bank for a means of lowering this rate.
314	The OCR was reduced .25% but we only got .15% passed on. Just not on.
315	The people on the frontline are overworked
316	The previous 2 questions are non sensical in options to answer
317	The problem with offering an incentive to reduce GHGs (or other environmental issues such as riparian areas), is that is disadvantages those who have done their best to keep these things low already, and rewards those who are currently high emitters so have a large percentage drop when they finally do the low-hanging stuff others did years ago. Or if things like freight to remote areas are included in GHGs, we cannot help where we live.
318	The rural banking team are hard to contact. Because we barely have any debt, they don't seem to want to know us.
319	The same day I fixed a home loan and a rural loan for a 2 year period, there was a 2% difference in interest rates. The money to pay the interest and principle for both loans coming from the farming business. the only difference was one was secured against a house and the other farm land.
320	<p>The term of the facility agreement (and I'm not talking about a loan) should not affect risk profile, and therefore should not affect interest rate - because it does. What should affect risk and therefore interest rate is (1) personal factor, (2) viability, and (3) security. Banks are charging more on a floating interest rate the longer the facility agreement is - and they blame the Reserve Bank Rules (which may be true). This should not happen as it does not affect risk.</p> <p>We have a LVR of around 20% and strong cashflow, and it would cost us significantly more to have a 5 year facility agreement v's a 2 year facility agreement. Trouble is a short facility agreement restricts your ability to fix for a longer time if you choose to ie must have a facility agreement at least as long as your fixed rate.</p> <p>Yet the banks gladly lend to residential customers with a LVR in excess of 80%, and they get a better interest rate than me, even though we have over \$20m equity and strong surplus results.</p>

321	there is an imbalance around interest rates with the farmer having limited knowledge of what market rates are. we have negotiated 2 drops by threatening to go to another bank.
322	There is no reason to offer lower interest rates for lower emissions when Methane is not the issue we should be dealing with - population increase and CO2 emissions are a much bigger issue - too many are stuck on methane when NZ's current emissions are not contributing to global warming
323	There seems to be so much red tape We have been with ASB since 1993 and I get treated like they don't even know me at times Managers keep changing at one stage we had a manager for over 10 yrs now you are lucky if it's two Bank change policy and don't tell us and when we need them for something everything seems to have changed which requires 10 times more work than it used to
324	They are double dipping as I am paying principal payments with seasonal finance
325	They are gouging the agricultural sector to fund their over exposure in other sectors. Housing, industrial and so on
326	They are taking advantage with their margins compared to other similar businesses that are with other banks
327	They brought us a nice gift for calving. They wanted our overseer, greenhouse gas numbers and our farm ex report which apparently give us better interest rates. Basically box ticking. We felt horrified with the fact we were still in the throws of a drought & they weren't at all interested in looking around our farm or seeing what condition our stock were in. It appears they have completely lost touch with the reality of our farming business & the drivers that pay off principal and interest. The last time our bank manager went for a drive or look around our farm was 3-4 years ago when he did an evaluation. A few years ago we weren't able to lower our interest rates because our debt was too high. We managed to sell some property but now our interest rates are not lowered because our mortgage is too low. Does not seem to make any sense.
328	They don't tell us what our risk rating is. How near or far you are from the next risk basket. They never offer lower rates as your debt is paid down (there's always an excuse as to why your margin is now higher even though your debt is lower)
329	They don't have any interaction with us since we repaid our loans.
330	They have been very helpful during these trying times, but interest rates still far too high.
331	They make the loan term short usually 12 months so you don't have any options to lock in longer term interest rates, you are pretty much limited to floating or 6 or 12 months fixed. Often very little discussion about rate options Doesn't appear to be much discussion on margins charged and why they are charging them

332	They operate for profit not for customers.
333	They tend to leave us unattended due to the level of our debt and quality of the group owning the farm. I think they need to update their online banking with more detail around loans and margins being charged. There are now many hidden costs to having a mortgage and there is the non utilisation fee for loans is really high.
334	they tried to fix me a big part of our loan long term as we all know the rate supposedly going down
335	They want to much principal payed back
336	They were happy to give out the money but when it got tough they demanded it back anyway they could get it. The support really dropped in the past 2 years.
337	They've been reasonably good
338	To match every basis point jump on the OCR on the way up then only give fractions on a drop is pretty rude. My interest rate is all floating
339	To shift banks I needed to owe more than \$5 million. Banks getting into greenhouse emissions totally disagree with. Also paying more than commercial interest rates. Also banks becoming faceless & trouble getting anyone on the phone when you need someone.
340	Told to suck up overdraft, put it on term debt and start again!
341	too much micro managing/insist on knowing too much Interest rates high compared to home loans
342	Try to comply with all there requirements as best one can but they're still not happy. Threatening to withdraw funding if the current offer on the property doesn't go unconditional at the end of the week.
343	TSB has withdrawn from Rural Finance because of the higher Banking Capital Ratio Requirement. This reduces competition in this market. While we have repaid all our debt, I am aware of the Fair-Weather lender and very variable lending policies of Banks.
344	Tsb no longer want rural clients which makes things very hard
345	Unable to get funding for an irrigation project that made the farm more profitable (2020). Unable to borrow to repay cash injection made by shareholders to fund irrigation project (2023).
346	Undoubtably all rural lenders have significantly increased the lending margin and the liquidity premiums over wholesale funds charged onto farmers since I was a rural manager in 2003-2006, largely following the global financial crisis. When I was a NBNZ rural manager our \$300Million loan book had a net margin of ~1.25% now that would be at least 2.5-3% or more. Banks were still very profitable back then. All the major rural lending banks are now making significantly greater margins for little or no extra benefit to rural customers. It is the margins that needs attention not the OCR.
347	Unilateral increase in interest rate margin ON TOP of COST of FUND increases
348	Variable interest rates seem very high (9.30%) but some discount off term rates which still in 8.9-6.85 (shorter to 5 yr)
349	Very antiquated in their approach to online banking. Charge high overdraft fees even if not in debt

350	Very difficult to change banks with multiple loans, why do farmers pay considerably more than house loans?
351	Very good to deal with
352	Very happy with the bank services but just the interest rates are too high. Why are they so much higher than housing loans?
353	very happy without them I would not be here today
354	Very hard to arrange face to face meetings
355	Very satisfied with the service but not with interest rates at the moment
356	very slooowwww on trying to get sharper interest rate but very quick to put them up slack comunication feel like im always chasing them
357	Very supportive over 30 years
358	Was advised to get rid of overdraft as it costs to much and use my floating mortgages to do the same thing at much lower rates.
359	Was made to sign deed of postponement before they could increase my overdraft limit in August 2024
360	Was to busy farming and didn't pay enough interest in my rates . Started complaining and they drop it .5 a week later the girl rang and said you didn't sound that happy about the rate so Ive dropped you another.4 . A bit disappointed in my self for not acting sooner . 9.5% to 8.6 with the ocr sitting steady. Will never trust them again.
361	We don't pay for capital expenditure on OD, but we make considerable monthly principal repayments. We are not against some payments, at a time when we are marginally profitable, and the bank is well aware of this, it is effectively transferring our most economical lending to the most expensive, further deteriorating our profitability, so stressing the bank to continuously question our credit rating. Our OD rate is 2 % higher interest rate than our term debt, over the past couple of years the bank has introduced a management fee based on our OD limit, this has taken our annual bank fees from \$144.00/year to \$7602.00. While this could be reduced if we could get our OD down, the bank is hell bent on our high principal payments making this reduction near impossible at present and negatively effecting our profitability. Discussions over that the higher OD interest rate versus mortgage rates covers the banks security on OD lending, rather than the extra fee seems to falls on deaf ears.
362	We ALL want to be treated fairly!! Whatever business you are involved in! Banks are making the profits while we are suffering!
363	We are a multi million dollar operation and have been organic certified for 24 years yet the bank is offering no concession. This is because the plan is to reward the farmer for steps taken on a programme of ongoing environmental improvement. How can we continuously improve when we are already there, have already arrived at a place where the rest of the sector is only just starting to head towards! Organic certification annual renewal is no walk in the park. Lots of paperwork, ongoing scrutiny, the highest standards in the world,

	multiple sets of rules to satisfy ,multiple markets , \$3,000 fee paid by our own farming business, recently changed from a one to a two day audit by auditors who miss nothing!
364	We are being forced to pay back debt EVERY year regardless of anything else on the farm. This is negatively impacting on our farming business as we are unable to fertilise when required, or in fact do anything else we need to do on time. We have posted a profit for the last two years in a row, most of that profit being taken in debt reduction. It has taken 5 years to get our seasonal level set at a reasonable level, meaning we have to go cap in hand every year to get finance to get through winter, and then money is dragged out of cashflow in December to revert back to an unreasonable \$75k.
365	We are Carbon Neutral and the only reason we are having trouble meeting our interest commitments is the hugely high rates that we have now to contend with! Yes we have a large mortgage but the massive jump in interest is crippling! Poor returns from lamb and wool has been crippling for our business!
366	We are fortunate to own residential properties to loan against so our main farm loan is reduced.
367	We are happy with our bank.
368	We are lucky to have invested in property that has increased in value significantly. I investigated changing to a bank that could give us a residential loan on the value of the residential properties to decrease our interest rates. We would've saved \$20K per year on our interest rates at the time. I discussed this with our Rabo account manager and he was able to make significant reductions to match those savings. I found banking to be a very competitive industry, it was definitely worth having these discussions.
369	We are new to farm ownership, we bought our property in 2022 so the last two years have been really tough. Last financial year we paid \$635,000 in interest, our interest rates are so high compared to housing interest and we also have a .75 margin on our lending due to being low equity - our bank manager says we are in the top 10% of farmers and everything we do inside the gate is perfect and that we can't help interest rates or commodity prices - which is so frustrating to hear! The margin alone is worth \$60,000 a year to us, I also find it really hard to find Agri rates anywhere other than our banker which seems odd when housing can be so readily found with a quick search.
370	We are not a normal farming entity. The majority of our holdings are commercial based and this does affect the interest rates that we get. Our farm loans are covered by our commercial income, we are not reliant on our farming income to pay debt.
371	We are on a 3% margin above the OCR, and there is no way it will be reduced unless we change banks.
372	We are paying a higher interest rate because we have a low mortgage compared to someone who has a higher mortgage? Which is unfair.
373	We are probably in a unique situation where we are debt free and do not require an overdraft as we have been for some 20 years
374	We believe that we have been landed in the shit by a previous over worked manager taking short cuts with bank processes,[very sure] but general attitude is our guys wouldn,t do that.TUFF,,
375	We came under what we - farm advisor, accountant and us felt was undue pressure because of the application of bank policy. They wouldn't not answer questions around the setting of our interest rates - there is no transparency with this. We had another layer of management applied by the Bank with the cavate that they were here to support but its never looked like more than additional meetings and reporting. It added no value at all and added stress and created mistrust.

376	We changed banks 18 months ago our new bank tried to make it easy as they could but it was still a lot of work and hassle
377	We changed from ANZ 2 years ago. The expectations from them were so unrealistic. We saw what had happened in Australia with farmers there, so weren't surprised. ANZ were acting like they really wanted to reduce exposure to rural banking. We helped them by taking away one of their biggest loans on their portfolio.
378	We changed from ASB to Rabobank in 2023 after 24 years with ASB as they kept increasing our margin. Rabobank's rates were 1% lower across the board and they valued our land and stock higher than ASB, and didn't use our debt/equity ratio as a reason to charge higher rates. Very disappointed with the service from ASB in the last 2 years before we changed. With Rabobank we can choose our own interest rate terms and monitor rates on a daily basis so have a lot more control over our debt. Rates are still high compared to residential, but so much better than what we had with ASB.
379	We changed from westpac to rabobank last year Rabobank really wanted our business and have been great We had been with westpac since 1993 Westpac had been good but we had a change of bank manager who was so inexperienced and then we felt pressured with our finances. Rabobank said our business is amazing financially. Wish we left westpac years ago
380	We changed to ASB approx 2 years ago and feel they have a much better service proposition and a customer centric model than our previous bank ANZ. ANZ we're not transparent with their pricing, would leave loan approvals / roll overs until you had less options hence we changed banks. Once ANZ was aware we were going to leave they dropped their margins considerably which was disappointing as made us feel like we had been taken advantage of in prior years ie why didn't we have a fair rate to start with. I now believe ANZ were using the likes of their rural business to target Home Lending markets, I think the Capital overlay has driven this behaviour.
381	We currently don't have a bank manager as they haven't replaced our last one who climbed the ladder. The charges for an OD account were too high to have one so we keep funds in the bank to avoid the charges but only get 2.7% on savings account because they don't have any accounts like revolving credit. We could get slightly cheaper interest if we ticked the emissions box but MPI audit us for that. When they audit us for Fonterra it is very difficult so we feel they would make us bring something up to speed at a huge cost and the time involved preparing would be too much
382	We Don't get a fair deal interest is too high if it was lower, we would be able to upgrade. plant and machinery as it stands this may be the farm will not be milking cows
383	We forcibly switched from supporting local (SBS) to one of the 'Big Ones', "due to the rural lending changes". Start out Interest rates offered were good but very quickly jumped up, especially our OD rate! OD Rate 5.14% w SBS Apr2021 (hadn't changed for a year, looking at files on hand) OD Interest went from 6.17% Apr2021 6months later to 6.36... 2 months later 6.61 3month later 6.86...1 month later 7.36...2 months later 7.86...one month later 8.36...2 months later 8.86...1 month later 9.36...2 months later 10.11...3 months later 10.61...1

	<p>month later 11.11...2 months later 11.36...1 month later 11.51 July2023 till today...seems an extortionate rate. ASB never tells us when it changes, we only know when our statement is run month later. Even now, logging in , I can't see it anywhere on our a/c. It forces us to not use the OD and instead take term loans or Hire Purchases - which we don't normally like to take. We are constantly keeping personal money in the business to avoid the OD.</p>
384	<p>We get the feeling that the bank can "tweak" the margin as they wish.</p>
385	<p>We got caught up in the SWAPS loan fiasco years ago. Our bank suggested the loan but didnt tell us exactly how it all worked. Our bank manager didnt know apparently. We ended up paying \$250k more interest per year than if we were locked in to normal loans. We were pressured to take the swaps loan or else we couldnt purchase the farm we wanted. Left a very sour taste in our mouths for banks in general.</p>
386	<p>We had a investment fund with ANZ and they fleeced us with costs ,we lost a lot of money 9 years ago we pulled it out after 8 years in there investment fund</p>
387	<p>We had a local meeting with Reserve Bank representatives prior to the COVID lockdowns where they were open that their policies would increase interest costs to farmers, (Increased bank reserves) I have as many or more concerns with the leadership of the reserve bank as I do with private banks.</p>
387	<p>We had a very good experience establishing a lending relationship with Rabobank for an additional farm purchase. Our manager was very proactive working within Rabobank to achieve competitive interest rates for us. They definitely wanted our buisness and we were open about the fact we were talking to the ANZ as well. We still retain our operational banking with the ASB and Rabobank did not require us to open a current account. I like their environmental approach. It's not just about GHGs but eg Fonterra Co-Op Diff as well as Insight Reports. We have QEII Covenants, do a lot of pest/predator control & riparian work. We are working with our manager to achieve an interest rate discount based on our environmental credentials incl as winners of a Ballance Farm Environment Regional Supreme Award. We saw this as an opportunity to get a better interest rate. It's very difficult for farmers to get tangible recognition for environmental efforts (incl sequestration) from councils etc.</p>
388	<p>We had bad service with Westpac. Have changed bank manager. Paid all debt off and looking to buy a farm. Several banks are very keen to work with us, as we have a good profit- and repayment history</p>
389	<p>We had banked with BNZ until they increased their charges, and closed the local (Eltham) branch), so we changed to TSB bank. We have had very good experiences with TSB Bank. A loan was promptly approved when we tendered for adjoining land although in the end we were not successful with our tender.</p>
390	<p>We have 90% equity in our property and we pay 9.95% and 11.95% interest. I know farming is hard work at the moment, but why are we being ripped off by the banks, with interest rates compared to other sectors, which in turn makes it harder to make a profit. ??</p>
391	<p>We have a great history with the Bank, but have recently come under pressure due to a loss last year and a negative budget this year. This is a direct result due to the extra 60k needed to fund mortgage payments, 6k for increased insurance, 5k for rates, a \$50 per head drop in lamb returns and Gabrielle repairs to our property.</p>

392	We have a great relationship with our bank. Many of the issues in recent years that have caused issues, such as higher interest rates and paying interest on unused overdraft facility are being driven by the Reserve bank rather than our bank
393	We have a low risk profile as farm owners but bank is very slow to lower interest rates. We have found on several occasions that the rate offered by our Bank Manager to short term fix has been higher than the rate auto allocated if we choose to do nothing ie not accept offer put on table
394	We have a reasonable relationship with our bank over our northland farms, debt! Has the farms have had many tough years, drought, floods, and cyclone And cantering has anchored the business by being the guarantee for northland. The challenge is I have tried to sell the farms for 6 years, yet the banks won't lend money to people to buy northland farms, and you need 80% equity, or be over 70 with cash that want a farm
395	we have a shared account with ANZ and it is becoming harder to do business as both of us must now sign off on some transactions even though we only require one persons signature to operate the accounts. Been told this is a government policy they must follow.
395	We have a very good personal relationship with our rural team. But welcome a report on the interest rate we are charged given the amount of security the banks require for any loan.
396	We have a very good rural banker at present
397	We have been banking with Rabo for 30 years (one of their oldest clients) Just don't understand the risk and why interest rates are comparable to home mortgages
398	We have been disadvantaged by all the banks in our town leaving and moving south. It is not easy to only have money machines and as I am in the older age group I find I rely on my son to do the extraction of money for me as I feel I would be very vulnerable doing it myself.
398	We have been farming and accessing rural banking products & services for 30+ years. I am an ex-rural manager myself. We have noticed a definite dropping off of service, interest and appetite to support lending proposals, particularly when we moved from dairying to sheep & beef. We also note that many of the rural managers these days only work part time, have their own land and demands on their time, and almost have a defeatist attitude that the best use of our hills and valleys is planting trees. They even wanted us to speculate by buying a property much further out to plant or flick when planting trees became popular again. They clearly don't understand us, or our values. We might plant less productive areas of our farm, but we don't support any further mass afforestation of our hill country communities. Bankers, real estate agents and others are now realising the folly of their ways. They have helped this scenario take out large areas of future "business opportunity"
399	We have been farming since 1980(a very long time) and the business has grown massively in that time. In our experience in the last three or four years the bank is placing a big emphasis on the ability to repay debt. They certainly respond favourably when budgets are met and reliable cash flow forecasts are presented.
400	We have been with a sole NZ Bank for many years, one big advantage is being able to speak with a REAL PERSON at any time, for any reason. We would have to be very strongly coerced into changing bank as our present one has stuck with us through some very tough times and are strongly realistic to the rural community.

401	We have found ANZ to be very helpful in this time of high costs
402	We have had a long and good relationship with ANZ (and its predecessors). We currently have a low debt level, but in the past they have been willing to lend us large amounts to purchase and develop properties. The sale of one of these properties has put us in the good position we are in currently.
403	We have had nothing but a great experience with our bank. We ensure we keep them well informed and in return they have supported us in everything we have asked of them.
404	We have had so many different managers in the last few years, and no-one has ever walked through our door and come to see what we are actually about. The information flow has been poor and past managers have dropped the ball on us at key points. We have contacted the bank to extend our overdraft, for example, only to find that our manager has left, and no-one has told us. (Our latest manager however seems very good.) We are frustrated by high interest rates, especially when you can purchase a tractor on HP for 0.1% interest and our bank loans are sitting at around 9%. Our relationship with the bank is one of our most important farming relationships and we often feel we are the only ones working on it!
405	We have high interest rates because we don't own land, but we are paying back interest (Principal and Interest and voluntary repayments) at much high rates and amounts than farm owners, yet we are stung with much higher interest rates than farm owners who are only paying Interest and not principal. Our interest rates sit consistently 50 basis points higher than land holding entities and 1.5-2.5% than residential lending. Yet have paid back \$750,000 in
406	We have just in the last couple of months put our business out to to other banks because we were unhappy with ANZ and we were at a crossroads where we have just achieved succession and also had all loans floating. It was a very worthwhile exercise. We had very good interest rates offered from all banks, much better than what we currently had. We have stayed with ANZ due to best interest rates, history, and promises to do better going forward!
407	We have secured a discount of 50 basis points across all our loans by qualifying under the sustainable environmental program
408	We have to pay a higher interest rate because we do not have them listed as an interested party on our farm insurance policy,outrages!!!
409	We have very little debt compared with asset, when we asked about a lower interest rate on overdraft we were told were already on a low rate at 9.9 percent. Got the feeling they don't care about us at all, 20 plus years of paying off a large mortgage then dumped to the bottom of the pile, dumped by local managers and now have a manager somewhere in the North Island, we are in south Canterbury. I have to ring 0800 number for any banking matters. Once they cancelled all our cards saying there was a security leak, leaving us with no way of paying for groceries etc until a new card arrived by post. We now have a BNZ account for our personal bank as it is an experience we don't want to repeat.
410	We haven't used our overdraft facility for nearly 3 years, farming entirely from what money we earn. We have changed our farming practices, reduced herd size and tried to be all around more efficient - both for the farm and for our workers - but nothing seems to

	keep the bank happy. Three years ago, we sold an expensive property and got \$2.5 million, putting most of the sale - \$2.2 million - into our farm mortgage, heavily reducing our debt. We kept \$300,000 aside to do capital projects on the farm and yet recently our bank manager implied we had overspent our budget - how can that be when the money set aside from the sale of a property was for that very purpose! It seems to me, that no matter what you do, the bank is never happy and keen to wave the big stick!
411	We need one provider and type of farm audit plan. Any benefits for higher levels of compliance can be more transparent and sets a minimum standard. After achieving FAP+gold on two farms and asking about environmental interest rate reductions. Reply was negative even though we could point two our GHG reductions, water quality etc. but could build a big cow barn.
412	We need rural town branches. When there is no wifi/internet available we need or have to make a 2hour trip to the nearest bank [and are often turned away as we do not "have an appointment". This is not only inconvenient but also stressful when you need instant banking requirements eg: land purchase, solicitor transfers as happened with the last major weather event we experienced.
413	We need to make all banks NZ owned with NZ funds and NZ managers, that can make a call on the ground in NZ. We don't need more banks, we need them to stay here.. our Australian business deals with the same banks.. but everything is cheaper, faster and no issues! It's a joke!
414	We operate a farm business on a Maori land block (700 ha) and our bank has refused to provide us with any finance to grow and develop our business.
415	We originally sought to finance our dairy farm purchase using ASB because our family was banking with them at the time. However, ASB said they wouldn't bank us if we put a 50:50 sharemilker on the farm instead of a contract milker or lower order sharemilker, even though the 50:50 sharemilker option was de-risking the farming enterprise and enabling me to earn more off-farm income. Rabobank took a look at our situation and had no qualms financing us. The difference in attitude between the two lenders was like chalk and cheese. ASB ignored off-farm income in their consideration of our loan application. Rabobank factored in our off-farm income in their consideration of our loan application. Due to off-farm income we've been able to pay down over 20% of our mortgage in the past three years despite the farm making a loss each year. Rabobank has been proven correct in taking account of off-farm income in their lending considerations.
416	We paid premium interest while we were farming. Now we are on the back teat as the bank is charging over the top.
417	We put our banking business up for tender with four banks and only two were competitive .
418	We received lending from BNZ for a land subdivision and once it was finalised we battled BNZ to change our Business Term Loan (with 10% interest rate) to a Home Loan (with lower interest). We tried for over a year with many phone calls, emails, and in person contact, to no avail. We were constantly told, "I will look into it". So we transferred that loan to ANZ who offered us a Home Loan at 7%.
419	We run a all in one account so it's a little difficult to answer some of the questions

420	<p>We spent money fencing off waterways and planting natives thinking we were doing the right thing. Our farm funded it all and the banks said we weren't making enough money to get discounted interest rates for doing this, when they advertise that they do discount rates for environmental stuff</p> <p>They are also right onto us because we are older and they are putting pressure onto sell some land in a bad time to sell. They have no respect. We are at this stage, fingers crossed, good health wise.</p> <p>We have farmed for 44 yearsin</p>
421	<p>We switched from Westpac to Rabobank 8 months ago - Westpac floating was 9.2% and Rabobank 7.8% we had been with Westpac for 25years it is sickening to think how much extra interest we paid them over such a long period of loyalty.</p>
422	<p>We tried to get a solar panel installation interest free loan for our farm house but it didn't qualify - only residential houses do.....!!!!!!</p>
423	<p>We tried to go back to ASB after a 4 year absence, as our relationship with Westpac wasn't as strong as our previous one with ASB. We were turned away at the 11th hour because our cash flow had changed for the year ahead by 300 animals. We also had 2500000 fixed at 4.5% at the time- we feel they found an excuse not to take us until that money had rolled over.</p>
424	<p>We try to keep out of the clutches of the bank so don't have any loans, mortgages or over draft but for the capital improvements that we are likely to have to undertake in next 5 yrs we are likely to require our banks cooperation so we have an interest in getting a fairer deal for farmers.</p>
425	<p>We use to bank with ANZ. They forced some farm sales in the area 5 yes ago. These farms were sold at very cheap prices as banks had lost there appetite for farming and wanted very large equity amounts to any new lending. As these farms were sold at cheap prices, ANZ then valued everyone else's farm at the same rate saying if we were to sell, this is where the markets at. This then increased our debt/ equity ratio and they used this as a reason to hike our interest rates even though we had still been meeting all our interest payments and also still been paying off debt.</p> <p>We were lucky, we paid for an independent valuer to come in which came back substantially higher than ANZ valued us at and we could change banks.</p>
426	<p>We used to bank with ANZ for many years until May 2024. They became increasingly difficult to deal with. Refused to lower interest rates and bank and overdraft charges were sky high. They said they were demanding back payment of our loan. We switched to Rabobank and have been very helpful thus far</p>
427	<p>We used to have bill rate loans that showed total transparency but they dropped the option and now only have floating which is totally not transparent</p>
428	<p>We used to know who our bank manager was now we have no idea who</p>
429	<p>We wanted to capitalise the OD. After incurring over \$1m of damage to our property from flood damage we were paying 11% on this.</p> <p>We were still paying P&I on mortgages at the same time, effectively changing from an 8% rate to a 11%. It took 6 months to get this changed (15k in extra interest paid)</p> <p>We have off farm businesses that provide a solid (400k plus) cash flow and despite this they were extremely difficult to work with.</p>

	Ultimately to get the 1m capitalisation achieved we had to agree to selling the family farm if we didn't achieve our budget for FY25, pretty disappointing to be fair.
430	We were ANZ for years, couldn't get hold of bank manager, paying high interest due to low security. But when we got security under control they didn't drop the interest. Moved to Westpac after attending a discussion group at neighbouring farm. They've been brilliant! Bought a house and mortgaged that up to the hilt as cheaper rates than agri loan. Was bank managers idea. They've been really supportive and great to deal with. Moved to bigger 50/50 job 23/24, more loans needed. No drama at all!
431	We were asked for a current farm valuation for our annual October review of financial accounts, which we understood that we would pay for, and that we organised with our local valuer, whom had undertook an earlier one years before. We never received a copy of the valuation, instead the bank made contact with the valuer and the report & invoice for immediate payment was sent directly to the bank, who paid the invoice out of our farm working account without any contact with us, putting us into default. Our request for a copy was denied from bank.
432	We were low debt for a long time before moving farms and found banks did not want to know you. We didn't even know who our manager was for over a year. [Name Withheld] parents since selling their farm have loaned us money as they offered a better rate than the bank. Years ago we tried tsb but they said they weren't moving into Waikato agri zone. Kids have accounts with co operative bank. Dislike the bank and having to ask for more flexible terms on extending over drafts.
433	We were shocked when SBS, our local bank in Southland, cut farming out of its portfolio about four years ago. Their explanation was that govt. rules meant they had to have extra capital to cover farming loans. We'd really like an explanation for such regulation. Thank you.
434	We were strongly encouraged by our bank to buy the neighbouring farm 17 years ago. We were then sold a swap interest rate package which we were tied to at very high interest rates for the following 7 years. We have struggled to reduce debt since the beginning of the swap and still have similar high debt loading. We have been forced to borrow to subdivide and are now stuck with sections that are not selling in the current climate. Our bank is trying to make us sell off farmland now to reduce debt due to the lack of section sales. Most years we break even but the last couple we have been unable to pay any principal off.
435	We were with Rabo bank but we felt we were getting targeted by high interest rates and employed KMPG agri specialist to review our business to identify any issues. They only confirmed that in their view we were getting a raw deal and charged interests well above expected. They helped us negotiate with ASB.
436	We were with Rabobank, but we had the temerity to pay off our mortgage (They did encourage us to do so), and once we were no longer making them money they asked us to leave, together with about 200 other "non debt " farmers. That pissed me off, in a lot of respects Rabobank is a superior bank, but I am still cross with them. I took us two months to change banks, which is cdrazy.
437	We've had 4 bank managers in recent years. Staff retention has been terrible as they streamline their offices. Our local branch closed and our closest branch is now 1.5hrs away. When wanting to do anything you have to get the new guy up to speed with your business, it feels like you are constantly starting over again.
438	Westpac has been awesome we have enjoyed the last 12 or so years with them.

439	Westpac has been helpful for the 12 months we have been with them. Prior to that our experience with ANZ was much less satisfactory; they were high handed and not at all willing to adjust their system to fit in with our requirements. Westpac performed rather poorly at the time of farm purchase which meant that many of the purchase costs came out of working capital instead of purchase equity which made staying within overdraft limits the first year difficult.
440	WestPac have been very supportive over the years. We are a highly geared Agri business with our ups and downs connected to volatility with climate, weather, markets, politicians etc. It must be noted Banks are "fair weather friends" and it is important to have robust conversations frequently
441	What happened to when you could ring your bank manager to extend your overdraft for a few months and it would be done with a phone call and not have to go through a full series of applications and provide financials (past and future!). It's like you might as well be a brand new customer to them and your past banking history means nothing to them! ☹️
442	When I spoke with our rural manager about our rates of interest being considerably higher than other farmers with much larger mortgages and pointed out that they had a hold over all of our assets-farm-Fonterra shares-livestock and had no risk the reply was that it was because we had so little debt that we had to pay a higher rate!!! I got from that that risk wasn't a priority for them but screwing smaller indebted farmers is
443	When RBNZ lifted rates my floating would go up next day. When RBNZ cut rates last week havnt had any change on floating. Why are rural rates so much higher than housing When our equity levels have to be around 60 to 70%
444	When recently looking at renewing our loan the bank stated they now had a policy of requiring a General Security Agreement even though they already had more than sufficient security and we have 25 years of loan history with them. Fortunately after discussion through our lawyer this condition was removed for our situation
445	When rolling over fixed term loans we consider the margin we are getting charged is too high. We know other farms with similar risk and security are paying less. The banks margins on farming loans is a lot higher than residential, even taking the risk into account.
446	When taking a home loan to purchase the house we have resided in for years on the family farm, the bank had slipped into the security which was never discussed with us, security agreement over the companies assets for a \$400k loan. Due to my banking experience and knowledge I pushed to have this removed as they had security over the home worth 1.2 million. It was removed, and a mere, "oh sorry I forgot to tell you about that" was the poor apology given.
447	When the OCR dropped our bank had already given us a .15% drop a few days before the official OCR announcement and when I rang to ask when we were getting the other .10% they had no idea.. I suggested that the bank was making money off the OCR drop by only giving us a 0.15% drop. It's soo frustrating.
448	When the reserve bank dropped the rate by 0.25% , the BNZ dropped our rate by 0.23% so is making an extra 0.02% profit
449	When we had a large overdraft with the bank, we had a bank manager, as soon as we paid the overdraft off, we were transferred to a cluster group with no personal bank manager, so if we need a short term overdraft, due to cashflow, we now have to speak to someone in Hamilton who will transfer me to someone in the group who MAY get in touch with me in their own time,

450	When we have planted trees the development cost has been interpreted as being an expense and the business deemed unprofitable when it is adding resilience and profitability. The banks response has been to increase the interest rate on our loans.
451	When we started out and had to purchase cows for our herd we had two houses freehold- but we were not allowed to mortgage them and get the money that way for our cows - meaning we would have a lower interest rate of around 4 % instead we had to have a business loan and have a higher interest rate of 7+ % . Both my husband and I have banked with ANZ and previously when it was national bank- all our lives- that didn't seem to matter much either.
452	When we were with westpac we were bullied and threatened by their regional manager [Name Withheld] and [Name Withheld] They also did this to 2 other dairy farmers in our region [Name Withheld] used his position of power Both these characters no longer work for Westpac I wonder why? And we gone on and grown our business bigger
453	Why are farming rates so high? Why hasn't our rate reduced more to equal the .25 OCR cut.
454	Why are we treated so badly
455	Why is it that when I suggested to our bank I would look elsewhere they dropped our margin?
456	Why is the rural sector paying on average 2% higher interest rates than for home loans. If this is to stay why can we not take out the value of our homes and pay a lower interest rate on that value.
457	Wish they would reduce interest to help our cash flow
458	with a \$ 1800000 asset running 14000 stock units all they want to talk is when am i going to sell
459	With no loan don't need to have overdraft or talk to the bank manager. I find it discusting that they should be telling farmers what they can or can't do on their arms
460	With our son looking to buy a house, We are staggered that our interest rates (on our farm) are so much higher than a loan to a person buying a domestic property (house loan) , why such a differential? , there is nothing we can do to change our rates compared to urban home loaners ,
461	With the ANZ we were always given a target to reduce our interest rate and each time we achieved it they shifted the goal posts and we never had a reduction - we had banked with them since they took over from the National bank.
462	With the bank's increased ESG requirements they are taking on some of the compliance role of district and regional councils and others I think they are entitled to compliance reports but not that you are in dairy ,forestry , horticulture etc and require finance

463	Yes I decided to sell a farm as there was some interest in it , then when I told the bank about this they told me I had to sell and put huge pressure on to do so
464	Yes interest rate reduction is not the is only proposed at 0.15 instead of 0.25
465	Yes they would not let us fix any of our loans three years ago and it has done major damage to our business
466	You need to bring up the Overdraft Management Fees that were introduced by ANZ 4 or 5 years ago. We already pay a large premium in interest rate to have an overdraft or flexi facility ((3 to 4% more than a term loan) and it's wrong that we then have to pay another fee just for having access to a limit. It was never charged and was slipped in under the radar. Our Bank fees went from \$1,000 a year to over \$8,000 and our debt exposure never changed.

B. Do you feel you have been unfairly denied access to finance, if so, what happened?	
1	About 20 years ago tried to buy extra land to improve the viability of our farming operation. The bank declined us so changed banks to one that would support us.
2	Age is a big concern for us when we were trying to get finance to buy a run off. We are approaching 70 and although we have 80% plus equity we are still denied a loan. The banks would not lose out if we were unable to sustain a loan. The money is in the land. Having a runoff would of helped reduce our grazing costs. We have compared our situation with younger farmers ie children of our own friends and they have no problem accessing money from the bank.
3	Although being supported in theory for plans by personal Bank Managers, plans have been quashed by Corporate office in Auckland working away from the coalface.
4	Always got finance, just paid to much for it, relative to urban borrowers
5	ANZ always made it challenging and piece-meal to secure short-term funding. Rabobank have been positively helpful and supportive.
6	ANZ reduced our overdraft and forced us to change banks
7	ANZ wanted overdraft completely secured
8	As above - we are limited in our choices of where we can obtain finance from. BNZ was very supportive when industry doing well. Not so supportive during the difficult times e.g. fair-weather friends.
9	ASB - Massive margins over a low risk loan have made it very difficult for us to expand our business and grow NZ export income.
10	ASB made us feel like we weren't good enough when we had a couple of bad years (due to low payout and multiple flood events). Despite having 24 years of history with the bank, which showed we were successful operators, they were reluctant to switch some of our 12% overdraft to 9% term loan and insisted that we must still make principal payments even though it was just added to the higher interest OD. This was used to justify 3 margin increases in 6 months. So we changed banks.
11	ASB were terrible We were hit with a combination of weather and market issues that were out of our control They were ruthless and showed no compassion only interested in their shareholders and their own profits
12	Bank (anz) asked for a growth plan in the meantime I had carfield finance approved the bank said you have your money from them we won't help. This has hamstrung my purchasing of trade stock
13	Bank allowed other people to access accounts and information
14	Bank disallowed loan on grounds of cashflow limitations. Which was rubbish!!
15	Before we moved to westpac we were with bnz and treated like absolute Shiite and during \$3.90 year they were awful and it took 4 years to get rid of them
16	cashflow (seasonal OD). Sometimes your best endeavours of a budget never works out because timing of some bills can be earlier than thought and then you cant pay the supplier which is embarrassing.

17	Changed banks 6 weeks ago - onerous loan condition that had no financial logic to it which they would not alter , other bank more open to lending.
18	Currently seeking an answer about future borrowing capacity for an off farm build allowing us to semi retire. Have given the bank a set of parameters to work from & they will not communicate about any form of pre approval. Have been trying to get an answer for over 6 months
19	Definitely, I was selling the farm after a marriage breakup and they refused to give me seasonal finance, shortened my mortgage terms to 12 months, and bought in outsiders to control my farm sale at high cost to me, even though the sale was going ahead nicely. They didn't take notice of budgets done with the accountant even though he was present at the meetings. And they went back on agreements with my lawyer which he had to legally reinforce to get a response
20	Denied additional finance to upgrade shed on our second farm when we were only asking for 160K approx. The cowshed is probably 50 years old or more and pretty shoddy. Trying now to save to do it from cashflow. We are paying full principal over 2 out of the 3 entities tied up with that farm
21	Denied further finances until just recently due to poor cashflow in sheep beef industry
22	Difficulties refinancing due to our being remote rural and too many changes eg cease bee keeping and Perendale Stud for them to understand
23	Ex ANZ customer (via buy outs of National Bank and Rural Bank) so long term customer who always paid extra principal off than necessary, never missed a payment. Wanted to change to robotic milkers due to inability to get suitable staff or would have to consider exiting the dairy industry, ANZ initially enthusiastic but very quickly became apparent that they were not interested. Felt the attitude, reasons for denial etc were weak at best and we felt totally let down after our loyalty and excellent record. Soon became evident that ANZ were divesting themselves of rural clients, including their financially strong ones, to focus on a housing portfolio. Approached Rabobank who had a total opposite attitude, they did their due diligence, we passed their lending criteria comfortably, starting our third season with robots, and have continued to pay back more principal than was required to reduce debt as quickly as possible.
24	Finance has always been available to a certain level
25	Had a 750000 ird debt had to fund it with money from family!!!!
26	Have had no problem.
27	Have just approached bank last week to extend loan. They are asking for budgets 3 years out which they have not done before so we will see if they deny access to extra loan
28	Have not had this as an issue
29	Have not have issues with getting finance as SM. But know many farm owners who had small farms and weren't allowed to buy houses off farm for them to out someone on farm. Feels like they hate small farms and small debt
30	have not sort any loans in past 18mths

31	Haven't been denied finance
32	Haven't sought finance
33	havnt needed it yet
34	Heartland bank said they do reverse mortgage , but when you get into the "Fine print " they don't . I told them they tell lies , hit a nerve !
35	High rates are only option
36	I am uncertain if Rabo falls into this category
37	I am very keen to sell the farm, have been trying for 18 months but obviously conditions are making it tough, along with the size of my property. I'm still paying all my bills, have had access to reasonable seasonal overdrafts, but the bank are now making moves to put me into receivership. This is despite me already making moves to sell on my own accord etc. The very high interest rates on my farm debt (8.65) and overdraft (11) make it impossible to break even.
38	I been very lucky, or unlucky has the bank Kent me millions on an interest only basis, and I took it! Yet now tye rules have changed to go back to principal, which if they always keep that rule. We would never have borrowed so much
39	I changed banks
40	I changed from SBS to ASB as they denied access to more loans to cover costs for CPW. Don't know what ASB would've done as time ran out, so had to sell some land and that put me into a positive position for the first time in 40 odd years. In saying that, SBS i think for joe blog, loans for a house would be as good as any other bank.
41	I didn't get the loan
42	I have just had approval for a \$25 k OD having to put up a \$1 million block of land as security is excessive. I don't have a mortgage and my property-portfolio is over \$ 10 million made up of good quality investments and bank term deposits.
43	I have applied for over drafts and due to farm income being seasonal was declined..
44	I have asked for and been denied a share of specified lower interest rates and margins for our efforts for the environment, lower emissions, light footprint etc. The answer has been its built in but there is no transparency , we don't see where exactly, and how much. In general the bank we deal with has been happy enough to lend money, sometimes I feel its been too easy , but over the years the little add ons have become annoying,
45	i have finance till December when they will reconsider

46	I have no problem offering farmers incentives to improve environmentally because there are a lot of shit farmers that need to change or be sold up
47	I was then left with livestock with no ability to rebuild on small 12.5acres. Had to get private mortgage. Had to freight cows around to various lease blocks, drive miles to feed them last winter as wasn't able to get mortgage. All banks refused to lend to me. Had to operate with nearly \$1m of assets, no od, no mort with a bank, 3 kids. Got a job & they still refuse to lend to me. Said I didn't farm in my own name was with my ex. Can't rely on child support payments they say. Work as an accountant so earning good \$ still can't get mortg because they worried that ex will take back my block of land as not full & final. Kids & I living in temp accom. Have house plans in with council but cannot build as no funding. I am 47 years old raising 3 kids by myself. Have run [withheld] with ex since 2002 & it counts for nothing. I am earning over \$75k have \$1m in assets but cannot get a mortgage. More than happy to go public as I have nothing to lose. Be poor advertising for all the banks.
48	I wasn't denied I was To find a guarantor in my parents when purchasing a Some cows earlier in my career. I push back and was able to strong arm the Bank manager.
49	In 1987 we moved to Mid Canterbury to buy a farm, and the BNZ, that our family had supported for many decades previously was simply not interested in assisting us with a 100k loan to purchase a 420K property, demonstrating their disinterest in funding agriculture at that time. Within around 12 years, we had banks cold calling up our driveway offering us 5 million to convert to dairy! We didn't , as our 1980's experiences made us always conservative about borrowing.
50	In GFC we had a terrible experience with a previous bank and left as soon the financial situation improved and able to swap banks.
51	in the end no.
52	In the past but not at this stage.
53	In the past with ANZ - we had to use personal money to set up our irrigation system then they took a mortgage over it.
54	Interest rates are too high
55	It's hard to get secession plans in place due to amount of paper work an hoops put in place
56	Just generally not helpful or proactive and only made changes when threatened wed move
57	Little bit as above
58	Long story but it was with another bank Westpac
59	Moved to a larger sharemilking position needed extra finance for more cows and cost of move lower north island to the Waikato In the end gave up financed cows thru a livestock company We managed it
60	N/A - have not requested any more finance
61	No - a bit more work required and guarantees needed
62	No - our bank has been pretty good at providing us with access to finance.
63	No - they always say that they are here if we need them.

64	No , not yet!!
65	No , we had to borrow for a loss and they were ok with that .
66	No ..we have not been denied finance
67	No access to Rural Banking Service as debt free. No overdraft facility. Lease land, large scale, all done with cash reserves as ASB didnt want me once I had paid debt. Long term farming customer who never missed any payments and was not a high risk. Bank only want in debted customers but there are some who don't require that but may do down the track
68	No but after 30 yrs treated like a nuisance and only approved when found out they had competition not sure of personal or process both needed a tune up
69	No but it took months of work to set up
70	No but we pay more.
71	no currently have good working relationship
72	No not yet anyway
73	No our bank has been very good to us
74	No the bank has helped us recently with a bit of restructuring and the reduction in interest rate.
75	No they have been fair
76	no they have been quite forth coming
77	No we are more than happy, however i might add that if we said we were going to pay off some debt we did so which i know many of my farming friends have not always done so.
78	No we have been lucky and we know our business and what it is capable of managing.
79	no we have not had a lot of trouble with finance over the years some years have been very tough droughts and floods and low payouts this year has been hard going
80	No we haven't been.
81	no we haven't but we also have off farm assets which helps with lending
82	No, but were unfairly denied access to fixing long when interest rates were rising
83	No, haven't applied for any
84	No, mostly we have a good relationship with our manager.
85	No, not at all.
86	No, not at this stage. Touch wood. We have succession payments we have to plan for. (We will be total lending of 1,680,000 come September)
87	No, other than to a good structure to our debt. While we have plenty of debt, we do have good equity.

88	no, our account manager is very good to work with. But I'm going to talk interest rates again next time I see him
89	no, we have always been well looked after
90	No. In fact the opposite.
91	No. We are hill country farmers so there's never a return on investment finance for specific initiatives
92	No. Always chasing growth but the growth needs to remain liquid and understand the banks requirements for that.
93	No. Always helpful however have had to approach other banks occasionally to force down interest rates
94	No. To be fair we happy with Rabobank. Been really low equity client in past with ASB. And Westpac. Rabobank has good system, you can see your rates daily, while we never had that option with the others.
95	No. We have always performed at a top level so have never had that issue.
96	no. we just have to pay thru the nose to get it!
98	Not denied access but told it wouldn't be there if we wanted to
99	not denied just charged too much.
100	Not me but see above
101	Not personally but have talked to some farmers that have experienced this .mainly when selling properties the banks are denying mortgage funds because they deem the West Coast a bad investment
102	Not really...the reality is that we didn't want to go into further debt when we were already beholden to the bank and owed so much
103	Not yet
104	not yet
105	nothing to report , we have just secured a 400 ha lease no problem at all Our debt is to purchase stock for lease.
106	Only from an insurance coy.as they thought property to be purchased was uneconomic !
107	Only that when we wanted to convert our land to dairy and were wanting to build the cowshed ourselves as this was all we could afford, the bank didn't want to support us. Took 3 attempts over 6 years to convince them. Bankers need to get to know and understand their clients.
108	Our age was considered when applying for finance. Even though our debt is low this seemed to be an important factor if they were to renew our loan. There was an implied pressure.
109	Our interest rate has certainly crept up - we are going to be exploring this in depth this week with our Bank. We are at a point (the disinterest, the difficulty of seeing/talking to our Rural Manager when we need and the interest margin creep) where we would change Banks. The cost and ease of doing so is off-putting. We have often spoken about doing this when we are involved in a major transaction, and the cost can be somewhat minimised/justified.
110	Our sharemilkers were denied several times finance to buy dome land for a runoff. But the bank had no problem giving finance for an expensive house.

111	Our son had 60 cows of his own on our herd and he chose to leave farming. We asked the bank for a loan to pay him for his cows so they could stay in the herd. They refused. Our son could have taken his cows and sold them to finance his house to move to and we would have had to pay to replace them anyhow! This was a desperate situation for different personal reasons so we ended up paying for them out of my husband super funds. (Personal money) After much haggling and way too late, they offered an option to lend us the money but the terms were so ridiculous that we refused. We could not farm like they wanted us to.
112	overdraft facilities not workable, have been told to use personal savings to pay farm accounts
113	Property purchase. DD demonstrated a solid purchase plan and a good return. Bank wasn't interested in supporting us.
114	Rabobank did not want to discontinue our loan on our beachhouse renovations
115	Read above.
116	Reasonably happy .
117	Refer answer above.
118	See above - Disappointed
119	See above sharemilker story
120	See our experience with ASB, described in the preceding comment box.
121	several years back we ran the two farms with a \$200,000 (total) overdraft and for several years with none now resistance to overdraft which is currently at \$150,000 and bank wants 1/3 paid back in October so that will be from savings as income is late on the West Coast. We talked about our previous levels of OD and not impressed with the outcome. We used to have a comfortable relationship, I would phone in outline our plans - no problems. We couldn't sell on one farm as any interested buyers were told to find a farm elsewhere by their banks, real pressure not to loan to young farmers so we are stuck with two farms and have made plans for lower order sharemilker for the next 3 years. Selling one would clear our debt and that would be nice now we are in our 70's
122	The bank makes a lot of money from me. I don't think I get value for money from them
123	The bank set about terminating our mortgage. We now feel production and creating products for export are a total waste of time in the culture of New Zealand.
124	The farmhouse our son is living in is well over 100 years old and needs replacing. We have been looking at cheap, efficient ways to replace it. We approached our bank manager regarding getting a loan to build a home and it was a flat out NO! She used the excuse that we had overspent our budget - as mentioned above - but she never took into account that, that money was set aside to spend on projects around the farm and the bulk of the money we got from the sale of a property, went into our mortgage. Our mortgage fluctuates between \$1.2-1.5 million depending on the time of year and earnings. It's the lowest it's been in years! On top of that, we haven't used our overdraft facility in 3 years and the bank has a hold over our life insurance policies, which would more than cover our mortgage. What's the problem?!

125	The justification for extra margin on similar loan products is the triple FCAA. Same business but extra margin for no extra risk.
126	<p>The problem is generally not at client manager level In behind that are national management who have little apparent knowledge and no affinity with agriculture Worse is that the banks set their own "risk" assessment of ag which feeds into Reserve Bank asset ratio requirements. Risk profile needs to be assessed independently. With ag loans in general and security requirements there is NO capital risk for banks, only cashflow stress where payments are in arrears The banks give "risk profile" as reason for higher ag interest rates. This reason is a fallacy given that there is very little variation to applied margins between customers we are aware of, some with low borrowings and a strong business and others with marginal equity and in some cases not what I would call high profit farmers.</p>
127	The squeeze will happen in the next couple of months
128	There are now NO banks in Waiuku. We have to go to Pukekohe to do anything that requires a visit. For me, this is a 50 minute drive.
129	They have limited my funding to the end of august, an are threatening to not renew it even though I have been marketing the property as requested. The offer I have received has a change over date of July 2025. How am I to farm the property for the next 10 months with no funding?
150	They offered finance for a new land purchase on unreasonable terms so that was the catalyst to move to Rabobank.
151	They try and help but have there hands tied.
152	To date we have not been denied finance.
153	Trying desperately to lower our finance - not take more finance!
154	Unfairly denied access to finance.
155	wanted to lend more money on a lower interest rate instead of paying overdraft rates
156	Was asked to reduce overdraft limit
157	We are ok now just interest rates to high.
158	We are still financed but the latest finance was for just 6 months. It gives us no certainty and leaves us uneasy
159	We are trying to sell off some lifestyle blocks and wanted to extend our overdraft with some bridging money. We were declined as our income was too low and then asked if we had considered selling our farm.
160	We asked to move all the seasonal to a mortgage which would have meant 9.6% interest instead of 11.6%. Hard no. Unable to do so. Bank seems more interested in their profit than ours.
161	We did try and buy a rental property a couple of years ago and they said we needed 180000.00 cash to put in (700000.00 house next door to our farm) even though we could easily service the loan, we didn't have the deposit. We own a freehold house at Whangamata and have a small mortgage on our 73ha dairy farm on the town boundary. I thought that was a bit unfair.

162	We enquired about borrowing a further \$1m for 2 possible scenarios Feb 2022 when payout was heading to \$10/kgMS. 1 was self funding -commercial property. 1 was cash neutral -investing in family runoff resulting in current grazing cost transferring to debt servicing. The bank wanted \$1m paid off in 5 years. Concerned about the partial security deficit they opted to require a cashflow damaging repayment plan, rather than balancing between cashflow preservation for business resilience and steady lower principal repayment. Also note we had \$500k in IRD Income Equal as back up. No allowance was made for grazing cost being transferred to debt coverage or income potential from comm property, so servicing calculations didn't work. It was clearly going to be a battle with the bank & open us up to stricter & additional scrutiny so we didn't bother proceeding. The bank mgr doesn't make contact with us and doesn't ask the right questions so we don't volunteer anything to him about our plans.
163	We expanded our business outside of our main industry which was met with higher costs and lower profits in the first years which put us off side with our bank and then the funding taps turned off which made us source alternative funding at the banks direction, for the bank then to use that as a excuse not to restructure our banking even when the accountants proved we were coming into a profitable year we were put onto lending services and pretty much made to feel like we had no choice but to change banks.
164	We felt pressured into taking the SWAPS loans on offer or else they wouldnt finance the farm we wished to purchase
165	We got declined to finance a tractor, but could fiance \$400k of trees.. and fencing on top of that.
166	We had to show that all proceeds from the sale of other businesses were used for any development for the retained business even though it was not under the same ownership structure. Any additional R&M work etc. on staff housing was expected to be funded first by OD facility
167	we have about 20% debt to equity, but because we run a low profit business at the moment due to repairs and maintenance, we get overlooked by banks due to the reserve bank parameters. we are then stymied to pay high interest rates with our current bank
168	We have been kicked up to Auckland, yet to have first meeting.
169	We have had no issues accessing finance, it is just the unreasonably high interest rates compared to home mortgage rates that are of concern. Almost all farmers have greater than 50% equity in their businesses, so why do we need to pay higher interest rates than a home mortgage holder with only 20% equity in their home?
170	We have not been denied. But the security requirements were excessive for the borrowing required.
171	We have not been unfairly denied access to finance.
172	We have only recently been offered a type of revolving credit that suits our business. We have been asking ANZ for a product like this for many years without success up until now.
173	We have recently increased to a bigger herd and it was a unnecessary drama, with the bank asking for a \$50k guarantee then not needing it at settlement and putting a tight budget on the price we could spend on cows we were purchasing which is already impacting our season with a long calving spread
174	we missed expansion opportunities when we were a bnk clients because during the covid years they were not interested in expanding their debt to the dairy industry

175	We moved from ANZ to ASB 4 years ago because ANZ failed to provide finance on an expansion. ANZ was aware of expansion 3 years in advance and promised finance in advance but pulled out last minute
176	We pushed it higher and hired a private mortgage broker to act on our behalf as we were unable to meditate ourselves. Bank agreed and then backed out last minute despite it being compliance costs legally required. We suggested debt mediator and banking ombudsman, they chose to settle with extremely high interest rate.
177	We tried unsuccessfully to restructure some of our borrowing so that it was secured against our home property (a residential property) rather than against the farm property.
178	We were Banking with SBS and needed to borrow extra capital for estate settlements. Indications were this wouldn't be a problem pre covid .Post covid and when we were ready to move forward ,the bank had decided it would not lend further capital to farming and phase out of rural lending.This forced us to change banks. It took a while to find a bank that was prepared to lend to us.We were in our first year with BNZ when the Reserve Bank started lifting the OCR. The Floating rates were better when we started with BNZ but intended to fix loans for 3 years .We missed that opportunity as we were building a new banking relationship. What Reserve Bank rules and/or restrictions prompted the SBS to withdraw from rural lending? The SBS is now withdrawing form transactional accounts with Clubs and Societies which they spent time growing.This is a frustrating and creates the hassle of finding another bank and associated paperwork hassles. What rules or restrictions have prompted this decision?
179	We were denied enough OD to function properly and had to make decisions to maintain within OD limit which meant sale of stock at not always best time to achieve full value and delay some purchases to later than optimum. We early this year got a new manager and a change in outlook and a OD that works. We peak near 800k in July and will be in credit in February. They just made life really tough to push us out. Did not work and improving now.
180	We were looking to buy the runoff next door this year they were pretty negative towards buying it for about 3months then came through with the loan and we took over the end of January
181	We were lucky enough to be able to change banks last year. Our previous bank would not offer us any fixed interest rates leading to us being very exposed to the increase in rates over the past few years. The relationship soured and our loans were moved into default. The bank had allowed us to purchase another farm in 2017, and we were performing ahead of projections, however they changed their mind and almost pushed us off the land.
182	We're a new hop farm in a new area and as such there is no data to what we do for land value, so we are being undervalued I believe
183	Westpac is awful. We couldn't even get a credit card for over \$10000 when our equity is \$7 million
184	Westpac were taking a hard line and charging higher rates ripping us off. They were hard to get extra funding from to plant pines ect

185	When banks go through phases of not supporting dairy and facing foreclosure its pretty devastating.
186	When I 1st applied for finance 7 years ago, both Westpac and Rabobank quoted me. I went with Westpac. 2 years ago I approached Rabobank to see if they would like to offer finance as I felt Westpac were taking the mickey after ramping up my rates. But it seems the goalposts have moved considerable in this time as i no longer met the Rabobank criteria. They were happy to waste mine and my consultants time and eat my bakery purchased food though, even though they knew they would turn me down before they got here. Seems to me like the banks have got together and colluded to only take on the very easiest of rural loans.
187	When I had a mortgage both National and ANZ could not have been more helpful. My advice to others is ' "get rid of your borrowings - life is much less stressful"
188	When we purchased our farm 3 years ago we applied to 3 banks for finance. In the end our preferred bank and the bank we had a relationship with (despite no lending) came through, ANZ. However the service provided by the other 2 banks was atrocious. We had good positive discussions with both Westpac and Rabo leading up to putting an offer in on a farm (at least 6 months) however once we put an offer in both very quickly gave us the cold shoulder. We felt we had very good budgets, CVs and lending proposals within there individual parameters. Westpac literally overnight after submitting our offer told us that there lending parameters had moved and our application had been declined - could not get my head around how they could so quickly decide this and then just move on like the last 6 months conversations didnt happen or no appetite to work with us! Very blunt! You think that is bad, Rabo didnt even reply, didnt communicate, only after chasing the answer was the same, still processing!
189	When we were with SBS we missed out on a farm as it took far to long to be approved for a farm loan.
190	With our previous bank we were managed by a call centre as our loan was too small (under 2 million). At one point we were paying 10.62% interest. We wanted to buy some land and it took 5 months for the bank to get back to us and they were not interested in helping.
191	yes - see above regarding irrigation. we has an independant report completed (at our cost of thousands) to evidence improvement to finances that would occur through irrigation. We have subsequently exceeded those projections.
192	Yes - when I wanted to expand into carbon forestry - !!
193	Yes Have good equity Reasonable cas flow Making good capital gains They would not loan for extra land that would make our farm more profitable
194	Yes as above!!!!
195	Yes definitely. The bank will not recognise the value of our land and infrastructure, doesnt have any trust in us or our business, dispite us being a customer with them for more than 30 years, never defaulting on premiums for long and short-term debt in the past, and currently owing them nothing. When we seek fiancne and provide a proposal and plan for growth and development, they wont even meet with us to discuss it.

196	yes not lending on new farms
197	yes on a new venture so went to another bank outside of our farming operation.
198	Yes to pay for subdividing
199	Yes Needed an increase for 2-3 months to get through winter and they were not helpful The increase was covered by deferred milk payments
200	Yes, by ANZ. I put together a very strong case to purchase the neighbours, was given a firm no without any explanation. They should have backed us, as we've since leased the land, and it's gone very well.
201	Yes, I tried to buy another house a few years back as a rental. We had the cashflow to service the debt and the in the years that have passed that house has gone up in value by about 30%, so equity gain would have happened. The reason I got turned down is due the fact that I am a dairy farmer and the bank needs to hold more capital against me. The only way I could have got it over the line was to sell my current rental, which defeats the purpose of buying another one.
202	Yes, Kiwibank were not interested in n our business at all
203	Yes, many years ago which is why I shifted away from BNZ
204	Yes, this was my reasoning for changing from ANZ to ASB. I had a decade long banking history with ANZ, during which I took zero drawing, spent very little on capital expenditure and paid every spare dollar back to them in unstructured principal repayments when excess cash was available. ANZ had expressed interest in supporting me through an expansion within the family business. However very close to settlement date, they demanded that principal payments become structured monthly, even if it meant going into overdraft (something that I had never used). I pushed back on this based on my strong principal repayment history. I required my overdraft facility to be reinstated (ANZ minimised it to \$8000 minimum when they were outside of their lending ratio) by the 20th My in order to pay for heifers already purchased. They agreed that they would, however on the night of the 20th, I realised that all of my accounts had bounced due to no facility. This was a way of forcing me to sign their terms
205	Yes, unable to borrow more money to buy cows to increase our cashflow to cover rising costs
206	Yes, We were initially denied a loan for improvements after banking with the same bank for over forty years. We were only requiring the bank to fund 50% of the improvement. After informing the bank we would look elsewhere for funding, they final approved the loan. Those loans will be paid off in March & June next year with all interest & principal payments met on time.
207	Yes. Treated like I'm dummy with million dollar assets
208	Yes. Post cyclone Gabrielle and 11 floods on the farm the same year we have had significant pasture damage which caused lack of grass to feed animals and resulted is a huge decrease in production last season. On numerous occasions we contacted the bank who did nothing and dragged a solution out for 3 months and then it wasn't a satisfactory solution.

C. What would you like to say to the Select Committee on rural banking?	
1	- allowing customers to take their bank account number with them (much like you do with a phone number if you switch providers) would make it easier to switch and help to ensure banks are giving all customers a fair deal.
2	Why is farming finance so difficult to get approval when Farm assets are solid and line up and there is no debt?? I have an investment property separate to the farm and find WP more accommodating and easier to deal with for private residential loans.
3	Banks tend to be too slow to bring interest rates down It annoys me that Rural loans seem to be subsidizing City house loans through the higher risk margin built into the interest rate.
4	what pisses me off is bank fees when paying interest on overdraft and interest in loan and also paying interest on money not being used on overdraft limit.
5	3 things that never lose - casino, bank and supermarkets
6	A fair and transparent process for banking. Not the smoke and mirrors constant changing of goal posts. We've delivered every year for 10 years and it's never been enough.
7	A hard look needs to be had at the margins banks are charging. Previously we were seeing margins of 1-2% and now in recent years it's climbed to over 3%. I understand banks needing to hold more capital than for housing, but banking profits are significant and farmers are hurting.
8	A level playing field for all
9	a lot of farmers live in the house that is on farm - why cant we pay home loan rates for the part of our loan that is for our home even if we have to pay more for the business part of the loan
10	A Rural Bank use to be great meaning ONLY Farming no towns people, just agriculture only, thats how it should be....
11	Ability to change banks needs to be streamlined, and there should be a portal where banks can bid for your business, It needs to be made easier for people who don't have a finance background. The reserve bank also needs to be independent of the government - government policies around climate change es etc should not flow through to the reserve bank. We want to double NZ exports by 2030 - then let the biggest exporter do it - access to capital is essential to do this.
12	Ability to lock in money for longer terms would be fantastic, like the rural bank loans
13	Above comment. Banks appetite for farming is low, not interested in competing for market share at present. Our equity is at 60% but still we have to pay much higher interest rates than housing with only 20% equity. Why are we paying for higher risk interest rates when our equity is so high and the bank has minimal risk because of our situation. Very unfair on farmers.
14	Adrian Orr has a tricky job but I wish he was better at it.
15	Advise Banks to encourage their clients to make debt repayment their no1 priority.

16	<p>After working as a rural banker for ~10years and now farming fulltime, I appreciate this is not as clear as some may be led to believe. The legislative requirements imposed created a scary place for banks following the low payouts in recent times. A lot of changes were imposed on farmers then to ensure banks met Reserve bank thresholds and maintained strong ROE's for their respective rural divisions. i.e. security thresholds increased, non-utilization fees charged on OD's etc. My concern is that perhaps things have not been adjusted as pragmatically as we would hope as farmers.</p> <p>While I appreciate the customer margin should always reflect the mix of security and customer ratings, the bank-imposed margins on top of the COF needs to be regularly and independently reviewed.</p>
17	<p>Agri lending is very unfairly risk rated compared to Housing. Banks are required to hold more capital against Agri lending than is justified resulting in higher cost of funds to this sector. The reserve bank risk margin for a one in two-hundred-year event is grossly overstating this risk and inflating cost of money unnecessarily restricting investment.</p>
18	<p>Agribusiness is adversely affected with high interest rates compared to other businesses such as residential within NZ, no matter what the risk of each farming operation is.</p>
19	<p>Agriculture is the backbone of NZ. We're facing more and more regulations. Banks should be supporting successful business operators. To continue increasing margins and not work with the farmer to lower overall debt is detrimental. The Reserve Bank ruling that banks to have hold so much more in reserve for rural lending has a severe impact on the viability of the rural community.</p>
20	<p>All banking should be able to access the best interest rates without a margin</p>
21	<p>All banks need to be NZ owned! All banking from over seas banks need 5% added to any money moved.. Kiwi money stays here.. we don't need more banks.. we need our banks to be our banks.. if they are not 100% owned here, tax the hell out of them! And any move that goes over seas.. or remove all the issues of starting banks and have a thousand of them here and working.</p>
22	<p>A lot of difference between banks. Unfair that when customers are in tightest financial situation, they pay penalty interest.</p>
23	<p>ANZ is dysfunctional and dishonest We played a complaint against our bank manager and they forced us to change banks Told us we had to sell up Although we had reduced debt</p>
24	<p>As a previous rural bank manager (5yrs ago) with ASB for 11yrs, the heat really came on rural loans around 6-7yrs ago when the RBNZ made banks essentially double their capital requirements. Not only did this push margins through the roof, the worst thing is it also made longer term fixed rates (and hence financial security/hedging essential for borrowers) exponentially higher due to banks increasing margins higher the longer the fixed term was in order for the bank to achieve the same ROECs. This essentially meant farmers didn't fix long (or at all) and were left with their pants down when the RBNZ went on its recent rampage with the OCR.</p>
25	<p>As above More competition is needed, especially the removal of barriers to changing banks. Would like to see Kiwibank up its game.</p>

26	As farmers we are the back bone of the NZ economy. We shouldn't be taken advantage of to prop up everyone else. Why can a start up with only a idea get \$100,000 plus in funds yet a young guy/gal with a proven plan and budget not get funds to step up to a bigger job or start buying stock. If banks want young guys to advance in the industry and be in positions to buy more stock and land they need to get start creating pathways by working with them. I know some banks have dedicated contract milker teams which is a good start.
27	Ask why there is such profiteering. How else will this country get out of the shit? We did it through COVID
28	Bank margins are incorrectly referenced between savings rates and mortgage rates eg ; term deposit rate 5% mortgage rate 7.5% Margin is not 2.5% It is a 50% mark up. (If I bought a line of cattle for \$50,000 then sold them for \$75,000 I made 50% margin) Terminology will gain more scrutiny when the numbers are bigger
29	Bank margins are to great
30	Bank margins are way too high.
31	Bank margins seem to be very good, and reliably produce large profits.
32	Bank mortgage rates should be the same as housing given the equity most farmers have. At a minimum all farmers have 40% and a strong cashflow compared to 20% deposit housing loans!
33	Bankers are fair weather traders, has the make there money out of lending money. And being a progressive farmer, we borrowed the money, believing that land like houses would be a good investment! Little did we know the last 6 years of a labour government increase house values by 30-50% And reducing farm values by 10-20 % had the rules, and compliance have made farming to tough, and I sell the lot if I could get our money out of the business! Cows, young stock, produce, and land have all depreciated, why the rest of the country has had government back money printing which has destroyed our country
34	Bankers should stick to lending money, farmers stick to farming which is what they are good at.
35	Banking is a business and all business is allowed to be profitable but when banks profit are always healthy and never have any lower variance i question that they squeeze the bottom to get there returns. If they're For pricing for risk take the risk
36	Banking is a business. Both the client and the Bank need to act professionally and transparently. I hope this inquiry doesn't result in additional cost to banks, which they need to pass on, simply because some customers do not act professionally, or do not have viable or bankable businesses.
37	Banks are crippling the rural economy
38	Banks are happy to loan in good times, but not as supportive in bad times. Farmers need to be good finance managers not "Take the piss" in the good times, ie not pay down debt.

39	Banks are not justifying their margins, happy to take the money in the good times. Also the lack of experience within their bank services / managers. Our last two have gone into other loan companies like MTF.
40	Banks are only interested in you if they are owed money . Many times they hope Fail
41	Banks are saying that the Reserve Bank is the issue for the higher interest rates due to regulation. Reserve Bank says that the Banks are setting their own interest rates against what credit is required to be held. Banks are saying that they will support agriculture. They are however, they are also clipping the ticket with the interest rates charges. For a lot of farmers banks are their biggest expense but the banks have been the last to drop interest rates to actually support and help farmers during the current tough times. Hence they are supporting us at the benefit of their own profits.
42	banks are treable on farms that have failed and will never be able to pay back. have seen many kept farming for years with no hope of getting out of there situation to save the bank reputation. failing farms shoud be sold up quicly and cleanly.
43	Banks charge much higher interest rates for farm lending than home loans, why? Agriculture supports our economy in so many ways eg produce, employment, other supporting rural business. When we are penalised with these extortionate interest rates, it has a flow on effect to the economy as we have to get high prices for our produce, reduce our staff, and reduce our expenses etc, the flow on effect to the economy is crippling, so why do this to our country. Don't cut off the hands that feed you! Many banks are currently announcing huge profits, while rural New Zealand crumbling under the pressure of high interest rates. How can you justify letting this happen to our country?
44	Banks continue to misrepresent their margins and profits especially with the huge amount of virtual money lent to customers. Care must be taken in setting the reserve ratio and increasing will reduce money available to lend. But as a country we are spending way beyond our means. Making money freely available is inflationary. Would love to see loan interest fixed at the very old historic 3%. Also bank profit from table mortgages and extending them to 30 years from 25 for home loans does not benefit the consumer as they will never be able to reduce their princple borrowed in a timely manner. Even at 25 years most borrowing will require 200% of borrowing to be repaid.
45	Banks interest rates are obviously too high evidenced by their huge profits
46	Banks need to be more supportive of rural support businesses that need financial assistance to grow and compete.
47	Banks need to be our partners. They need to understand the people not just the business and the numbers.
48	Banks need to help more those farmers who are struggling with debt.
49	Banks need to look at farming as a long-term investment and not make financial decisions based on short time frames. Interest rates need to be closer to what we see in the housing sector. Farms generate income, employ people and generally have better equity positions than the housing market. Rural businesses are subsidising cheaper housing lending.
50	Banks need to make full disclosure on margins charged, how these margins are calculated, what changes to the business can be made to achieve a better margin. They should also notify when margin changes are made. This is very pertinent to floating rate mortgages and overdraft finance.

51	Banks need to review their risk factor policy's and make more transparency in negotiating of interest rates. If you have fixed on high rate recently be able to adjust in future months to better lower rates without penalty.
52	Banks need to stick to banking not become political as in being sucked into the climate change narrative.
53	Banks seem to require security over land/shares/livestock no matter what debt level in my experience. And with all that security we still pay a higher interest rate than housing mortgages even with all that security.
54	banks should lend on good farms at the same intrest as houses and stop using farmers as cash cows
55	Banks should not be an extra lever to coerce people into unscientific 'green' iniatives.
56	Banks should not be getting into the emissions space.
57	Banks should not be involved in differential interest rates through GHG numbers. in our hill country S@B industry we are touching the ground very lightly but EXPECTED to do a lot of the heavy lifting relation to NZ carbon output. The accuracy of the science on our GHG on stock numbers plus the lack of offsets from our soils, pastures and biodiversity are laughable. Methane as a warming gas excreted from ruminants is not equal to GPW100 C equivalents. Rabo at a field day stated that they are now all driving hybrids, to do their bit ! I challenged to him that we did not have the luxury of operating our business' with the same options that their banks had. The banks should not be pushing scope 3 emissions costs back on us, their customers, as there are not on farm options available to us to mitigate our business' - unlike theirs.
58	Banks should stay with banking not get involved in influencing and manipulating farmers on how they farm
59	Banks should stick to their core role and stay away from no-bank related things like ghg emissions
60	Be as strong as you can
61	Be fair
62	Be fair with our interest rates. We should be treated the same as residential. The fact someone can borrow 2mil for a non income producing lifestyle block at 20%equity and 4% interest and a dairy farmer can't borrow 2mil for a 200k income producing farm at 50%equity and 7% interest in comparison halts progression. The result is, can't sell to farmers so sell to forestry.
63	Be nice if banks weren't going through managers so fast as everytime you need to do something it's a new manager, so you have to tell the life story and some managers just don't get farming. And if you want lower rates you shouldn't have to whinge about it, be nice if bank managers were more proactive in this area and wanting to see their customers succeed.
64	Because most the banks are overseas owns all the profits are leaving the country. Is this fair?
65	Big profits should be targeted towards lower interest rates.
66	Blatantly unfair charging higher interest rate for farm compaired to rental property. Both are a solid asset for security
67	Bring bac the good old days, al least we felt safe with good old cheque's, find banking now very hard on Blood pressure !

68	Bring back bank branches to rural centers where you can discuss your problems big or small with a person .
69	Bring farm finance more into line with house rates
70	Bring interest rates down The security held is too much
71	Can not understand why a rural business that creates income has a higher interest rate than a home that creates no income at all.
72	Cant understand why we pay more for our farm borrowing and less for housing loan.
73	Commercial interest rates are hurting farmers. Should have a rate nearer home loan rates or at least a portion that can be at home rates as the house on the farm is our home.
74	competition is healthy for farming bottom line with a choice of rural banks.
75	Competition...I am about to tender our banking position to other banks. I am sure I can get a better interest rate. I am apprehensive about the process as I believe it will be quite the workload to actually change over. This is a barrier to competition for me. I want to be with a NZ bank. I dislike being associated with an overseas owned bank and I also believe they earn too much money.
76	<p>Compliance costs have gone from 3% of our net farm income in 2020 to 8% in 2023 and banks are on the bandwagon driving some of these costs thinking they are helping but its just fuelling more diversion of capital away from productivity expenditure towards compliance which is non productivity related and contributing to a further erosion in EBIT/ha.</p> <p>The market returns from doing more compliance are not there but if you don't do them you end up getting a higher interest rate.</p> <p>Need to get back to basic economics - risk vs margin. Rather than a quazzie arrangement.</p> <p>Need to get banks being more transparent about rural rates. The loyal sheep and beef guys not asking questions are getting hammered by banks like Rabo at 9% where some new entrant guys with higher risk are getting 6% finance.</p> <p>Personally our banking relationship is great - but I still know we are paying 100-150 basis points too much!</p>
77	Could never understand why farmers pay a higher interest rate.
78	<p>Current interest rates are not sustainable - financially going backwards.</p> <p>The capital banks have to hold needs to be reviewed and reduced asap.</p>
79	Cut red tape
80	Cut the bank profits and our bank costs before all our good land goes into trees. We cannot compete with forestry. About 30 years ago before the dairy boom we were in a similar position and forestry removed 19 houses from farms within a 25k radius of where I live. Forestry is now moving onto top producing sheep farms in our area

81	debt to equity ratio compared to interest. Safe family farms are subsidising high risks loans.
82	do not see it right that as the productive sector we are paying up to 2.5% premium on our interest even though we have 75% equity
83	Do something about the interest rates we are offered. Very disheartening when we hear rates have dropped, but it's only for home purchasers. Quick enough to raise our rates, but very slow to decrease them.
84	Don't think farmers should have emissions reduction practice forced on them if my bank pushed us on that we would move to another bank
85	Don't think Reserve Bank capital overlays are necessary. Particularly given most farmers have adequate property security.
86	Don't understand how banks can say they have to charge more than domestic house rates when we have a thirty year history in always paying our interest on time. They say it's the rules they are under. If so seems a very unfair rule.
87	Don't waste too much of the banks time/ money they'll find other ways to make the consumer pay (rural or otherwise)
88	Don't introduce CBDC. Don't link loan approvals to ideologies. e.g. climate change, gender diversity. The only requirement for a loan should be "can the farm pay it back".
89	Don't understand why farming is considered more of a risk than buying houses. Unfair that farming rates are higher and penalizing the very people who are earning money for the country.
90	Don't worry about bank profits. This is a red herring. We want profitable banks as this underpins financial stability in NZ. It seems that there is enough competition. The problem is the RBNZ ramping up capital ratios which increase the cost of borrowing. Farm loans have risk weights which magnify the impact of this unnecessary RBNZ action by the RBNZ. It is crazy. This is "black hole" regulation - meaning a significant added cost for no gain.
91	Esence we have very best interest rate possible
92	Even if you investigate changing banks, the cost of it is in the tens of thousands due in part to the legal work involved in redocumenting loans etc. We looked at changing a few years ago, but when we asked what would have been the "new" bank to cover the change-over fees, they advised us they were not in the business of buying customers. And so we didn't go ahead with the change as we couldn't justify spending over \$10,000 to do so. We don't like the revolving credit system, we would prefer our loans to be obvious and easy to pay down a particular item. To create true competition, there is a need to reduce the cost to the farmer of changing banks. Many are stuck with the status quo as they can't justify the cost of changing.
93	Even more reduced margins for farmers with consistent positive financial results. Very low risk margins with valuable land
94	Even playing field
95	Every farming business is different, and have different requirements
96	Extra margin for rural way too high and 12% on OD when good security and cashflow over the top.

97	Fairer interest rates
98	Farm business interest rate need to be closer to residential rates as at the moment farm debt is subsidizing residential interest rates
99	Farm interest rates should be on a level with housing rates especially if you are in the low risk bracket
100	Farm loans are considered higher risk than residential loans. Do the provisions for bad debts as a proportion of rural versus residential lending reflect this? Sure a farm income is subject to risk of change but so is a salary.
101	Farmers are being used as scapegoats for all the perceived ills in society, we do not need the banks jumping on the bandwagon. NZ farmers are aware of the issues around sustainability and the environment, we do not need the banks to wave the big stick at us.
102	Farmers are currently supporting this country and are unfairly disadvantaged with mortgage rates.
103	Farmers are paying too much for borrowing compared to home lending clients and the security requirements are excessive.
104	Farmers are the backbone of NZ so high interest rates are not helping to keep farms profitable
105	Farmers contribute significantly to the county's GDP, more than those with home loans. Farmers assets are generally worth more & the bank has greater security than those with home loans yet our interest rates are higher. Farmers are generally 'asset rich' & 'cashflow poor',. Reduced interest rates would improve this & allow for greater on farm investment to improve efficiency., profitability & environmental impacts.
106	Farmers create their own issues as far as debt is concerned. The biggest issue is farmer's ignorance of the banking system,
107	Farmers need to become well educated to be successful in negotiating with banks. Instead of trying to influence banks through this enquiry, farmers would be better to educate themselves more, work on professional and personal development to put themselves in a position to have greater influence over the bank. Feds can help with this. Banking is an industry that makes money from lending money. It is business. Black and white.
108	Farmers pay too much for OD interest and loan interest compared to home owners
109	Farmers require the best banking services to survive
110	farmers shouldnt be charged the excess interest rates above other borrowers---esp given that Rabo dont lend on housing
111	Farming at its most efficient is small farms and small sharemilking jobs and if they won't get behind that part of the sector some of the best operators will never get a chance to get their foot in the ownership door. I've heard many people say they bank wouldn't lend for that job it's too small there's not enough on it for them.
112	farming is long term. Why is the house finance at a cheaper rate than farm finance.? Money is still money,
113	Farming lending should not be subject to a higher interest rate than housing mortgages

114	Farms and Businesses work hard for New Zealand but I believe they are disadvantaged by banks. We have a high interest rate that over some months are not sustainable. A person can buy a house for 1 million dollars with little interest and only have their income to pay for it. A house does not produce income for the country.
115	Finance and environment need to be kept separate. There are other ways to offer incentives to change to managing the environment, like a tax credit from central government. Or a reduction in environmental rates.
116	For the amount of security that the bank has the rates they offer don't seem to be that competitive when you look at other lending. One of the big issues is when there is a downturn the banks have been quick to pull back with finance which can severely hinder your operating ability although you know that these things happen sometime and things will usually bounce back the following season
117	Forced to pay princ on mortg but not allowed to have a fixed rate. OD allowed to increase only. Int rates on OD high. Farm was viable with correct restructuring but bank would not allow us to restructure. Had a 12.5 acre block no debt & said we would sell to reduce debt not allowed. Wanted block needed to be kept for potential new owners. Had to pay 2 lots of valuation fees over \$10k. Refused to accept g.v stating farm worth \$4.5m. Woolshed struck by lightening the bank said I was the town arsonist on phone to me. Was not allowed to rebuild shed even though insured. Bank forced us to sell the farm as is. New owners took over FMG rebuild and property now worth consid more than when sold. No reason I could not have stayed on farm and done the same with proper bank support. No time allowed to get equity partner. Marriage split [withheld/21] and by [withheld/23] was homeless with 3 kids. Yet forced to work with bank for smooth handover to new owner I got privately.
118	free up the parameters of rural farm land lending to reduce interest rates to the housing interest rate. farm land over time never goes down and is very bankable consistent to housing
119	Frustrating when there is a .25% drop in the cash rate and some home loans get an interest rate drop of 0.4% and my floating rural loan drops by only 0.15% If my greenhouse emissions are already low will the bank drop my interest loan, or is this only for reducing
120	Generally there is less risk in farm businesses compared to housing as farms are long term investments so why should there not be similar margins to housing where there is more risk of the mortgage holder losing their job/income and putting the loan at risk. Farm businesses will generally cut their costs/manipulate cashflow to ensure they pay their interest as required and stay within their credit facility.
121	Get back to basics and stop your involvement with Agri Zero and Methane policing
122	Get banks and bank management to treat their customers (who make them money!!) like actual customers and not treat them like money launderers, which is the reason they seem to use to to justify paperwork. The personal relationship with banks and customers is pretty much non existant
123	Get behind farmers, when they are prosperous it helps everyone, including those buying their first home. When farmers aren't doing well people in town lose their jobs and this effects the housing market.
124	Get interest rates down !!!

125	Get our interest on par with the rest of the country.
126	Get stuck into the banks. !!!We were told when the OCR was going up on a regular basis that when rates starting coming down they would be as quick!! What a joke!!
127	Get the banks completely out of the carbon space!
128	Get the RBNZ to reduce the capital requirements needed for the banks. Ultimately the bank just pass the costs onto us and they take no greater risk.
129	Get the Reserve Bank to change their rules regarding business lending i.e. stricter capital requirements than for housing
130	Get the Reserve Bank to encourage loans to the productive sector and recognize that bank's do have additional costs and write offs compared with house loans
131	Give a clear direction on the holding of capital against agri loans which they are all hiding behind
132	Give us a fair deal farming isn't easy
133	Given the amount of debt my farm has and the amount of security that my farm offers I find it absolutely absurd that my interest rate is where it is! My debt is less than a lot of house mortgages yet my interest rate is so much higher! Not acceptable!
134	Good on you
135	Good work
136	Government forcing of Banks to carry more money to place in better position of security was always going to be passed on to us the consumers. However the interest rates difference for housing and rural business is too far apart. There is room for Banks to spread their risk while still supporting Rural business. This is still carryover from the anti-last Government's attitude towards farming.
137	Greater visibility and greater transparency re interest rate setting. I do not believe it is fair that a) the differential between residential and rural is so high when holding a farm portfolio is often times less of a risk and b) offering lower interest rates to newer operations in order to secure the business when they are likely a higher risk
138	Greenwashing has to be stopped especially when it's multinationals essentially decreasing NZs income potential for decades to come to shore up overseas profitability. Unless it can be demonstrated that a policy has a direct effect on NZs greenhouse gas emissions we shouldn't be doing it. Bugger Australia's emissions bugger Nestles.
139	Have a close look at the relationship between major banks on how they work together to control agricultural lending and how rural interest rates are set. Also why is there such a disparity between home lending and rural lending interest rates.
140	Have banks lower their interest rates & make less profit - no need for banks to be greedy
141	Having farmers paying a higher interest rate than commercial is unfair and not aligned to macro economics.
142	Help young farmers

143	High interest rates compared to people with home loans. Even though our business has been valued at \$14 million with a 6.3million Loan. Our interest rate is 7.95 today. Was 8.20 yesterday.Just changed after ocr announcement
144	Hirer interest rates for perceived risk create risk
145	How can the rural sector be higher risk than housing when housing produces nothing .it is a con job against the sector that drives the economy
146	How can we expect anything different when "good business " practice encourages taking as much money as they possibly can from people under pressure. There used to be Bank robbers. Now there are robber banks!!
147	How come.my rural loan with 80perct asset backing is at a considerably higher rate than my son's housing loan with 20 perct asset backing.
148	How does the OCR movement not get reflected in change in interest rates the fact that when interest go up higher than OCR Movement and the other way is decreasing interest rate does not reflect same rate of decreasing OCR. the last decrease we got a 15 point drop when the OCR decreasedd by 25 points. I would have thought that our margin was already factored in. That's for floating rates
149	I appreciate you taking the time to analyse this survey and hold the banking system more accountable
150	I believe as we borrow larger amount interest rate should be less or at least equal to home loan lending
151	I believe interest rates need to be a lot fairer and deposit need to be lower provided you can show you can make payments ect
152	I believe it is unfair for banks to charge a bigger margin of funds compared to housing since banks have security over the land and the income. Home owners don't offer that level of security.
153	I believe Rural lenders have been unfairly treated in the rural lending environment due to a combination of the reserve bank rules and incredibly high interest rates they have been forcing us to pay. The banks found the rural sector an unfavourable sector in which to lend due to slim margins and the requirement of them having to hold additional capital by the Reserve Bank. They also forced many of us to sell assets in a low rural real estate environment and forced us to make capital repayments. This I believe was their motive to then on lend to the housing sector to make a bigger profit margin.
154	I believe that Agri banks are being as helpful as they can. The main thing that is hurting us is the Governments Reserve Banks percentage they put on to interest rates.
155	I believe there needs to be a pricing matrix within every bank so the risk rate reflects the margin being applied. I understand there are multiple factors that relate to a risk rate however I do not understand how 2 businesses that are the same risk rate can have different margins. Surely at the same risk rate they have the same exposure so therefore the margin should reflect this. I would also love to see businesses that get a risk rate upgrade get the margin decrease rather than the bank hold the additional margin to gain better rating of RORC or ROTE (Whatever it may be that the bank holds of value) I would also like more clarity on how a business can fit one appetite of a bank and not another. Surely if the numbers work they

	should work regardless where it's being explored. I also note there have been businesses switch from ASB to Rabo with at least an 80 point drop - that's massive! Consistency should be key across the major banks including Rabo.
156	I can appreciate a bank is a business like any other however any given bank has that awareness of how difficult it is for a client to shop around, therefore knowing the client requires a lender is a big tick in the lenders favour. I believe the lender is inclined to capitalize on this.
157	I can't see why it should be more expensive to have rural lending than house mortgage lending - the security is needed to be more on farm lending and the amount borrowed is more so they get more back for this. I would think it should be the same or a lesser amount
158	I can't understand why farmers should pay higher interest to buy a farm than it is to buy a farm
159	I do feel that the only way you can put pressure on your interest rate is by lining up another bank.
160	I do think that we pay too higher interest rate premium over and above the cash rate. The bank takes huge security over our assets both personal and business which easily covers their debt in the property. Farm land values are generally more stable and related to its earning potential, hence less risk to the Bank. A house in town has no earning potential except if it is an investment property. Too many townie buyers count capital gains as if it was a potential cash flow plus banks allow them to borrow far more against the house value.
161	I don't necessarily think banks are the problem. After all they are a business operating within the law and need to make money to be successful. I think it's important for the select committee to look closely at the role regulation is playing when it comes to pricing.
162	I dont believe the small % of a banks book in farming make it relevent to charge as to carry extra funds
163	I don't understand why farmers are paying a higher interest rate than home loans, when in a lot of circumstances the farmers' risks of paying the bank back are the same if not lower than home loans.
164	i fail to understand why rural interest rates are higher than residential rates. our mortgage is approximately ten times what i imagine the average home loan is. i cannot believe that the time the bank spends managing our loan is ten times that they spend on managing ten residential loans. and i also suspect that more of those ten residential loans are more likely to fall over than our fam is.
165	I feel my bank has deserted us
166	I feel very sorry for farmers who are entirely reliant on their farming income to fund all of the Govt intitaded rules and regulations that are now in place.
167	I feel we should pay the same or less interest rates than home buyers rather than the extra 1 to 2 percent we have always paid above home owners. I can't see how this has ever been fair and are very disappointed that we have this unreasonable cost put onto our financial charges.
168	I fully support what you are trying to achieve
169	I have a 1.2mill free hold farm and cant get a 10k over draft... form time to time..

170	I have a serious concern. That small farmers that are working everyday on their farm are paying high interest rates to cover for large farmers that are fully staffed and run high debt and can't afford high interest rates. So farmers that are low cost are propping up high spending farmers.
171	I have been given the reasons but am unconvinced why home loan interest rates should be so much lower than farm loans interest rates. Make concessions immediately to certified organic businesses. One size doesn't fit all
172	I personally miss the face to face contact with the bank manager as I feel it doesn't always work to the best advantage of both parties like it used
173	i question why we are paying such high margins compared to overseas banks and residential loans in nz. Rural lending currently has a lower risk level than residential yet we are paying a higher margin. when i question my bank there reply is because of the higher security capital requirements, but the cost of this is very small compared to the margins being charged.
174	I see no reason why banks are forced to hold more capital against rural loans. Farming is not higher risk then the property market in fact is the reason we exist as a successful vibrant 1st world country. This forces unfair margins on farming.
175	I strongly disagree with the added 2% of rural borrowing over home loans
176	I Think all banks should be made to justify their credit Margins to their customers, and explain clearly how they determine the credit margin. This would enable customers to influence their credit scores.
177	I think farm interest rates should be more in line with housing loans
178	I think I get looked after well from Rabobank. The Rabobank client photo is not currently having an impact on pricing, but it does concern me that banks are well overstepping the mark on in this area. I see them employ a large number of "sustainability staff" and using a lot of frontline staff time reporting on sustainability which ultimately increases the cost of providing finance to farmers and therefore the cost of finance. As an ex banker, now farmer. The bank I worked for used to have 1 back office staff member for every front line lender, now its 4 back office to 1 front line. The compliance on the banking industry is ridiculous and in my opinion having worked closely in it, it added little value to the consumer, but huge costs for the bank to pass on. The regulators need to take a good look at the unintended consequences of over regulation. CCCFA was a very good example and great to see the govt address this.
179	I think interest rates should be similar to housing.
180	I think that the banking sector is unfairly biased towards urban housing. Banks will currently lend 80% of funds at around 6-7% for a dwelling whilst farm mortgages ,where the bank is providing 40% of the required funds (and subsequently less risk exposed), are attracting rates close to 10%.

	Heartland are currently offering deposit rates of 5% and charging 10.15 % for my mortgage. Incidentally my floating rate is yet to drop despite the OCR going down a week ago.
181	I think the gap in interest rates between home loans and farm loans is too wide
182	I think the reserve bank needs to lower the amount of capital that it requires banks to hold when lending to farmers. This should lower the cost of borrowing for the banks which will lower their margins. And I also think more competition would be good - especially if owned by NZ. Another option could be making it easy for Fonterra to offer loans to its farmers as they can get much cheaper interest rates
183	I think we need more transparency on what some banks have been up to. We used to be part of a corporate situation and calculation of LVR wasn't the same using same property and same bank. Why? We have been through hell with ANZ, nearly lost everything and it has taken us 10 year to recover and be in a stable position. Rabobank has been good to us.
184	I understand the risk of rural lending compared to residential but assets value is massively disproportionate.
185	I understand why farmers pay a bit more in interest rates than someone in town eg: the risk is higher and there are less people able to buy the farm if it gets in trouble than there are people to buy a house in town. But that difference in the past was only 1 - 2%. Now that's up to 3 to 4% for some people
186	I will leave that up to fed farmers to back us farmers, sorry just a busy time of year! and the organisation will have better words than i do
187	I would like to say we shouldn't be charged high lending rates on the houses we provide for staff. We are governed by NZ housing laws on the standard we have to provide but to provide this we pay a rural business lending rate. Unfair
188	I would like to see a more equitable interest rate
189	I would like to see our interest rates similar to home loan rates. We have a huge asset in land and we are being penalised unfairly for working hard for the NZ.
190	I would like to stop the closures of bank branches in rural towns. The staff at TSB Bank Branches have been knowledgeable and helpful and profits are returned to the community through the TOI Foundation. Some of my friends are elderly widows who do not drive and don't own computers. They are unhappy that their local bank has closed.
191	I would like to understand why our interest rates are so much higher than housing and why we have such big margins put on us - it makes it so difficult to get ahead. I'd also like more transparency around rates and be able to find them ourselves as opposed to just getting them emailed by our banker when we need to make a rate decision.
192	I am sick of listening to their excuses as to why their interest rates are so high when residential is now around 5%
193	I'd say why do banks charge higher rates for farms/ farmers, compared to those seeking loans for a house, as in this day and age most farms would have a much higher value % wise over a loan, as a lot of home owners who have ave. or below incomes?

194	If the country is to prosper we need competitive finance.
195	If the OCR increases, interest rates change immediately. But when the OCR decreases, there seems to be quite a bit of lag time. It would be good to know more transparency on the margins that we pay above the OCR
196	If the reason for such a differential between urban interest rates and rural rates is risk then surely as an economy that is dependent on rural New Zealand for the financial wellbeing of New Zealand , are not all loans in New Zealand carrying the same risk , and to be such a difference (up to 2 %) beggars belief! All farmers want is to be treated fairly and unfortunately the next thing in the horizon on our interest rate costs is an emission loading on our interest rates that we are charged on our loans , once again farming is singled out !!!!!
197	If the target is to double export revenue, the only way this can happen is confident farmers making good decisions. There are Billions of dollars not being generated at present because farmers are not applying maintenance fertiliser- Phosphate, Sulphur and Lime. Instead scratching around to pay the interest bill. Profit, Tax and ultimately confidence all take a thrashing under this scenario. We have not had any of the OCR cut passed on yet. Increased Drought and market instability (COVID) or in the case of wool complete market failure contribute to the massive instability farmers manage. A competitive banking sector would be a great foundation on which to grow.
198	If we are going to be incentivised to lower emissions, surely this is for the bank to leverage off that themselves? So what's in it for them? In the case of Westpac they wanted QCONZ to verify the farms practices at a cost to the farm and an annual fee. All of the information they wanted was already being supplied to Fonterra so why not use that verification? The .20bs they were offering was less than the expense to meet the requirements.
199	If we had access to the same interest rates as house lending our business would be profitable with healthy surpluses for debt repayment. Instead we are hanging on by our finger nails. Lifting our margin when the going gets tough just made the mountain we have to climb even harder.
200	If we knew what we knew now we would have bought houses in town and not work for basically 0 income. This year I work off farm full time and put some of that money back into the farm to cover costs. There is 0 drawings. This is unsustainable.
201	If you could make the banks control their interest rates to farmers to allow us to farm through the difficult seasons would be positive instead of forcing subdivisions which then flood the market and cost good farming land out of the farming system.
202	If you miss payments your costs per month about double compared with Tare two lenders the interest rate is higher say 11 percent with low costs
203	If you want your rural communities to grow there has to be lower interest rates.
204	I'm concerned that rural finance, even with very low risk is too expensive compared to other sectors

205	In 45years we have never missed a payment even though our mortgage was 23percent during our early years on our first farm.
206	In NZ farming is a major contributor to the economy. Banks operating in NZ have a responsibility to support rural industries to operate profitably, for the benefit of all New Zealanders. Interest rates should be affordable.
207	in our case we had to keep to the terms of the agreement but the bank reneged on the revolving credit facility.
208	Interest margin high and banks should just loan money not be tied up with cop 20
209	Interest margins are too high on rural finance
210	Interest on rural lending is very high. We only can make budgets for farm purchase proposals work thanks to production efficiency and low staff levels.
220	Interest on rural loans should not be higher than home or business loans
221	Interest rate high compared to housing, Borrowing well secured by asset backing.
221	Interest rate margins higher than the residential margins are categorically unfair - yes there is a higher dollar value involved per unit but income producing units should be lower interest rates than residential - we are only govt sentiment away from any food producer getting a better rate than residential - it only comes down to point of view or perception of risk
223	Interest rates and the amount of up front equity required to purchase a dry stock farm is prohibitive for getting ahead and progressing into farm ownership.
224	Interest rates are biggest concern for me. Why is there so much margin between home and farm lending?
225	Interest rates are far too high !!
226	Interest rates are killing NZ businesses
227	Interest rates are quick to go up and slow to come down. Also why should Rural banking interest rates be so much higher than residential. Why are farmers being penalised?
228	Interest rates are to high. Production cost far to high to make good profits
229	Interest rates are too high and ridiculously higher than other borrowers.
230	Interest rates are too high compared to bank profits.
231	Interest Rates are too high compared with housing mortgages
232	Interest rates are too high for farmers. Farming got this country through the lockdowns and yes we have more risk but the rates should be around the same as home loans.
233	Interest rates are too high on farming. Why?
234	Interest rates charged to borrowers appears to dependent on the banks arbitrary risk assessment of the client The perceived higher risk assessed farmers pay a higher rate thus putting them under greater risk
235	Interest rates could be reduced quicker when the OCR decreases it takes ages but if goes up seems to be instant

236	Interest rates for farmers is too high
237	Interest rates for farmers need to be on par with housing rates. Or even lower than housing. So we are not subsidising house lending
238	Interest rates for rural overdrafts are disgusting. Westpac using threatening tones in their correspondence.
239	Interest rates need to be looked into, many farmers have huge capital value, eg our farm is likely worth with shares 10,000,000 yet we pay compared to house loans a much higher interest rate. Our mortgage is 1,280,000.
240	Interest rates need to be reduced. Farmers need to be able to continue spending on employment, development, fertiliser etc and not compromise the the productivity and profitability of the business due to high interest rates.
241	Interest rates should be fair and consistent across the rural and residential sectors. The rate at which we pay back debt quicker should be taken into account, not just denied good rates because we own cows and not land.
242	Interest rates should be less than residential rates because the risk is less!!!
243	Interest rates should be lower for farming related loans. It is investment in a business that makes a return and therefore should be priced competitively.
244	Interest rates should be lower than housing I see it as a lower risk. I strongly disagree that farmers fitting a certain emissions Profile should be getting a better deal with banks. Animal welfare and farm stewardship should be more of a concern.
245	Is the agricultural industry getting fair interest rates.
246	Is there real competition in the New Zealand banking sector? Or does New Zealand have a cosy oligopoly of banks?
247	it appears that the rural community is subsidising the housing market. There is a huge difference between rural and urban interest rates that astounds us and feels grossly unfair. New Zealand communities rely on agriculture succeeding, this is very difficult to do with the high interest rates that we are currently paying at the moment.
248	It appears the bank have completely jumped into bed or been brain washed by the previous government rather than sticking their necks out and ensuring there is proper science behind what our perceived sins are in ruining the environment. When the agricultural industry is such a big part of our country's economy why are our interest rates so much higher than urban/ house mortgages especially when we have so much security.
249	It is blatantly unfair that banks refuse to participate in "doing it hard". All the other suppliers (tractor dealers, farm supply companies, fertiliser industry, ma and pa businesses in rural towns are doing it tough. Banks continue to gouge excessive profits, justify it by quoting RBNZ capital adequacy rules. The RBNZ doesn't force them to increase their interest rates, they could increase capital adequacy but keep rates the same, result would be lower profits but they will never do that.
250	It is not for the Banks to use emissions as leverage for loans. We have people including ourselves keeping an eye on what we can do in that area.

	Why are we targeted with the higher interests on loans when the general public isn't. We have assets to cover loans in some cases at a quicker return.
251	It is not only the interest on the loan that is the problem its having to pay interest on the money not being utilised as part of the banking facility. 8.6% on money used and 1.98% on unused money. (the extra is there for seasonal). If you need to change banks its also a very expensive exercise and not easy to do.
252	It is unfair that farmers pay more in interest rates than townies.
253	It isn't the remit of banks to engineer society. The trumpeting of their environmental or social virtue signaling initiatives is further damaging the relationship and trust in banks.
254	It seems really unfair when dairy farm has a set income for most of the year that we pay such high interest rates as against home loans
255	It seems rural banking is a lucrative business, why are they all Australian owned. Why do Australian banks apparently make better margins in New Zealand.
256	it seems the banks are actively supporting larger scale, which will ultimately commit the industry to a corporate type model...and its inherent inefficiencies, plus the detriment of family businesses and rural communities...
257	It seems unbelievable that the banks are effectively penalizing the country's revenue producing sector while supporting the inflation producing housing sector.
258	It seems very few bankers understand the immense value to a business of having NZU's. They add to your balance sheet and are readily convertible to cash
259	It seems wrong that Agribusiness are made to pay higher interest rates than home buyers even when the Agribusiness has a strong equity position. Current settings encourage h9me buying not business investment
260	It would save our farm lots of money if farm interest rates were similar to house interest rates and we could pay back mortgage and develop our farm more
261	It's a rip off interest rates are to high
262	Its really all about excessive margins! Even with 60-80% equity in an agri-business that hasn't made a taxable loss in over 10 years, we still pay a 1-1.5% higher margin than other businesses and home loans.
263	Ive done everything they have asked.....Payed principle, not gone over the overdraft limit, kept in touch with our plans verbally , used a cash forecast system for the current and year ahead. Yet we still pay 11.75% on our current account overdraft with no sign of any reduction even when I ask.
264	Just because we make our living from land, why should we be treated differently from those who use a city office, or have a manufacturing plant?
265	just like the supermarket duopoly - high levels of profit and a perception of unfair pricing doesn't help the banking sector in the eye of farmers.
266	Keep them honest-
267	Keep up the good work . An investigation into 'discriminatory ' lending is well overdue . I trust your hard work will give good results

268	Let the ETS do the greenhouse gas stuff.
269	Listen to the farmers. After all, they are at the coal face.
270	Listening to fed farmers
271	Look and listern what client would like and how they can meet that dont judge offer support realistically as we NZ does need farmers they come from all walks of life if got right attitude/ clear realistic goals dont allow to drown in debt but keep focused on how/ now and contingency plan for the what ifs they do happen
272	Look at the Reserve bank at the same time. They need to look at capital requirements of loans that have a higher equity or clients with a good history. Open banking where your account number can move with you would make all the difference in helping to start thinking of looking else where. It is a major job to change banks when there is a lot of time pressure on farming already.
273	Look at ways to reduce red tape. Can't just put more regulations on banks expecting a positive change, that will just result in banks passing on costs to borrowers. If wanting to curb bank profit gouging with some new regulations, need to provide some regulatory relief for banks in other areas at same time or any new regulations will just create unintended consequences. More competition is the best way to reduce cost of finance and innovation in the sector, but again barriers to entry for new participants is an issue - that comes back to the regulatory bar they need to meet to enter the sector. Options like Kiwibank being better capitalised to provide more competition is a good one, but a good look at their statement of corporate intent with key metrics they need to hit would be important around providing more cost effective lending. That will need to come at the expense of what level of dividend Government expect from Kiwibank, but if powers up business that will be a small price.
274	Look into previous insurance sales bnz life surely more people got hooked it seems because bnz lost there commission estimate approx 30k they made our life hard!
275	Lower rates for farmers as they are producing the income for the country. Increasy housing investments rates
276	Lower the interest rates
277	Make banking more competitive
278	make it easier for family farm to work
279	Make it fair, reduce the capital holding requirements to make it more in line with residential, I can't understand how our rates are higher when we have "guaranteed" income annually vs an urban homeowner who relies on wages to pays mortgage.
280	Make real sustainable finance a priority - we (rural) Nz could turn environmental problems to projects within months, I have a project waiting for the right time (cashflow dependent) that will deliver positive N loss benefits
281	Make sure our rates and the bank profits are in line with other southern hemisphere food producing nations
282	Make the banks make it easier to change/swap banks in NZ . Dont involve bank loans with carbon emissions. That is not a banks job!

	Support Kiwi bank so it can cater to farmers and create real competition amongst the overseas owned banks so Kiwis get a better deal on their mortgages.
283	Many helpful banking decisions have been made over our kitchen table enjoying one of my scones when we had a trusted bank manager. Bring back more Stu Browns.
284	Margins charged to agriculture are not justified and reduce capital available for production.
285	margins far to high
286	margins seem to be too high
287	Maybe the issues also stem to bank requirements under loan ratios stipulated by reserve bank?
288	money is more secure in a farm because of the land value (the land is tangible and wont disappear) than some other businesses but why cant farmers get as good a deal as other businesses?
289	More competitive banking options are needed in NZ regardless of your enterprise. I have no loyalty feelings for my bank and have often considered switching to Kiwibank
290	Most bank profits going offshore to Australia
291	Most of the problems with Rural banking and finance accessibility come from the Reserve bank settings relating to how much capital banks must hold over rural lending, THIS is the problem
292	Most think you are not bright enough to do anything else so you go farming. Thinking about leaving farming and not coming back. Always targeted for tax's. Profits are disgraceful for investment
293	my feeling is farm businesses are paying 25 to 50 basis points too much at any time given the level these businesses actually failing ie we are paying for a higher level of risk than what actually exists.
294	My husband commented "The banks seem to lead you on and when you end up in a hole they treat you like its all your fault."
295	Need easy way to challenge bank manager decision without going thru own bank
296	Need experienced rural bankers who truly understand how farming works and are there to help.
297	Need to be fair. Tough for younger farmers, new entrant to farming businesses to get finance.
298	need to be more transparent against home loan rates
299	Need to be online with residential rates
300	Need to reduce agricultural interest rates especially since farms have huge assets compare to town folk !
301	Need transparency from banks. Why do farmers pay more for loans than residential? Why can't we get longer term fixed rate loans

302	New clients coming in appear to receive a 'sweetener rate', while loyal customers are stuck on higher rates! Why are we not all on the best / same rate possible?
303	No need for the big differential between rural and residential
304	noticed that the interest rates at the ANZ for ag loans are today much like house loans. When we took out loan last year there was a 2% difference against ag loans. What has changed? other than the fear of this inquiry.
305	often we are told nz inc is over focused on housing and needs to invest in the productive sector and/ or improve savings. loading interest rates to the productive sector and protecting the housing market does nothing to encourage a change in behavior. housing seems stimulated and protected whereas business is at the mercy of banking whims
306	Open Banking for fair comparison across banks
307	Open banking is most important thing that can be done to create a environment where customers can freely move from one bank to another without having to change account numbers. The reserve banks restrictive criteria needs to be reviewed as it is also restricting lending opportunities
308	Our Bank claims some, particularly OD lending costs are high for them because of lending laws and they are only passing on the cost. If so laws need reviewing or banks held to account on costs they pass on. I would equally question why good equity business have to have higher lending rates than home loans, while I understand the amount of debt is higher, in many cases the equity is better so risk lower.
309	Our bank has been supportive of us as we have a sound business and are meeting our budgets . We have been through the 1980s when interest rates were 27 % . We were never eligible for rural bank loans at the time . We know what it is like to survive hard times . We acknowledge that banks are in business too and their shareholders demand returns . In saying that it is important that any bank doing business in this country understands that farming is a long term business and needs consistency in banking and needs to provide support from time to time to farmers. We do not need banks placing rules around farm lending other than their interest rates . Having attended the Moorepark open day in Ireland last year we became aware that the science coming out of that world renowned facility will tell you that there is a lot of good things coming to mitigate environmental concerns . There needs to be huge emphasis on science and not some fanciful ideas driving banking strategy .
310	Our bank is good but interest is too high.
311	Our farm has been in this family for 3 generations. My father in law payed out his siblings on a 23% interest rate, and we have followed suit on higher land prices and roughly 7.5 % rate. This farm has generated overseas banks a lot of profit at not much risk to them. Its money for jam, that isn't going back into the kiwi economy.
312	Our interest rate is very high considering our borrowing is only at approximately 55% of the banks calculated security. We could get it slightly lower if we fixed (minimum of 12 months), as it is on floating at present, but we are hoping for a further decrease in general interest rates so we are not locked in. They seem to want to charge us a lot of extra interest so that we can't afford to pay any/much principal. We know this is higher than many other farmers in similar positions pay.
313	Our interest rates are far to high, we are struggling and we are stressed.

314	Overdraft rate high at 11%
315	pay a fair interest rate on a credit balance
316	Please come and visit our farm and see our valuable it is. Been here for 9 years and never had anyone from the bank anywhere near us.
317	Please help the banks see the high interest is hurting us all
318	Please look at settings for rural banking and what they force the bank to have in reserve. This costs money to hold which then gets passed on to farmers. Seems reduclious they have to hold way more capital in reserve for farm land over houseing ect
319	Please look deeply and fairly compare rural to personal/business banking. It feels to us that rural is propping up other industries with very high rates. We have to constantly 'show our cards' but we don't see theirs (Banks). And there seems to be different rates for different farms/people. If our rates were less, we wouldn't be afraid of trying to grow and expand.
320	Please put pressure on the rural banking sector to lower interest rates for farmers to at least the same as housing interest. Remember we are the economic backbone of the country.
321	Please reduce our interest loans.
322	Profits to big on four Aussie owned banks. Some farming businesses have more security than residential loans n their interest rates should reflect this.
323	Progressive banking products and service will ensure the Primary sector is well supported for the growth agenda that the government is seeking. Without a vibrant Primary sector export \$\$ are at risk.
324	Rabo Bank been good to us
325	Rabobank have been very supportive through marriage split dairy development and retirement
326	rates charged seem to have regional variation. We feel our interest rates are to high.
327	rates higher by 2.25% than buying a house in rural town farm has ability to pay back house not believe that the 0.15% that ANZ s promising to take of farm loans is too small given the drop of 0.25% recent attitude to us less respectful in spite of our good reputation and long standing. would consider changing banks if easier and more competitive
328	Reduce farm loan interest rates
329	Reduce Interest rates we live were we work.

330	Reduce interest rates ASAP
331	Reduce interest rates to be the same as home loan mortgages
332	Reduce interest rates to reflect the housing market
333	Reduce the amount of return the banks make. Bring rates more inline with home morgage rates
334	Reduce the banks reserve policy for agriculture
335	Reduce the capital requirements banks are required to hold. Create more competition to allow other banks to have to compete for business
336	Reduce the reserve bank capital adequacy ratio
337	<p>Reducing interest rates for greenhouse gas emissions reductions cannot happen without in the present framework, I don't feel. How they record greenhouse emissions is to substantive. Merino sheep for example, are different to other sheep breeds. Wool based, not meat based, browsers not mowers.. My merino sheep different to the sheep on the neighboring farm, even though they are merinos. Size, fiber based, animals eat differing amounts, therefore the emissions would be different..</p> <p>Its abit like the tax livestock values placed on my livestock at year end. (based by the IRD, but nothing close to the value of my livestock), but taken as to costly to have a valuer assess them every year.</p> <p>How the banks would assess my sheep from greenhouse gas emissions would be within their spreadsheets. Not the correct approach.</p> <p>Everyone in the country should be able to get similar interest rates on their security held - as it should be and was previously.</p>
338	Refer above.
339	regardless of how much security you seem to have interest rates are based on Housing or Rural etc.
340	Remove the 2% Treasury risk margin on rural lending
341	Reserve bank and banks are pricing too much risk into the ag sector which inflates the interest we pay
342	Reserve Bank rules require extra capital for rural lending.This is a major disadvantage to the rural sector and productivity. The use of the OCR to control inflation also reduces productivity and the rural sector pay more. Fighting rising costs with raising the interest costs doesn't balance the ledger, two negatives give a positively detrimental effect to society. The increases the Reserve bank has made to the OCR has wiped out my ability to repay debt and stolen my fertiliser or productivity budget
343	Retired now so probably a bit out of date now
344	Reward good customers with lower interest rate if history of meeting repayments good.

345	Rigorously question banks argues a deal cost of funds . Representative to Commerce commission and write rules to favour new start up banks in rural like kiwi bank . Favour rules towards farming and biz.
346	Risk and reward are all factors that need to be considered. Farming like any other business has its risks and those risks need to be considered carefully. Banks are like any other business that have parameters to work within, profits to make and losses to take when businesses fail. Obviously there has to be sufficient margins to cover losses. While many complain about banks profits, profit is good, it contributes to taxation, it allows growth creating jobs, it puts enough aside for a rainy day. I see my banker as a business partner if there was a way of sharing those profits for loyal customers and creating more win/win solutions, as an investor in a company, then that would be better still.
347	Risk penalties are just a tool to milk you when in our case there was no risk to them. Adequate seasonal finance is vital at times. They talk about caring about mental health but continue to squeeze without mercy. Banks have no place in the environmental space sometimes based on unsound science. Why such a big difference in interest rates between housing and agriculture. We are not costly to service.
348	Rural banking interest rates are very unfair compared to town rates.
349	Rural banking is impacted by the lack of banking competition in NZ in general. A more competitive banking sector would impact farming positively,
350	rural banking is no different to all other forms of banking.
351	Rural banking is stimulating the economy, employing people, it should get lower interest rates not higher.
352	Rural banking is subsidising housing
353	Rural Banking services are not serving the NZ agri sector well. Interest rate creep is real & the ongoing differential between housing and productive loans (business, farms, commercial) especially rural, is not justified nor acceptable. Well secured, strong cashflow and capable people banking propositions must be able to match the interest rates provided to all & sundry with their housing loans. How is an inexperienced, financially illiterate and salary dependent borrower a more attractive borrowing proposition for a Bank? Good rural banking propositions must be able to attract the best cost of funds as their urban counterpart, if not better. We need productive NZ to do better - farmers need to be able to access funds at a rate that is directly related to their risk. Farmers need to be able to afford to do green projects, decarbonise, riparian plantings, decent effluent, replace woolsheds, maintain infrastructure for health & safety etc. An interest rate margin reduction will assist
354	Rural banking should be aligned with business banking .
355	Rural banking should be treated exactly the same as any other banking, we are no more or less risky than any other business or employee that has debt! It should be one rule for everyone with regard to lending.
356	Rural banking should not be exposed to higher interest rates than other industries. The rural sector needs long term stability and having a stable mid point for interest rates would really help the rural sector to thrive, which would in turn support the local economy.

357	rural banking should not be paying a major premium over home lending.
358	Rural banks should not be involved in emissions relating to interest pricing. Rural bank interest rates should not be higher than home owner interest rates.
359	Rural customers generally get a raw banking deal. Even very strong rural customers with low LVR's and a history of large surplus financial results cannot get as low a interest rate as even a poorer residential customer - this is not right and is holding back agriculture in this country. Farmers with good rural businesses should be offered the best interest rates possible (compared to residential and commercial). I really think the banks are effectively colluding and are anti competition, all in the drive to maximise bank profits - which largely go off shore.
360	Rural finance interest rates are too high.
361	Rural interest base is to high compared to housing loans. The reserve bank are to blame
362	Rural interest rates are ridiculously and unfairly high it is getting to a point where farmers are struggling to even make a profit!
363	Rural interest rates should be much lower considering how much security is in the land
364	Rural interest rates should be no more expensive than housing rates because we have a far greater asset and the asset earns money.
365	Rural interest rates shouldn't be higher than residential as the land used for security would be less risky than houses.
366	Rural lending interest rates need to be more in line with residential lending rates
367	Rural Lending is deemed to be higher risk. This is a massive generalisation. Banks should take far greater mind of level of management rather than security cover.
368	Rural lending is risky but not like aussie with its droughts or Africa, Asia etc with peasant like operations. We don't have a fudal system here either where tenants pay lords etc and have just stk and plant as security. Share farming has built this country and a way into land ownership. It was also fun to lend to with enthusiastic operators encouraged by banking partners. Now to scare of getting it wrong and or lenders liability which is bullshit in 8 yrs I never saw the bank lose money ever.
369	Rural Lending should be able to get the same interest rates as housing
370	Rural lending should be at the same rate as housing lending.
371	Rural lending should not have to allocate more capital resulting in higher interest rates. If the people depositing money knew it was going towards food producers that were producing environmentally efficient produce, I'm sure they would see the benefit.
372	rural loans should be in line with housing loan interest rates.
373	Rural loans should work on the same level of risk as residential housing, Land is low risk.
374	Rural pay 8.15% Homeowners 6%

	How fair is this It doesn't happen in Australia, why does NZ let it happen here !!
375	Rural rates shouldn't be higher than home loan rates
376	same interest rates as home owners
377	Scope three emissions , and the net zero baking alliance is a daunting prospect for farmers. These are far reaching concepts over and above the legislation made by our elected government. At least we were able to contribute to that !. At a farmer level we struggle with wafer thin margins and a job that requires large hours . In our business we work 4.30 am to 7pm 7 days a week and then increase this to 9pm in calving time. No rostered days off from June to December, no annual leave/ sick leave. We take risks with taking on bank loans that our health will hold up over the years with the long hours, and our that families will be fine with coming second after the business. An injury or mental health episode can end our career, and leave us in a terrible financial situation if we have not gained enough equity by this point for the loan. We basically do not have any more time or finance to attend to further bank requirements and increased on farm work load resulting from this.
378	Seasonal - working capital facilities seems ridiculously expensive.... Even though we receive a pretty competitive term rate our overdraft rate is appox 3.5% more. Same security same business. I can't reconcile this matter
379	Security should be limited to the amount required for the loan
380	See above - and thank you for the oppittubity to express our concerns and frustrations
381	Seems to me that banks are making big profits, at alot of their customer are sugging
382	Sheep and beef farmers are struggling and especially those of us significantly affected by cyclone Gabrielle's aftermath with continuing high water tables causing more slips, more blown out dams , fence issues and generally making things very difficult and expensive to repair
383	Should be an equal footing as all other sectors
384	Should be priced similar to housing if you want the productive sector to grow
385	Should be same interest rates as home loans
386	Should be treated like a residential loan or at least a portion of it as you own the house or houses on the farm, it disadvantages as you live where you work.
387	Should not be charged higher interest rates than non productive home loans.
388	Shouldn't have to pay interest at a higher rate than homeowners etc
389	Sort it out please why would you want to be a young man woman going into the farming Occupation ??

390	Start with the Reserve bank and some of the conditions they are holding on banks to hold money
391	Stick to their knitting regarding green house emissions. Disappointed they have signed up to Agrizero
392	Stop exorbitant level of profit before people and services (or lack there of).
393	stop making the banks hold extra capital on rural loans
394	Stop making us pay higher interest rates than people in town.
395	Stop the banks from profiteering with existing clients and offering honeymoon rates for new clients If it wasn't so time consuming to change banks you would just keep swapping every year or 2 The savings are probably worth taking the time Question- why will banks stretch the boundaries for residential lending at lower rates and higher lending values when the borrower is an employee yet they charge a fortune to farmers when the income comes from the property they have secured?
396	strictly keep to finance. no other political or climate issues.
397	Strongly disagree with banks enforcing environmental issues through any means
398	Strongly disagree with banks involvement in emissions. Feel unfairly treated on interest rates compared to home loans.
390	Struggle to see in general that farming has a higher risk weighting than residential lending. I feel that at the very least this unfairly penalises those of us that live on our farm business properties.
391	Support sharemilkers
392	Surely the risk of a person owning a 2 million dollar house in Auckland and being made redundant or losing their ability to earn money and thus pay for their mortgage is far greater than a farmer who has their money in land which has the ability to keep earning money even when times are tough. Therefore why is the farmer having to pay a higher interest rate when in fact his asset is a lower risk because the land has a greater earning ability than the residential house ever will!
393	tell the 5 main banks to help more young people into farms with there excessive profits including rabo bank who we were told are not very interested in loans under 3 million
394	Thank you! An inquiry is very much needed.
395	Thanks to high interest rates, increasing costs and lower income we are not only working for free, we're working at a loss! Everything out of our control is crippling us financially and mentally! And yet outsiders think we still need to be cleaner greener and better, how do we do that broke?!
396	That I don't think banks can justify the difference between home and agricultural land interest.
397	That interest rates on overdraft facilities are too high and banks dont care about this yet still put huge pressures on to reduce debt
398	That productive business should have a better rate than what people in housing market pay.

399	THAT THE ACCOUNTS FROM INDIVIDUALS BE PROPERLY ASSESSED FORWARD
400	That the capital requirements for rural lending should be changed
401	That the rural community is unfairly looked at by the Reserve Bank as the banks have to hold onto more capital for a rural loan than a housing loan due the "risk"?? Don't agree with this, should be same interest rates for both.
402	The 2% premium charged over household lending is pure profit making as the bank has first right of the asset (land) should the loan default. The banks money is always safe and therefore no riskier than loaning on housing
403	The additional margins that have been put on rural loans are far too high. They strip so much additional money from rural businesses that then mean there is nothing left to invest in innovation and growth.
404	the agriculture industry in NZ has a very sound business case that has seen it thru good and hard times so why is it we pay higher interest rates
405	The amount of the bank's margins needs to be drilled into for agriculture, when agriculture is so productive for NZ and not as high risk as they make out especially long term Whe
406	the back bone of this country should not be unfairly penalized . No one questions the importation of coal . no one questions the rubber and petroleum products that enter into the environment from vehicles on the roads and no one is made to enact advanced mitigation on roadsides to counter that. I'm forced to plant next to my spring feed creek that flows some years , without any benefit or higher value for my valuable seeds .
407	The bank are pushing us to make principal payments and show a healthy set of accounts and debt ratio yet we feel we always have to really push to get any movement of interest rates compared to what our accountant sees other clients getting
408	The Bank seems able to add basis points at its whim. Our bank manager cannot do very much to alter the head office policy and so there feels like no relationship or personal connection. The bank manager is not a manager but a representative of the big corporate. Even though our manager is a nice guy!
409	The banks are creaming it from the farmers. They are getting away with charging high interest rates to farmers.
410	The banks are price gouging farmers, and often it is difficult for us to change banks because of requirements for lending. Often caught between a rock and a hard place because wages to pay, uneven cashflows, and there isn't really anywhere a farmer can go to report an unfair experience or to get assistance without paying an independent advisor, which is more money that farmers often do not have. I am not surprised at the level of suicide amongst farmers. The stress from dealing with our bank has been immense, and not helped by a change of bank manager almost every 12 months over the last 7 years.
411	The banks are racist. Despite working with the reserve bank and the Treasury and talking about developing banking products for Maori land asset owners for the last 30 years, not one bank in NZ has a financing service or product to offer Maori land businesses.
412	The banks charge us higher interest rates than housing due to a perceived higher risk. Don't understand how this risk is higher when they require us to have much higher equity than a home loan.

413	The banks dont seem prepared to back the young motivated good farmers today like they backed us in the 1980 ,1990
414	The banks have loaned more to homes because of the capital they have to have is lower for homes than for farms and business. They have more money to put into homes because of the less capital they have to have for every dollar of capital they have. Get them to change this and most of the problems we as farmers will go away because the interest we pay will get closer to home loan interest rates.
415	The banks have ripped us of with interest rates and looking after a strong family farming opration at the moment prob in the 2.5 to 3.0 millon dollars in the last 6-7 yrsit
416	The banks have us over a barrel make it very hard even if you thought of changing they are very much all the same
417	The banks make no contribution to the social aspects of climate change. the economic aspects of climate change and the environmental aspects of climate change. However try to tell us what to do, because they lend money and act like bullies, by putting pressure on our social, economical and environmental aspects of our so called the argument there is climate change.
418	The banks need to explain what is their purpose in including farm emission performance in the loan assessment and pricing. Is it now considered a risk factor or is there another reason.
419	The Banks should not be using emissions or climate change conditions in interest rate settings
420	The banks to be more open about the margins they are charging farmers and why
421	The big4 need to be limited in what profits are made and sent back offshore. They also need to get back to basics and support Agriculture - not charging the sector higher interest rates . Otherwise NZ wont have an EXPORT sector to generate its revenue.
422	The biggest issue I have with banking is the the higher interest rates charged on business/Agri loans compared with residential mortgages. To be fair this isn't actually the bank's fault it's the extra capital they have to carry against these loans as stipulated by the rbnz. I think federated farmers should be putting more effort into getting this changed than a banking inquiry
423	The biggest problem facing the productive sector is the unrestrained growth of government and the associated intrusion into all aspects of our lives. The cost is unsustainable and destructive. The glaring inexperience of business leadership in political ranks is grossly problematic as they clearly do not understand risk or freedom of choice commercially. NZ farmers remain the least subsidized, most geographically isolated in the developed world and highest taxed on the Pacific rim; to instigate policy from countries where this is not so is a hypocritical insult, yet this is deemed OK in self serving Wellington.
424	The costs of moving from one bank to another is stifling competition, if you try to get a fairer deal and the cost of doing that is prohibitive then you tend to stay with the status quo. This becomes even greater in times when income streams are lower you simply can't afford to switch banks.
425	The difference between residential interest rates and rural business lending rates is massive and shouldn't exist. Even our supporting industries are paying 10% on their loans as we are Finance companies are mostly charging 10%

426	The extra reserves required to be held by banks for rural loans, compared to residential, seems to be overstated relative to the margin charged. And security required is excessive.
427	the farms penalised with high interest rates are the same group that need the best interest rates
428	The government is the real problem The previous government poured that much money into the economy it upset the whole monetary system in this country. A economy has to grow on its own otherwise it comes crashing down with high inflation then high interest rates to try to control inflation. Government imposed bank security is another cost we are facing also.
429	The greenhouse gas thing is a load of bullshit and the sooner everyone stops jumping to the narrative the better. The country needs to have the balls to stand up to the world organisations and say enough is enough we know your game!!!
430	The higher interest rates for farmland and working capital (value producing assets) over residential housing seems illogical, bordering on price gouging. This is especially concerning given the requirements for farmers or other small business to use them as well as stated efforts to avoid an increasing housing bubble.
431	The interest rate difference between home and farm lending is too high. A farm with 20%debt to capital ratio paying 2% more on mortgage is over the top. I probably have not stated that very well.
432	the interest rate difference between rural and residential lending is wrong. I acknowledge there is more risk with rural lending, but this is allowed for in the Banks only lends up to 65% of the value of a rural property (residential lending can go as high as 95%). so allows for the risk in the amount they lend, the banks rural managers need to do a better job in lending to the right people. not sure why banks have to hold more capital for rural loan than residential seem strange to me.
433	The interest rate is to high compared to the housing rate
434	The interest rates are crippling and the terms for loans and criteria are just too hard. Farming and compliance are hard enough without farmers trying to deal with the robbery of banks.
435	the interest rates be the same or similar as a home loan
436	The issue we are most interested in is achieving more equitable and fair treatment of rural / agricultural banking customers when it comes to borrowing and the interest rates that are applied to rural loans compared with residential mortgages.
437	The margin on rural lending is to high in comparison to personal mortgage lending. I feel that the majority of rural mortgage lending is relatively secure in comparison to home lending. Farmers are required to hold more equity yet pay a higher interest rate.
438	The margins that the banks are charging are to high, especially for the amount of security they take
439	The other issue is that despite the new Farm Debt Mediation Act coming into force, banks at times use the clients naivety over this to try to remove them as clients or force action instead of going to Farm Debt Mediation.

	A number will avoid as best as possible, by making remaining as difficult as possible instead of utilising FDM.
440	<p>The primary sector in New Zealand is the backbone of the economy for all, Kiwi's standard of living relies on our exports. Our ability to produce high quality products at a low cost has been the cornerstone for most of New Zealand's trading history.</p> <p>We farmers are unique in that we pay retail cost prices to sell a wholesale commodity product cheaper than many subsidised competitors can. We then pay a premium for our capital, based on a theoretical high risk profile.</p> <p>All that New Zealand farming families ask is that we compete on a fair playing field locally, in order to compete internationally. Competitive interest rates will be imperative to farmers staying profitable, whilst navigating our way through expensive environmental regulations being imposed by our biggest markets. New Zealand cannot afford for farmers to press forward through this changing landscape with heavy shackles on.</p>
441	<p>The problem is generally not at client manager level</p> <p>In behind that are national management who have little apparent knowledge and no affinity with agriculture</p> <p>Worse is that the banks set their own "risk" assessment of ag which feeds into Reserve Bank asset ratio requirements. Risk profile needs to be assessed independently.</p> <p>With ag loans in general and security requirements there is NO capital risk for banks, only cashflow stress where payments are in arrears</p> <p>The banks give "risk profile" as reason for higher ag interest rates. This reason is a fallacy given that there is very little variation to applied margins between customers we are aware of, some with low borrowings and a strong business and others with marginal equity and in some cases not what I would call high profit farmers.</p>
442	<p>The RBNZ capital requirements are clearly being paid for by rural and commercial loans. Westpac has freely admitted this to me. While I am paying 9.75% on my dairy farm loan, my property speculating mates in Auckland are paying 6% and getting a free TV when they sign up, whereas i get told to pay for a \$7500 valuation of my farm which I don't want, and cant afford, to keep some credit person in Wellington that i have never met, feeling more secure.</p>
443	<p>The requirement for banks to hold more capital for agricultural lending, means banks now prefer to lend for housing and commercial business.</p> <p>This higher capital holding ,I'm sure I read is to withstand a 1 in 200 year event,</p> <p>This is absolutely crazy.</p> <p>The cost of holding this extra capital means banks arent hungry to lend to agriculture,</p> <p>hence there is no incentive to compete via the interest rates.</p> <p>I dont really think 1 extra player in the banking sector (Kiwi Bank) will make any difference. You need only look at the Fuel industry to see this.</p>
444	<p>the reserve bank demands more capital when it is farm lending as they regard farming as high risk so banks hand that cost on to farmers the reserve bank should reduce there security demands</p>
445	<p>The risk pricing is stacked against farmers, Banks can re-access risk all the time and on average they refinance farms for development or cap purchase every 7 years so get to look at their exposure. The risk is all the famers</p>

446	The Rural lending margin is wrong along with monthly bank fees as if not making enough out of interest already
447	The rural sector needs alternative options to address the power the big four banks have. Margins are too high compared to other sectors. I've seen examples of when our industry faces a downturn, even if you have reasonable equity, the bank has significant power to do as they please. They increase margins further, and ultimately they can choose from a multitude of reasons to withdraw funding completely leaving the farmer with no option but to sell up.
448	The rural side of westpac doesn't want to know me after having a mortgage with them for 50 years and having paid it off
449	The system isnt fair or a level playing field! Struggling farmers who cant pay invoices get loans but at an elevated rate so they have no chance of getting out of their mess. I would like a quicker change of rates in response to OCR drops/rises! I would also like a more transparent listing of available rural rates similar to home loans so its easier to shop around.
450	The true risk of banking rural land is small. Especially once adequate loan to value and debt servicing margins are in place. Bank risk margins should reflect this reality. For those who want to gear up - they should expect to pay more, but not at the expense of low debt farmers
451	The unbridled printing of money during Covid was the biggest factor In causing inflation Into. housing which is non productive.
452	The value of rural property rarely decreases
453	The way BNZ procrastinated on transferring our high interest rate Business Term Loan to a lower interest rate Home Loan, felt criminal. It shouldn't take a year.
454	Their interest rates are criminal. The high margins they put on farmers who are, for whatever reason, at a higher debt level are ludicrous and contrary to enabling any progress in reducing debt. When a farmer is doing everything to solve the issue, working in good faith with the bank, looking at every solution possible, the bank should continue to work with them, not flick them in the receivership. There are other options for me to hold my business to give me time to sell, but they won't do it.
455	There appears to be a lack of competition with rural banking, maybe for various reasons. Farmers are often reluctant to change banks, maybe to relationships with bank manager. It appears the banks have agreements between themselves on margins.
456	There needs to be a guideline of behaviours and practices that bank lenders have to follow in EVERY DISCUSSION. It is protection for the bank as well as the client and cannot distort the outcomes between the bank and customer.
457	There seems to be a big difference between home loan rates and rural, would have thought risk on home loans and home loan income would be higher than rural
458	There seems to be a lack of real competition between banks for farm loans.
459	There should be more options

460	These banks make ridiculous amounts of money from the backbone exporter of the country. Their service is woeful and products are not fit for purpose. We have to fight to get finance and when we get it we pay through the nose. The recent reduction in the OCR resulted in my savings account interest rate being reduced by the whole .25 basis points but as yet there has been NO reduction in my lending rate of 8.5%. In the past 5 years I have paid \$370k in interest and recently found out my bank has an offset loan which I have NEVER been told about. All our personal and business lending is cross secured so I am very limited to any expansion even if I wanted to
461	They act in a fair way and to expose the bais banks inflict on rural businesses
462	They are a pack of fair weather friends and treat us very unfairly
463	They are a pack of thieves
464	They are making way to much profit. Even record profits while interest rates are so high. Seems very unfair
465	they are to quick to raise their rates with out any correspondence
467	They are very much fair weather friends. Happy to lend money when everything is rosy but after a few tough seasons they want you off the books, and don't care what damage they do to you in the process as long as they get every last cent you owe them. Now a week after the interest rates were reduced my rate hasn't dropped, yet when rates go up they go up straight away. That's not fair. I had asked about reducing the interest rate as interest is my biggest single expense and is what is killing my business, but not would even consider it.
468	They are very quick to pass on rate rises but slow at passing on any savings.
469	They have us over a barrel
470	They need to be more transparent on their margins. Any regulations the banks have to comply with shouldnt make it more expensive for borrowers. If banks want to lower their on farm emissions they should pay the farmers to do it.
471	They say they set by what they think 3 months ahead so when other interest rates go down why not rural
472	They should be aware of agriculture to the overall well-being of NZ. Therefore an element of risk has to be factored into lending decisions.
473	This is a tough time to do this process given the financial pressure farmers are under currently. And could result in an unfair bias of results but good to test the system under stress also.
474	This is NZ back bone of economy and there is not the young people to come through the system as there is no support to young farmers and the interest rates they are charging lower order/share milkers is outrageous. Also if there is any risk the margins charged are astronomical and place these people in a situation to fail.
475	Time to be open and level the playing field

476	<p>to be realistic and fair.</p> <p>gas emissions has nothing to do with banking loans but awareness to farm purchase does .</p> <p>sale and purchase may in future have to include a private gas emission approval before loan granted. Banks cant take a borrower for sale to buy land to take it against wealth.</p> <p>Awareness to gas emissions of a more details event will maybe more of option to help with true facts as our experience we couldnt buy a farm and stock it 12months year by river had to take % stock off land for winter the a neighbour who could prove by being a neighbour was able to buy that said land as he had area to graze off but anew fresh buyer couldnt buy that land unless he had other land available.</p> <p>SO therefore rural banking with gas emissions will need 100% VALUED THOUGHT</p>
477	To date we have not had a major issue.
478	To me it seems crazy that those who employ people, who create opportunity for employment for those who service our industry, who keep the wheels of the economy turning have to pay 1-1.5% higher interest rate than the home owner.
479	To put interest rates in line with all farming areas and make them the same interest rate as home loans .
480	To quote the words of Mark Twain - "A banker is a fellow who lends his umbrella when the sun shines and wants it back again when it starts to rain."
481	To reduce farm interest rates more in line with housing rates. The amount we pay in interest is leaving barely anything to do any extras
482	To treat a Sharemilker the same as a Farm Owner! We do all the day to day running of the farm, with ""our herd" So profitability is paramount.
483	Too restrictive demands by bank to jump through hoops to just get the loan and then the interest rate and rate of repayment meant the first year of operation was killing us financially. Repayments started as a straight line from the first month.
484	Totally disagree with way banks seem to target farming as easy way of gaining higher interest rates even though loan securely secured against assets. And we stay within all budgets we supply, and they agree to. the fact they just increase interest rates when they feel like it with no consultation at all.
485	Transparency around margins. Rates reflect on farm emission reduction
486	<p>Transparency. Force them to publish rural lending rates like they do for Housing. Simple</p> <p>This could easily drive competition between banks.</p> <p>They say it's risk based lending thats BS. The small guys with truckloads of security but smaller debt and normally good cashflows get the worst rates whilst arguably the higher indebted with greater risk clients get the best rates.</p>
487	Treat business lending on par with residential home lending. Also I don't believe the banks should be allowed to offer better rates for people who have a supposedly lessee GHG emissions while we still do not have an accurate measurement for this and not everyone can afford to pay to get accredited for this....even though we would be carbon positive.
488	Treat us fairly
489	trying to shut stable after horse has bolted

490	Turkeys don't vote for Xmas We should not expect any behaviour change from the banks. They will need disruption to their cosy set up before any meaningful change occurs
491	Unfair the we are primary produces aiming to make a profit which in effect contributes to the tax contributions . Our interest rates should be competitive from a global perspective or at least not higher than home mortgage rates
492	Unfair we as farmers pay higher interest rates than for housing
493	Unfortunately we are in the main being dictated to by Aussie banks who have little interest in NZ except to profit & assume profits are disappearing offshore
494	Unless the bank has been really stupid, and in some cases they have, they shouldn't ever lose money on Farms in the long run.. No farm is ever completely non earning, there are plenty of commercial properties which can sit idle, and non earning , for long periods
495	Unlike homeowners farmers generally have a much higher equity in their property yet have much larger credit risk rating factored into their mortgages. Need to change the Reserve Bank rules for banks lending to agriculture to make it fairer and more equitable.
496	Unlike housing, the productive, and business, sector is hamstrung by rbnz capital requirements. This is bad for all NZers
497	Until there is absolute proof that the science behind how GHG emission are calculated is 100% accurate and unquestionable and sequestration is calculable and included then no bank should be thrusting these requirements on farmers. Indeed no government should be thrusting this on farmers using the current flawed science.
498	Up and coming Dairy farmers Contract milkers, Share milkers need discounted interest rates to get the next Generation into Farm partnerships and Farm owning .
499	Value experience , have a sharp pencil , get your Eyeometer and Necktop computer in sync . Remember that the best fertilizer for the farm or orchard is the Owners footsteps !
500	Very biased against farmers Very little flexibility Why do banks get involved with emissions
501	Very happy with the bank services but just the interest rates are too high. Why are they so much higher than housing loans?
502	Very hard when your bank doesnt want you any more.
503	Watched news yesterday and decided then that I'd kiwi bank were to offer agricultural loans etc, we're happy to support them.
504	We a being controlled to much by parent banking companies in Australia and elsewhere overseas. I know this happens as I have had personal past experience of policy changes for NZ banking push on me, the excuse being..... that we have been told higher up we have to do this change.

505	We also have a home loan on a property in town. The interest rate is 6.19%. Why is this so much less than the farm loans. It is the same business paying for both
506	We appreciate Banks must prosper because it is in no ones interest to see a bank go belly up BUT
507	We are humans and our farms are our lifelines. We don't want to be put in hard positions but when everything stacks against you (eg fertilizer prices, milk pay drops etc) support is what we need. Not more demands we can't face. Dropping interest rates instead of making the rural community pay high interest while average Joe in town gets a cheaper rate for his house.
508	We are in a business earning income. Bankers say we are high risk but we have the potential to earn income to pay off the mortgage as opposed to a residential property of similar value which generally does not earn ongoing income to do this.
509	We are living in a time where everything is going up in price , interest rates included yet we are not getting that increase in returns on stock. The banks are putting us in a very hard position
510	We are part of one of the biggest export industries for NZ and yet it feels like we are getting penalised with high interest rates (among other rising costs of production)
511	<p>we are paying too higher rates generate profits for the banks because they can squeeze a few farmers and have more house owners on lower rate</p> <p>My mortgage is equal to 12 homeowners in town they are only pissing off 1 farmer vs 12 townies</p> <p>public perception,</p> <p>I am the most hated demographic in society</p> <p>white middle-aged wealthy intensive dairy farmer who drives a dirty polluting diesel 4x4 ute who eats meat and likes to hunt</p>
512	<p>We are really concerned that we will keep paying for greenhouse gases, every company we are dealing with wants to know. It feels like they are all double dipping at our expense.</p> <p>Margins for risk of farming are far too high.</p> <p>Most farm businesses are resilient enough to survive weather and financial events.</p> <p>Support of banks instead of increased margins in times of need would help recovery faster than upping rates. It's just bizzare to increase interest rates when risk is higher, it just puts more pressure on and less chance to pay back principal.</p>
513	We are sick of paying interest rates that are higher than those of the city folk. The reason farms don't move (sell) quickly is because people who buy in know that they will be paying higher interest rates and the equity needed is way higher than those buying a house - so it makes the pool of potential buyers that much smaller. It is a vicious cycle.

514	<p>We are with a bank that doesn't want to be involved with rural, but no other bank will take us on. I am terrified that 1 day they will just refuse to finance us, then I'm up shit creek without a paddle.</p> <p>The bank just don't care I have no support or confidence in the rural banking system. There was a time when banks were lining up to bank farmers now farmers have to bend over backwards to keep them happy.</p> <p>I'm at my wits end all because of SBS and also all the other banks not accepting us.</p>
515	We do not understand if you always meet your interest commitments why interest rates are so much higher than housing.
516	We farmers have had more than enough of being screwed by the banks. It's time to stand up and tell the Banks where to go.
517	<p>We got caught up in the Swaps sold to use buy an Australian bank . We settled out of court after a long fight (hence the move to Rabobank , they have been fantastic to work with, we have sold our big farm and are debt free) We had to sign a confidentiality agreement to get 18% of what we lost back!!</p> <p>We had a personal meeting with the then President of Feds He did absolutely nothing</p> <p>He now sits on a couple of boards, he chairs one major co-op I figured that out as I left the meeting with him !!</p>
518	We have a really positive relationship with our bank and we are satisfied with their products and service.
519	We have always felt the margins on farm lending have been too high and our OD sat at 11.5% last season which we thought was a tough level for the conditions farmers have been facing. The 1% reduction we have been offered recently was a big drop given the OCR only dropped 0.25 points.
520	We have been ripped off for the last decade with interest rates and with banks making record profit.
521	We have had an horrendous experience with Rabobank and have been forced to sell.
522	<p>We have pay tens of thousands of dollars every year to get farm valuations done to see how much interest margin they can justify charging us. When the valuations come back from an independent valuer and the bank think is too high then they say we will use our own judgement but we still have to pay the bill. Also we had to stop using a valuation company because the bank thought they were too high. The bank tells us who we have to use and pay the bill. The banks should be paying for this.</p> <p>The bank managers have short memories of such things for example; how bad last spring was on farm and the grass didn't grow so we needed way more supplements then they say you are a bad farmer, however we maintained production in challenging on farm conditions.</p>
523	We just want and even playing field with urban borrowers so we all feel pain together.
524	We need banks in smaller towns. Even if all the banks shared the same building to help cut costs. Each bank could be represented by a teller. More people like to have customer support and services at no extra cost.

525	<p>We need clarity on whether the interest rate premium rural borrowers are paying compared to residential borrowers is because of differences in the security settings, set by the Reserve Bank, or due to profiteering on the behalf of the banks.</p> <p>Any structural reasons for the interest rate premium paid by rural lenders need to be removed.</p> <p>Competition is likely to be the only way to reduce the banks margins to more reasonable levels. Personally, I am not in favor of the Government entering the market via Kiwibank. A Government backed bank is likely to be a poor performer. I think it very unlikely it would be the market disrupter hoped for. The Government would be better to focus on ways it can make it easier for other players to enter the market (i.e. remove barriers to entry). If the margins are as attractive as we think they are, there should be no shortage of new players wanting a piece of the action. We need to identify what the barriers to entry are.</p>
526	We need in country competition with profits staying in country and supporting our economy.
527	We need more competition. banks seem to make very good profits when the rest of us are struggling to stay afloat. This isn't the fault of banks but as an essential part of our business they seem to better insulate themselves when times are tough
528	We need the rates to come back for rural NZ to thrive. Just look at the other costs with compliance, energy (power), wages and many other factors that farmers have to work through now to remain at the leading edge of agriculture world wide.
529	We need to have a clear explanation of why interest rates as high as they are Why are our interest rates We believe that higher than for housing .We consider housing to have a higher risk profile than farming does
530	We need to reduce equity needed to buy farm to get people in farming
531	<p>We need to relax the RBNZ rules around the capital requirements required to be held by the retail banks.</p> <p>They also need to tell Orr and his cronies they are the worst reserve bank committee we have ever had.</p> <p>They are reckless. Interest rates should not change with the severity and frequency they have been over the last 3 years. A blind and deaf new born could have seen the they were too slow to raise interest rates and too slow to drop them</p>
532	<p>We pay a huge premium over residential mortgages and banks do not take on much risk - they seem to back very low risk proposals only.</p> <p>It is not bank's responsibility to be environmental police - they are over stepping the mark in this regard</p>
533	We should be able to switch banks without feeling bad
534	We should not have penalty interest rates on a rural loan as standard.
535	We were shocked when SBS, our local bank in Southland, cut farming out of its portfolio about four years ago. Their explanation was that govt. rules meant they had to have extra capital to cover farming loans. We'd really like an explanation for such regulation. Thank you.

536	We were told to put any spare money towards our loan but our limits remained the same [in case we needed the money. Their words]. Then we were charged unutilised fees for having money in the loan account. We are also charged fees for having an overdraft facility even though we haven't used it for over 12 months
537	We work everyday. We employ people although less now as we can not afford to have an extra labour unit. During Covid it was okay for the dairy industry to carry on. No thanks. We don't deserve nearly 10% interest rates.
538	We would like lower interest rates nearer to the home loan rates
539	We would like our debt to be one sum rather than every time we borrow it is an isolated debt If we borrow to buy a piece of machinery it is always kept separate when the total debt is the focus not the individual bits that contribute to the total Then we could pay off the most expensive part of the debt instead of shifting cheap debt on to the expensive OD
540	We would like to ask the question - why are our rural lending rates so high? It is very unfair and hinders our business moving forward like it could. We could employ more people if we wanted to if our interest rates weren't so high. It is hindering our economy.
541	We would like to have at least ONE bank in Waiuku.
542	We'd like to farming interest rates way lower- closer to housing rates.
543	What proportion of rural managers remuneration is 'performance' based, in other words based on the amount of 'product' they are able to sell? What are the minimum skill and experience levels required for employment as a rural manager?
544	When considering rural finance this needs to be considered from a total capital perspective not just debt. Currently given the size and nature of NZ capital markets, rural property businesses have little choice but to secure capital via debt funding, as equity funding from outside of NZ is currently unobtainable beyond 25% (OIO limit) unless degrading productive land with forestry. At least equity rides out economic cycles with NZ farmers not like debt providers using cycles as reasons to squeeze higher profit margins
545	When farmers have such high debt, why are the interest rates significantly higher and when coupled with some Govt. policies that contribute to higher farm input costs, making a profit is a pipe-dream. Cash derived from Farming businesses is also a very limited prospect and often non-existent. We are the food producers of NZ along with the most significant GDP contributors. We cannot continue to shoulder the unfair and often non-scientific burdens of climate change, the environment, RMA etc.
546	When I moved to Wellsford almost 60 years ago it was so much easier to have local banking facilities which we are now denied. I used to work in a bank in Auckland and think the reasons for moving out of this area are not justified.
547	When I owned my farm (I now lease it from the new owner) I had trouble borrowing for capital because they said the cashflow surplus wasn't high enough. Now I still have land for capital, and a strong cashflow, but still struggle to get any finance. They keep moving the bar.
548	When purchasing property / farms- we should have access to the same rates as housing mortgages.

549	When surveys rank the trustworthiness of different professions, bankers are always rated very low down on the list. So who in their right mind would think it a good idea for banks to be the enforcers of moral and societal issues. They should be competitively lending money, not getting involved with political and societal issues, especially those that are not based on correct and up to date science
550	Why are farmers paying considerably higher rates than residential for borrowing
551	Why are farmers paying higher interest rates than houses?? Agriculture is 80 % of our economy.
552	Why are home loans cheaper than farm loans and encouraging the Nz economy to revolve around housing instead of agriculture
553	Why are home loans cheaper than rural loans?
554	Why are interest rates disproportionately high in farming Why can I get a 1 % loan to buy an EV but not to invest in my farm to make it more sustainable?
555	Why are interest rates higher? If the banks argue it's due to higher risk, they are creating a self fulfilling prophecy by implementing higher rates and increasing the probability of financial problems due to extra costs and hence decreased profit
556	why are our interest rates considerably higher than the urban mortgage rates? They say we are higher risk but have not heard of many mortgagee sales on farms
557	Why are our interest rates higher than home loans? Some of them borrow more than some farmers. Our 1 month interest rate is 8.73%
558	Why are residential loans so much cheaper? Rural loans are considerably larger, and farmers seem to be more loyal than our residential counterparts
559	Why are rural customers paying up to 2% more than homeloans, and also why do rates take over 1 week to change when the OCR reduces, when homeloan rates change that afternoon..?
560	Why are rural interest rates approx 2% higher than residential rates. Even when there is approx 60% more security than the loaned amount.
561	Why are rural interest rates higher and slow to move
562	Why are rural interest rates so much higher than the housing markets?
563	Why are rural loans higher than housing loans. Why are interest rates movements not coming down when the OCR moves. Takes time.
564	Why are rural mortgage rates so much higher than residential? Should be able to separate mortgage/term borrowing from seasonal/overdraft easily with different lenders.
565	Why are the interest rates on my farm so much higher than residential home mortgage rates. Equity is more than enough. Risk in our case is much lower. Where equity is sound interest rates should not exceed those of home mortgages.
566	Why are we subsidizing the home loans market

567	Why are we paying above housing loans
568	Why are we paying higher interest rates than home loans when I'm sure the rural loans would be less risk than the home loans?
569	Why are we paying higher interest rates than residential loans. My farming business is no more risky than my residential property.
570	Why are we paying more than housing loans?
571	Why are we paying so much higher interest above the OCR ? I know they use margins of risk but I feel these are a money grab as in way to steep .
572	Why are we paying way more interest than the housing sector. The 2% difference in interest rates is the difference of being able to employ staff or not. And not being able to employ has a negative to mental health as I'm being forced to work hundreds of days straight without a day off
573	Why are we rated as such high risk - if a person loses his job he is unable to pay his mortgage. It's government policy that housing gets a preferential rate. In difficult times it's been shown that farmers can put their cheque books away so to speak and work through low income periods.
574	Why can't interest rates for farmers be the same as house interest rates
575	Why do farmers pay at least 2% more interest than others?
576	Why do farmers pay at least 2% more on mortgage loans than house owners. Farm land is by in large more secure than a house in town
577	Why do farmers pay higher interest rates than other businesses and households; despite having a strong capital base to borrow against.
578	why do farmers pay more interest than home owners
579	Why do I have to pay 2% more interest than my friends in town that have a mortgage on a house?
580	Why do people get cheaper house loans
581	Why do we have pay more interest than home loans? Interest rates should be a lot lower so we pay less interest MORE tax that would benefit NZ
582	Why do we pay higher interest rates than home loans
583	Why do we pay higher interest rates than housing loans? Our farms provide an income to pay our loans and historically our farms hold their value, so a dairy farm is a very secure asset.
584	why do we pay so much higher interest rates than houses. I know or business makes the money to pay loan but so much higher rates is tough
585	Why do we pay so much more in interest than a home loan
586	Why does a farming business pay a considerably higher interest rate than a home owner? Surely the situation is more secure than a home owner who is on wages, not less. It makes no sense.

587	why does not Federated Farmers start their own bank, like many individuals in the past did?
588	Why does rural leaning interest rate so much higher than other leaning
589	Why does rural lending pay higher interest rate
590	Why is farm debt higher than home loans. My daughter pays 1% less on her home mortgage than we do on our farm mortgage.
591	Why is farm finance interest rate always higher than a home loan
592	Why is farming interest rates so much higher than home loans
593	Why is government allowing banking to penalise one of the major exporter industries? Is the agenda to replace farmers with corporates - is Landcorp (Government corporate farming) the ultimate agenda? Why is the government in competition with its own citizens?
594	Why is house finance cheaper than house finance
595	Why is our interest rate so high, compared to home loans. Agriculture is main overseas earner for the country and we are paying too much. And our incomes are way below other industries, tradesman,
596	Why is rural and business rates higher than housing
597	Why is the cost of borrowing higher for farming ? our business is asset backed and should be easier to bank
598	Why is the margin so high it seems it's now over 3% double what it was a decade ago.
599	Why is the rural sector paying higher interest rates than urban ?
600	Why should we pay greater interest rates than home loans when we need about 50% equity and has an income to go with it where as home owners only need 20% and then need a job on top of that.
601	Why, when we have assets of \$6.5m, we pay 10.6% interest on a secured overdraft of \$500000. And, no mortgage.
602	With the amount of credit required and the value of farms why are interest rates higher than residential property?
603	Without farms there are no rural towns and it will also cripple large towns as farmers hire truck drivers - contractors -shearers- bankers- accountants- without the farmers these are also in for business reduction - FARMERS ARE AT THE WRONG END OF THE PRICE SETTING -WE are pricetakers not price makers! We sell at wholesale and have to buy back at retail!
604	Would like the assessment of interest rates given provided and transparent. ie how risk is assessed to grant your margin.
605	Would like to know how the loan margins are calculated and their justification compared to a private consumer loan.
606	Would like to see more competition between banks over interest rates.
607	yip just agree with there cause with high rural rates as opposed to urban interest rates
608	You can't put rural lending against other commercial business like dairies

609 You need to make it easier for farmers to change banks.

D. Any further comments you like to make?	
1	absolute rip off only getting .02% when "in funds" in our trading a/c, then paying 9.35% when in debt. big difference!
2	I love the effort and work being done by Federated Farmers.
3	My late father said "the Bank will give you an umbrella in the good times and take the shirt off your back in the bad times" Nothing has changed!
4	We call our bank our fair weather friends
5	One percent drop in interest rate across all rural loans would make a huge benefit to all of NZ at present, not just rural people.
6	We have a complicated business , been growing quickly. So I haven't filled in some details
7	Thank you for doing an enquiry into rural banking!
8	Rewarding customers on improving ESG ratings needs to continue to be introduced. Banks are going to lean on strong customers for items such as scope 3 emissions and this needs to be passed onto those customers deserving of this.
9	Low risk agribusinesses have the same issues as high risk agribusinesses to borrow, risk must be looked at.
10	Every 3 years we go out to the market to "tender" our banking business. We have stayed with the same bank for over 20yrs due to good service, competitive rates but the most important is the relationship we have with the people.
11	Kiwi money needs to stay here!
12	Why is farmers interest higher than housing interest?
13	Sort out the RBNZ. For the sake of the industry there really needs to be a better funding model for younger farmers to come in in order to be the farm owners of the future. Maybe some sort of KiwiSaver or cheap govt access to capital for a portion of the borrowing. You shouldn't need to rely on family to get in especially if that is not an option.
14	Banks make reference to return on capital , Their operational bricks and mortar should not be included in this , they make those numbers to suit themselves for media releases and political pushback
15	We continue to be members of FF as we think you do a good job in what has become very difficult times for farming. We probably should not be included in these surveys.
16	Need lots more competition.
17	Has a person who has created jobs, in the rural, urban areas. And today is a better farmer than before. Yet never good enough, only carbon emissions projects are being driven, like Fonterra spending \$780 m on green washing Fonterra, where that money could go back to his shareholders! And reduce electricity demand by keeping our coal boilers.

18	Banking is a business. By all means ensure profits are reasonable, but beware of regulating to prop up poor performing customers at the expense of the rest of the customer base.
19	Now we are under administration, OCR drop is being gobbled by a potential lift in the margin.
20	Banks need to stay out of the political arena. Stick to their knitting and not be involved in climate change, emissions etc.
21	Disappointing the way inflation has been handled in this country to now lead to this recession. Are farmers subsidising the housing market so they can have the lower interest rates?
22	Too much money easily available is inflationary.
23	There is huge ever increasing evidence that emissions gathering on methane from ruminates has no beneficial change on global climate change. There is no sound reason to justify pressures on reducing methane from ruminates by banks.
24	We downsized from 500 to 220 cows paid our mortgage off and overdraft as well
25	Why is rural lending more expensive than residential lending when banks in general have more security cover with rural lending?
26	We do not want Central Bank Digital Currencies
27	Banks are (rapacious) businesses. They will not lend if they can't get the return they feel they need to lend to farmers relative to other borrowers. Banks that lend prudently say 66% of asset value or less are almost guaranteed to get paid back the principal lent so the extra margin for farm business banking is cream.
28	Years ago we as beekeepers we able to get home loan rates because our house was in town 😊
29	Good luck making a change for the very businesses who keep NZ going
30	Older folk hav had enough- we just struggle to adjust. Hope all these youngies get given huge changes as they age too! They'll need many more dementia homes in future.
31	Cannot comment on current limit in overdraft box, We do not have an overdraft. Was advised by Bank Manager to get rid of overdraft as it costs too much and use my floating mortgages to do the same thing at much lower rates. All my loans have now been floating for 50 years and calculated interest over those years is 100 rds of thousands less over time than fixed term mortgages.
32	I'm not concerned about the 13% ROC/ROI our bank is making - they need to be profitable and most farms should be doing that if you factor in capital growth. I do however think rural lending is subsidising housing lending and it should be the converse as rural lending is productivity related. I think the govt should be supporting more rural lending (on productivity) as it drives more GDP and the country's prosperity subsequently increases. We don't get rich selling houses to one and other.
33	It is not the banks job to be politically driven or to interfere with farm operations and management.

34	<p>with money/mortgage/life expenses it currently feels awful (just like townies do too), hard to see repaying much in 20 years. (in-laws paid off farm within 20 years about 2 year ago)</p> <p>Can we get some data that compares the interest we pay to business loans in non rural settings? I only can compare to siblings house mortgages, be nice to see some data comparing our business rates to say hairdressers/accountant firms/hospitality/retail rates. Broadly of course because I assume the exact rates are client dependent on ratings and repayments etc thanks</p>
35	I also own a rural transport that cannot justify a new truck with the current interest rste
36	I'm open to reduced rates on environmental stewardship but get the metric right on calculations first.
37	we are happy with our bank
38	<p>So many leading questions to a feds pre-determined response.</p> <p>There are lots of different loan types such as healthy homes and those that support the water ways</p>
39	Doesn't seem right for those who borrow money to support businesses that employ people and create employment due to all the service industries required, that they should be burdened with interest rates 1-1.5% higher than home owners.
40	Well structured farmers don't have issues.
41	Currently have a positive relationship with bank and just starting to repay principal again
42	Well done for speaking up for us as we battle calving and soon mating. We are time poor and sick of being bullied but big overseas corporations with their massive profits rubbed in our face.
43	WHEN THE HELL ARE BANKERS GOING TO LEARN. NOT ONLY BANKERS BUT GOVT AND COUNCIL LEECHES, SUCKING THE FARMERS AND THE RURAL COMMUNITY DRY
44	Forced to use the mediation who was an ex ASB Bank man & previously my bank man boss. Where the money is now at lawyer T Acct use ASB so huge conflict int. So bank winning all around. Bank man is also a professional trustee so he knew what he was doing was illegal but he knew I was a female & mother of 3. I had no chance of taking on the bank. Banking ombudsman wants me to go through them but in survival mode. Forced to sit in a room ex who raped me by bank. Ex faced criminal charges for child porn. Bank just wanted out but did not support me or the children & have left us high & dry. Dealing with ASB was the most difficult and frustrating thing I have had to do. I know kids & I have rights and I know we have been abused by a system that protects the banks. I want change & if this stops this happening to another mother and kids in rural sector then I want my voice heard. I am happy to be contacted should you want to make an example of the banks. There is alot more than I can put here.
45	n/A
46	I feel that rural lending is much more valuable than residential lending. Farmers produce for the country and earn overseas funds...what does a house do???
47	Get bank rates a little lower

48	The big banks are ripping off agriculture businesses
49	I see no reason why Ag loans should be paying higher interest rates than house loans. Providing the Ag loans are within no more than 70per cent equity
50	Just bring rural interest rates down. House loan rates so much cheaper, yet our land exchge huge cost and us reliable for resale so why so high
51	Surely banks should be backing the PRODUCTIVE sectors if NZ is to flourish on the global stage . To
52	I am very close to trying to change away from my bank after 16 years, because their service is non existent. I haven't met my last 4 bank managers, and I can't ring my current one directly.
53	For personnel banking we bank with the co-operative bank (Ex PSIS) but they do not support farmers, Why, they are at least a NZ owned bank
54	The only other comment I would make is that for some businesses it is more beneficial for them to become a troublesome and impaired asset to the bank, once they fall into that category it's usually easier for them to obtain cashflow finance. Yes, the bank expects more regarding regular cashflows and regular monitoring vs budget but the banks can have this expectation on those degrading but not as severely impacted. Sometimes those who are TIA have lower margins than those just above the line, but it is important to note that interest shouldn't be the determining factor that cripples the business, there are many other levers that those businesses can be pull before interest is the resort. It's also conflicting with the margin - high risk clients should pay more than low risk however it conflicts with not wanting to put further financial pressure on a business already failing. Such a tough one!
55	Our interest rate didn't drop within our expectations on the 14th August.
56	Thanks and good luck. Kiwi bank will be no different as they arent in the housing market
57	My bank manager told me that he can't suggest or tell a client (if they are not doing very well and haven't tried to change anything they are doing), that if they don't change something that they are at risk of loosing their business
58	I would like to know how many thousands of dollars we have been forced to pay because of the extra interest rate we pay above homeowners since borrowing for this farm in 1979.
59	Im a smaller operation so cost are high... Banks just don't want to know..
60	I think due to the low level of farm mortgagee sales I see no reason as to why farmers pay higher interest rates than housing. As I see no risk difference except the reserve banks un needed policy of banks holding more capital for farm loans.
61	The Australian owners will get away with what they can when it comes to the NZ farming sector. This is the impression I get. In NZ, the farming sector isn't highly regarded or valued by the public. I would prefer to be with a NZ owned bank.
62	Banks have to realise that ultimately their behaviour can put huge strain on families n communities. This is even worst when not fully justified.

	Treasury policies have also got to be looked at. Cheap home loans rate doesn't appear to be driving a real economy. Farming is the backbone of economy and we should be supported to generate profit that ultimately benefit nationally.
63	Just remember there are a lot of farmers that work off farm for the Banks now in the Agri teams - they've had to go back to work to try and help their own farms work. Don't attack them - attack the hierarchy at the top who have absolutely no understanding of what it's like to actually farm.
64	We are with Rabobank presently and our manager is fantastic. Old school personal service. Very hard to find at any other bank.
65	I have recently sold 1 farm to reduce my bank debt and take the pressure off myself and my family. Farming more land was good for the business's I supported and for my staff but it was a lot of pressure on us so I'll ease back. No point just working for others and most of them seem to always be on annual leave where as we are expected to be on duty every day!
66	Can government help to support NZ owned banks. We have been farming for over 50 years and our farms are freehold so we don't have any pressure from the bank regarding our arming operations.
67	bring on more kiwi competition
68	I'm now in a position with the residue left from land sale, I'm earning an ok interest rate, as banks need investors to have the money to lend in the first place, however as I've mentioned why have the unfair rates for one sector over another. When I applied for CPW loan, I worked on a 7% rate. At the last minute, (again it was just too late), Heartland would work in with me. I did ask an ASB employee about the rates, and at the time was told a couple of years earlier there was a hiccup within the banks where they looked like they were going to make a loss, but with the funds backed by the Australian end they got thru, but that all came back onto the borrowers. Just get the rates down to the same level as house loans would be a great start.
69	If we don't find an answer to the banking problem in terms of world competitive finances for the agricultural sector we will continue to decline in economic strength as a Nation.
70	An unprofitable farming sector will result in living standards falling across the entire New Zealand economy and with interest rates that farming is exposed to compared to the rest of New Zealand it is making New Zealand uncompetitive and will result in driving people out of the industry!
71	Can we please be told why a farm mortgage is any more risky than a house mortgage which requires two incomes to service? Either mortgagees could be terminated at any time? Especially as we have recently seen house prices decline?
72	Our bank manager applies pressure during the busiest season ie calving. They are purposely putting farmers under a lot of undue pressure and stress.
73	Banks loans are playing god to Farming regulations
74	Banks do not need to be involved with environmental issues.
75	I've had bad dealings with ANZ and asb managers giving poor advice and short term thinking wouldn't want to deal with them again. I've watched mates and fellow farmers and heard of bank managers giving shit advice. In turn they have been pushed to selling up over charge and ripped off. And generally some of the bank managers are out of their depth when it comes to farming businesses. They change the goal posts to suit themselves and don't tell farmers till it's too late

76	The Banks profits are too high They are penalising farmers in tight positions by charging them higher interest rates to make it even harder for them That is very unfair
77	As usual Banks are only about making money, they certainly don't care about farmers. Westpac's together greater makes me laugh with disgust each time I see it.
78	Big thanks for pushing for an enquire
79	It's all getting more and more difficult to farm and borrow
80	Bankers are fair weather friends
81	In 1990 farming was difficult indeed and Westpac had begun a mortgagee sale process, amazingly without even a phone call. The first notice we were given was a registered letter from Westpac saying that we could no longer draw funds from our current account. In fact, our current account was in credit at the time. We were saved by the local Trustbank (Hawke's Bay) moving into agricultural lending. It was a great relationship for a number of years, then Trustbank was swallowed up by Westpac, which by then had become more agreeable to deal with. The new Westpac management even wrote and apologized, admitting that they had lost their way and had become too focused on foreign exchange dealing. They admitted that they were actively attempting to shed difficult farm clients. I realize that this is an example from long ago, but it might indicate how banks can behave when they are free to do what they want. P.S. At that time our overdraft interest rate was 17%, and 27% in penalty.
82	Banks are a pack of pricks
83	As the supposed backbone or a big part of it that props up the economy we are not assisted as well as we could be. The Banks are making huge profits at our expense with inflated interest rates.
84	Beware of changing banks our previous bank closed our account within half and hour of the money being paid in, with notice and wouldn't say who closed the account. It was late Friday afternoon and we couldn't contact the bank until the Monday.
85	Banks have forgotten to be price competitive in rural rates. The pricing battles are only in housing interest rates and the media do the advertising for banks in news reports. It appears the margins on rural & business rates help subsidise housing, even though banks clearly had sufficient margin in housing to reduce rates before the OCR cut in August & again after. Refer NZAB articles from 2023 https://blog.nzab.co.nz/farming-the-farmers-are-banks-using-the-productive-sector-to-subsidise-housing-loans & https://blog.nzab.co.nz/a-further-look-at-agri-interest-rate-margins . Banks have forgotten that business and rural lending enables productivity that NZ desperately needs and generates a better economy for all in New Zealand. Key to a good banking relationship is personnel. We now have 2 rural managers locally in our bank. We have considered asking to be transferred to a different rural office an hour north or south. No bank seems to be a better option at this stage.
86	Why is Farming deemed high risk, when the debt to equity ratio as a prerequisite is above 60 percent, but the interest rates are also high. The banks exposure is low due to the high capital value of the land. Which means banks can make large profits at low to no risk.
87	how much banking is based on the long term profitability of as business as opposed to the ability to service debt without excessive risk to the bank.

	Why not make each security totally confined to the operation... if it goes bust the banks have no recall to other securities...lending would then be inherently be based on that operations profitability.
88	Expecting that these details will remain confidential/non-identifiable.
89	Do more due dilligence re all customers regardless of morgages Its the morgage free who made you a successful bank in the 1st place
90	The banks need to be required to have transparent processes for the calculation of risk / credit ratings, so that we are clear what we need to do to reduce our risk rating, and so lending margins that we are charged.
91	Why should we be charged so much for loans and overdraft when we go through the ringer to borrow money.When the bank finally says "Yes" its because they reckon we can do it even at higher interest rates. Then they turn around and tell us we are higher risk than housing loans. The value of this farm is 3 times the amount we have borrowed. We are getting screwed
92	Keep it up FF!
93	You won't like this - but generally farmers who are having problems with their banks deserve the problems!! The banks don't usually hold a gun to the farmers heads and make them take the money.
94	No I am retired and don't owe the banks money. As a result I never hear from ANZ
95	My main problem is around transparency of the margins banks charge. Should be open book. In general, we are happy with the service we get from Rabobank, they are assessable to us and being dedicated rural bankers not so fickle with their outlook on rural lending.
96	Rural rates should be lower than housing we have plenty of cashflow and equity for the future of rural nz push back on bank greed please
97	Should be based on personal factor, security and equity with history being important. It's cheaper now to just run it thru a spreadsheet than get an experienced human to figure the risk. Home loans always cheaper with no track record, minimum equity and security, versus 20 years of meeting every payment. Go figure
98	Make it possible for the younger people to enjoy the farm work without so much paperwork and complaints'
99	The high rates are all due to Grant and Cindy. What are they not being called back to parliament for a "please explain"
100	Banking staff need to work more with our dairy company. Rules and regulations upgrading all the time and a chat with Fonterra and bank will make the pathway feel more achievable as discharge consents have been stopped and bigger storage areas to be built and new stand off areas to be built.
101	I'm so saddened by what's happening. Believe I have no future farming. I own a million dollar business/ asset and have to work off the farm to make ends meet. Do you see dentist owning a dental practise and working at the supermarket????!!!!??? Many have not complete succession planing and this will cause huge problems shortly

102	Thanks for all your good work on our behalf...what you do is soooo valuable . The profits that these banks make seems to be ridiculously high when that money is coming out of their clients profit
103	We think having little continue bank managers at one time , not good banking practise
104	it would take a lot for me to gain confidence in kiwi bank for me to switch
105	We are getting totally ripped off by the banks in New Zealand
106	Rabobank has been an excellent financial partner for our farm business
107	Given that a lot of rules and regulations are driven by anxiety on behalf of a minority it is important that those making rules make sure that science and sense are taken into consideration . Creating regulations for the sake of it adds layers of expense that is unnecessary not to mention stressful for those bearing the brunt . NZ farmers are essential for economic prosperity in this country . Celebrate their achievements and support them to do their job
108	Our bank relationship manager is very pleasant and helpful, but the terms are dictated by a central credit department
109	My relationship with my bank has changed recently as I have leased the property and have retired, however I must say I had, and still have a very good working experience with the managers over 40 years of trading.
110	When we do sell the lifestyle blocks I ll get great pleasure in telling the bank where to go and then invest the money elsewhere.
111	Try to sort out the cost of borrowing, they money (profits) the banks run away with is huge and it would be great to see that addressed.
112	On emissions; shouldn't we already be awarded for all the hard work we have done.? Further improvements will always be made - no doubt, but there could be a level to get/aim for-an achievable level... like Fonterra's' Co-Operative Difference. You can climb the mountain, you don't have to get to the top - 'Te Tihi', but if you get to 'Te Puku' you have still achieved and it makes one feel good. :) I've ticked 'no' for follow up, I think there will be brighter people to follow-up with ;)
113	Current FMA rules mean that financial providers can't give individual finance advice, thus farmers are lumped into the generic robo advice tools that companies provide. Generally, farmers financial situation is very different to the average household because of the assets one holds to generate income. They are asset rich and cash poor and general advice doesn't reflect this; bank managers now provide less value than they did in the past because of this environment they must operate in. At one time our relationship with our bank manager was a vital part of our business, now we have no relationship, though part of that is because our loan value is small. It is not surprising that financial literacy is considered to be low in the industry when our service providers are not able to provide advice.
114	If another bank appoached us we would definately consider changing.
115	The ANZ is certainly not in a hurry to reduce the interest rates on its rural loans after the recent OCR reduction. It would appear that if you are not the squeaky wheel asking about your rate all the time they simply do not care.
116	We pay a much too high rate of interest on our loans, have never defaulted and farmed for 50 years. Feel bank manager doesn't think we can manage and have had one actually nearly fall down the phone when we said we were getting a lower order sharemilker in to run both of our farms. Said the manager was not sure if our business could stand it. Well we were going backwards with mediocre managers employed at extortionate rates. We chose to sell a property that was being purchased (house) for a family member to live in. They had

	<p>moved and renting the house out was a headache. Accused then by bank manager as selling down our equity, not an expensive house and in a rural area. Something you sell when there is a market not when it has fizzled out we thought. We are not comfortable with the way the bank is at present and the high cost of borrowing. House purchase was 2.25 less than our mortgages and did not give a significant return. Perhaps it is because we are old?</p>
117	Support the productive sector which brings wealth to the country
118	Happy to share more thoughts with someone in time - just need to remember farmers give so much time and IP to these types of things. Bankers, consultants, govt officials all get paid - farmers don't.
119	<p>Rates are excessive relative to benefits ..s102 LGA 2002 Councils should not have the power to coerce banks to "take" money from the banks, since that weakens the position of Farmers and true marketplace competition</p> <p>I have told Richard M'Intyre that I will speak on terms of anonymised confidentiality if I cannot refinance away from ASB, but will speak fully and frankly if I can refinance</p> <p>Present bank attitudes destroy Farmer confidence and will restrict the NZ economy</p> <p>Please email to me a copy of this completed survey</p>
120	There is an unknown with rural lending. How do you compare lending rates with other banks to know whether your bank lending is fair or competitive. Banks publish changes to home lending floating rates and fixed loan rate or specials competing for that market. Farmers are required to be proactive regarding monitoring their rate changes or fixed borrowing options.
121	Go hard the boards of the four Aussie banks will be very dismissive and evasive .
122	Perhaps some sort of loyalty scheme which rewards those who contribute to bankers profits on a regular basis could be considered.
123	Just go hard at these people please.
124	The banks are making a huge profit by charging us over the top interest rates.
125	When inflation is high interest rates are high yet bank profits remain unchecked Owners of banks namely their shareholders should also feel the pinch by cutting dividend
126	Bnz agri managers over the years care and have more empathy towards . In the past they were a lot less considerate
127	We have also found in our business that the bank expertise on offer has reduced over the past 10 years. So not only are we paying more as rural customers (cf residential) we are also getting less service and less advice than we have historically. The banks are not the business partners they once were. We think our bank is now just an interest rate and nothing more.

128	My wife and I started with \$500 and a car in 1976. Through hard work and prudent financial management, we now have assets of around \$20million and are helping next generation farmers with farm finance.
129	Farmers are suckers
130	Thanks for your work FED's, personally feel you are starting to do the work I pay my subscriptions for. Cheers.
131	This will suffocate rural business. There are few young people prepared to take on rural loans and the risks that come with this decision. The banks having a say in the day to day management of the properties on their books is frankly frightening.
132	I don't accept there should be such a difference between lending to a farmer ie. 70%+ equity and a home owner with less than 50% !
133	AWDT did an online course about "know your numbers", I was luck to be able to do this course a few year ago because online made it accessible to me. From this I learnt a lot about what questions we should be asking our bank manager. This has meant we're asking about what we can do to improve our interest rate, every 0.01% that's available - I'll take it.
134	Australian banks have been ripping kiwi farmers off for years.
135	I think this is a great initiative. However, I don't think the feds do yourself any favours by asking cynical leading questions like the one above about farmers having to fund other farmers' interest rate reductions from greenhouse gas initiatives. It encourages farmers to conclude that this actually happens, when it's plainly inaccurate. It would be awesome if you can rethink that sort of line if enquiry in future - it seems to pander to the groundswell crowd while offending more liberal future focused farmers
136	It would be hard to know if discounted interest rates for environmental efforts are directly funded by higher rates. That would imply additional %pts for not doing anything. Primary produce customers eg Nestle, are requiring suppliers and their farmers to reduce emissions, meet animal welfare req'ments etc. Industry is driving this change. Banks are part of that. Banks still need to be competitive if they are in rural market. Some choose not to focus on rural banking.
137	I am currently looking to refinance as I can save over \$30k a year yet incumbent bank now wants a meeting to stop me leaving but are only prepared to look at rates as I've made the effort to refinance Why haven't they reduced rates before a new bank comes on the scene?
138	If my bank was enforcing environmental issues, I would change to a bank that wasn't doing so
139	tell the chief executives of the big 5 rural banks to give strait clear answers when asked about there profits most of them would make good spokesman for donald trump
140	At the moment I think the margins farmers get charged is stopping them to invest in future proving. Feel like banks are the only winners.
141	Thankyou for finally taking this seriously.
142	I'm interested in solar power if we got a return on it , but there is no guarantee
143	Would like to see banking so a improved lending attitude to rural clients, they're always happy to lend to urban and move rates but long term primary lending with managed risk seems to always pay higher and risk over rated

144	Why is the interest rate for agriculture so much higher than for housing? How is this justified??? And why does it take so long for the rate to decrease for Ag, when housing is dropping at pace?
145	It makes u wont 2 give up and thats hard with a son and grandson on the farm!!!! So far we have had to sell 345 acres to meet banks demands!!!!
146	Have had two small reductions in interest rates over few months. One rate was very close to 9%. Farmers are really struggling with increased costs including staffing requirements + accessing people that WANT TO WORK! Do Think banks are feeling the heat! GOOD JOB
147	With having taken concessions from banks as a result of COVID 19 mandatory lock down the fine prints (and their other examples). We have broken our contracts with the bank and can now be screwed by banks at anytime they so choose. But the reserve bank and its offshore inputs continued to print money to the detriment of most businesses in New Zealand. Our FIFO prime ministers basically Fly In and Fly Out. Key, Ardern and Luxen are not here for the benefit of New Zealanders.
148	This BANKING enquiry is well overdue . My concern is it results in an outcome that can be implemented as soon as possible.
149	Wellington needs to look hard in the mirror and wake up to the destruction it is causing.
150	I don't believe banks should be getting in to sustainability pricing. The markets dictate through the likes of Fonterra etc., and this is sufficient. Farmers are getting more and more constraints put on them and the ability to remain profitable is getting harder and harder. If we want our young people to take over farming, this is not the way to do it - it is all becoming too hard for them.
151	We need To feel significantly more love as farmers from our banks and politicians NZ is a major exporter And farmers create a strong healthy wealthy NZ
152	Continuation from "Do you feel you have been unfairly denied access to finance, if so, what happened?" Luckily I was able to borrow money internally within the family and did not have to agree to their terms. Ultimately we were not able to come to an agreement, and agreed to find the transaction internally. ANZ came back a number of times with different people offering terrible terms. One of which was to take an unlimited security of my parents freehold trust (roughly \$10-12million freehold) in order to lend me \$700k while my parents leant rhe other \$700k. ANZ would have first mortgage meaning that they were asking for more than \$10m in security to lend \$700k taking on absolutely no risk. ASB had my financial statements, and were so keen to take my business that they paid the break fee on some fixed debt with ANZ in order for me to switch. My business ticks all of their boxes in order to get their sharpest rates and I've been very happy with their service and especially my ASB manager.
153	Every month, I buy a brand new Ford Ranger, and park it on the road with the keys in it so the 1st dude who comes along can take it. That's how much money I waste on interest at the moment, every month. That money is basically just going down the drain. I expect to spend a Mazda 2's worth, but not a Ranger, every month. I am not making any profit, nor paying any tax.
154	the major challenge us dairy farmers face is trying to locate staff we pay well above the norm people dont want to work .you cant get experianced people they dont want to milk cows .a lot dont want to stick it out to get experiance .thousands on benefits .we have given lots of people work a good house and salary package but very few want to work

155	Farmer also have a responsibility to be able to articulate a strategy and show that they can be or are cash flow positive. Four parts to this Farmers, Banks, Reserve bank, government legislation. They all add to the pricing and cost of rural banking
156	This is a test
157	Interest rates too high! But their customer service has come along way in the last few years
158	Banks make too much money out of farmers. They are going to kill our industry because of their unwillingness to give loans or overdraft facilities to share milkers and contract milkers
159	Money should be created by the people for the people. At present money is created by the banks for the bank of the banks. We give the banks a licence to print money. With no limitations.
160	There is a real urgency to get interest rates back to better levels. Ensure the farm debt mediation allows for genuine solutions to be looked at. My mediator was absolutely useless.
161	Perhaps the capital required to be kept by banks has caused these higher profit margins. When we changed to Rabobank 5 years ago the bank we left indicated Rabobank might not have the same capital requirement.
162	Go for it Federated Farmers. I am right behind you.
163	NZ government needs to: <ul style="list-style-type: none"> * Hurry up with completing the investigation. * Make swift and very meaningful changes to improve competition between banks. * Make it much much easier to change between banks. * Support much better the NZ owned banks. * Have a watchdog for banks that is adequately resourced and has and actually uses (very promptly) really severe consequences for banks that break the rules.
164	I think this banking inquiry is an absolute waste of Federated farmer time and money. If anything it shows how little us as farmer understand banking and how it works. For too long farmers have either relied on equity gain and just paying interest even at high payout and low interest rates. Even worse not paying attention when interest rates started to move. It really isn't that hard to work out why our interest is higher than a townie. If more farmers were cash positive and paid down debt when things were good instead of buying the batch and boat they wouldn't be bitching about interest rates now.
165	The Govt needs to take some responsibility here also, the CCC rules have made any loan applications onerous
166	Talk to young farmers who want to make a productive input to nz economy
167	That they make far too bigger profits and it's nuts how they treat us for working so bloody hard, and half them have no idea at all what goes on, on farm and the increasing costs we have ...
168	They want far too much security

169	They're like fuel and electricity companies and supermarkets, they are only concerned about themselves and don't care about anyone else.
170	How can we get a debt free farming system so we don't have to rely on banks?
171	I think as a rural sector we need to be careful not to disadvantage young farmers coming into the sector. It's possible that the discounts offered for lower gh gas emissions could be of more advantage to well established farming operations, and could unfairly disadvantage first time farm owners....
172	Why are housing loans cheaper than farming loans. On a farm you have an income to repay debt, as opposed to a home loan that does not produce income except if you run some kind of self contained unit which is a very low percentage of housing. We have housing on farm and no out goings of a Mortgage to maintain that house. There is a good income derived to repay debt in comparison to a home loan
173	We have had to employ the services of NZAB to go into bat for us with our bank to try and get us a better interest rate. They are also going to present us to other banks. Lets hope we can get some relief as our interest rate is killing us. We are a 450 cow dairy farm which we have owned for 10 years. My husband and I are in our 50's and still working full time to keep a float. The bank has sucked the life and love of the farm out of us.
174	Banks are critical to our business of farming. We need them. We accept they need to make a reasonable profit. But at present they're charging way too much margin and are only slowly but very reluctantly chewing into the massive margin jump they achieved following the GFC.
175	Current bank is good to deal with apart from their interest rates.
176	We are with Rabobank and our manager is brilliant to deal with, not so his boss, he's a twat. But one thing with Rabobank's all in one accounts they are not transparent on knowing your margins which has been a battle when trying to get rate reductions with debt reduction.
177	I've changed banks 5 times, had been 3 generations until 2005 change (needed bridging to buy and sell farms), 2007 ,2013 both those got blunt pencils with sheep and beef, 2017 found a sheep & beef manager my age in 2017 now semi retired since 2022 , debt free. I'm not pleased that I've needed 5 changes of banks in last 20 years . Young bankers, with little experience got romanced by dairy industry , and that became a problem for all primary industry I feel.
178	Need change, need explanations regarding rates, need more clarity on current rates
179	Increased cost to reduce emissions will negate a reduction in interest rates - so not worthy on financial and workload basis.
180	We also had Dairy goats and are currently trying to sell ,land and shares to pay TSB back not easy at present.
181	Love your work Ollie
182	I don't have too many problems with the bank,other than high interest rates. We are cash cows for them. I fully support what you are doing Federated Farmers.
183	Well done to your team for pushing to get this review done. Great work on our behalf.

184	Well done Feds That's why we pay our Membership
185	2.34% is the difference between our current floating rate and a fixed 4 year term rate so they must be going to go a lot lower yet.
186	It's very frustrating lining foreign banks pockets as our governments means of reducing inflation. Previous generations of farmers would be discussed with our governments efforts to run our economy down after all their hard work developing our farms.
187	We do not feel that any bank is transparent in the rates that are applied to customers. You have to keep challenging them (get other quotes from other banks) to ensure we are getting a fair/competitive rate.
188	Please help!
189	We believe that the Climate Change theory is going to totally destroy farming We have twenty six million sheep now when we used to have sixty million We have reduced dairy cows by seven hundred thousand and dramatically reduced run cow numbers as well Banks should not be pushing the Climate Change Theory
190	I consider a banking relationship is a partnership. Banks rely on our efficiency to pay interest on use of their money, and we rely on the banks to trust us with their capital. If we don't work as a team it will not work. We have no right to borrow their money.
191	Richard McIntyre is a legend 🙏 🙏 🙏
192	Banks talk about individual risk related premiums within the sector - but this is BS especially when you tell them you are shopping around
193	Banking profits are completely out of hand. It seems that 'competition' is not working.
194	I feel like our manager?? reads from a script. First we are asked about the weather, then the rugby before we start on our business. I often tell him to just get to the point but he seems to get quite flustered if he doesn't do things in a certain order
195	I am surprised that since the OCR drop they have dropped some housing rates but not the slightest drop for our car loan
196	A bit of advice I was given years ago "despite most bank reps being really good and likeable humans, don't ever think a bank is your friend. Stuff up and they will act in a very unfriendly manner. Banks are a tool in the means to an end"
197	Yes we have a mortgage free family home valued at \$2 million if we got a mortgage and put on this home to pay down Farm loans the interest rate would be way better it just seems very offset or one-sided for Farming at the moment
198	I've noticed some of my fellow farmers who are 'under pressure' from their Bank appear to misunderstand their responsibilities to keep their bank informed of critical events, physical and financial, that could have negative, and positive effects on their financial situation. I am surprised at the number of farmers that do not develop, and update, their own budgets and cashflows.
199	We are very low risk to the bank having had a very low debt level from the outset - approx \$12m farm asset with 30% initial debt against this asset so the banks we approached battled to get our business 3 years ago when we bought our dairy farm. Without batting an eyelid ANZ would lend us more but we're very risk averse. Were we to have higher debt I am sure their approach would be different in relation to emission profiles, etc.

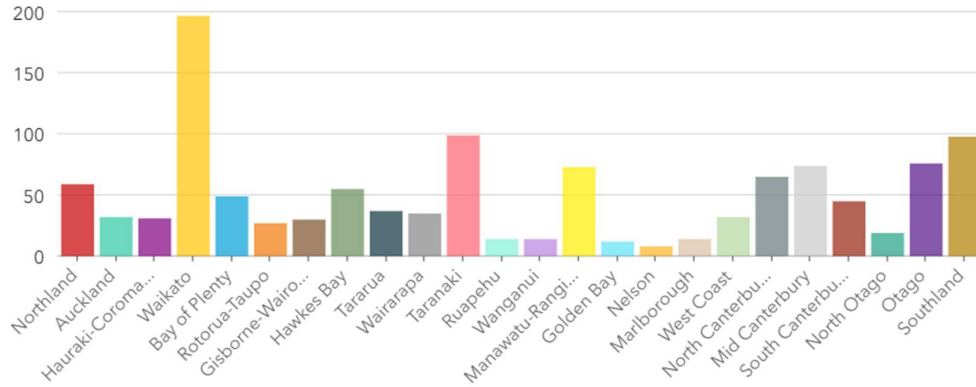
	In an ideal world, our government would resurrect our own NZ owned bank which could lend to its' farming community, support its' major export businesses and keep the profits in New Zealand for New Zealand. My understanding is that the major banks we borrow from do not actually physically have the money they lend us. It's essentially fictitious money (fiat currency), which can be readily printed but is not backed by any security of their own (used to be gold backed). However, they charge us interest for the privilege of borrowing thin air from them.
200	As soon as you mention you're a farmer, they don't show any interest. The farming loans seem way more secure than town home mortgages, and yet we're paying higher interest rates.
201	When we had the two years of weather bombs hitting us hard our bank offered us nothing- I think ASB gave all their clients \$1k ANZ gave us nothing at all to support with the recovery- Would have been nice to have had some sort of financial support offered. Eg loans at very low or no interest rate over a short period to help with rebuilding infrastructure on farms. tree removal, fencing, stuff that insurances don't cover but are vital for the farm to run efficiently and safely for stock and people.
202	We have expanded our farm in recent years and have had what i would call good support and advice from the staff we deal with at BNZ. I am well aware that this is not the case for all. We are lucky that we have a strong equity level and I am sure this affects our dealings. Farmers need to remember that the banks are in business for one reason only.
203	The last Labour govt f%\$ked this once proud country.
204	Our farm has quite low debt and we haven't had too many problems with the bank except I think the interest rate margins are higher than they should be. I'm also an accountant and mainly work with other dairy farmers. I see many farmers across the main banks that have cashflow problems from time to time. The banks will commonly put a risk margin on their interest rate and make the issue worse. All the banks seem to do this. It's wrong. The bank always has a ton of security so there is very little risk to them. The other issue that I see quite often is with older farmers who have very high equity getting forced to make principal repayments. These farmers want to stay on their farms a bit longer but want to step back and enjoy the fruits of their labor. There's no point in paying down the small amount of remaining debt when the farm will be sold in a few years anyway. They should be allowed to enjoy their last few years on the farm and use a bit of that equity if they want.
205	Dairy farmers seem to be charged much higher interest rates than other sectors of the economy.
206	I thi nk you should talk to [Name withheld] at KPMG in Christchurch as he has a wealth of experience in rural banking
207	The tougher financial institutes make it on farmers, the more the older “ walk” and the less the younger ones want to” sign up”and the country looses
208	Banks need to stick to financing viable business ventures and stay away from areas they do not understand eg environmental & emissions requirements.
209	Need more rural branches as I'm a 1 1/2 from a branch

210	As Dairy farmers /sheep and beef farmers we need to be compliant. Why does the bank need to do it as well. We can't farm if we aren't compliant so not a necessary part of the banking sector. Also doubling up records and very time consuming.
211	Open the door to easy portability.
212	Can you find out the stats on the amount of people struggling with home loans verses rural loans. Needs to be done two ways, 1, The total number of home loans against how many are struggling and the total number of rural loans against the number that are struggling. 2, The total dollar amount owed for home loans against the dollar amount struggling and the total dollar amount owed for rural loans against the dollar amount struggling. This should show clearly where the risk lies.
213	Why won't banks lend on plant and only 50% on livestock to sharemilkers ?
214	I understand in the past we (farmers) borrowed too much and it was too easy however it's moved too far the other way.
215	I have observed that some people are good farmers but poor businessmen. Some people loan way more than they can ever repay on the returns from the land. If the sales to pine trees and overseas continue it will further push up price of farm land then the level of over extending your financial capabilities will increase. The banks should discourage suck risky financial decisions.
216	we never see our bank manager whoever he or she is.
217	I want to see a fair banking system. There isn't much competition. It needs opening up so other finance options can trade in NZ. We just pay so much interest. It holds us back. I want to know the truth about why farmers pay way higher rates than home owners
218	The majority of dairy farmers are conscientious about their environmental practices and animal care. We don't need to be bullied into being more environmentally aware by banks. That is not their job! Their role is to support and encourage the farms that borrow from them and to provide great financial backing for the industry that provides huge income, job opportunities and flow on wealth to all of New Zealand.
219	i am only a big lifestyle block and have very few dealings with t5he bank these days
220	why does not Federated Farmers start their own bank, like many individuals in the past did?
221	Appreciate Fed Farmers taking up the challenge of a better deal for farmers.
222	Landcorp needs to be disestablished - it is nothing more than the government competing with it's own citizens. Corporate farming does not treat people and animals as well as individual farmers do. And corporates do not care about the whenua as local people do.
223	We are retired but still take an interest in farming. Our son leases our farm. We have been Guarantor for him. Recently the Bank sent us a letter releasing us from that position. However, there was an added clause in the letter saying: "the Bank retains the right to rely on your guarantee for 2 years from the date of this letter" Further down: At the end of the 2 year period you are unconditionally released from the guarantee and indemnity.

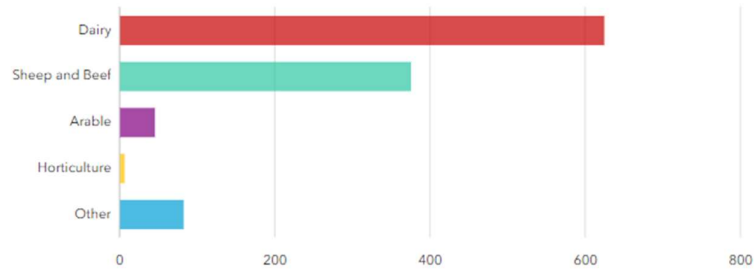
	Surely if you are sent a letter to say that you are released you should be just that!! Double standard!!
224	BANKS NEED TO BE HELD ACCOUNTABLE
225	We moved some Overdraft money onto a loan last year. Our bank manager was happy to help and nothing seemed to be a problem. We have chatted to him again this year, and agreed we will have a catch up but I don't feel we are under pressure in any way
226	Market valuations of farms - why is this necessary when banks receive our annual accounts, they created the mortgage in the first instance and have been monitoring it ever since.
227	they need a shake up the more watch dogs the better
228	Why are banks much slower to lower interest rates on floating mortgages when the OCR drops than they are to increase interest rates when the OCR increases?

APPENDIX E SURVEY RESULTS

1. What Federated Farmers province(s) do you belong to? (select as many as apply)



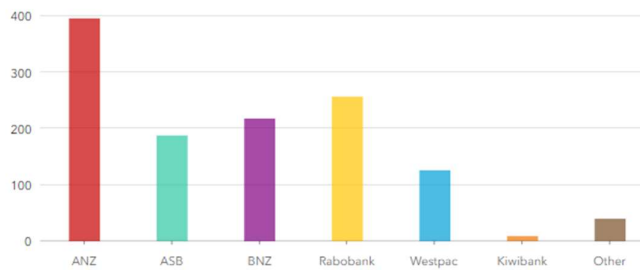
2. What is your main business activity?



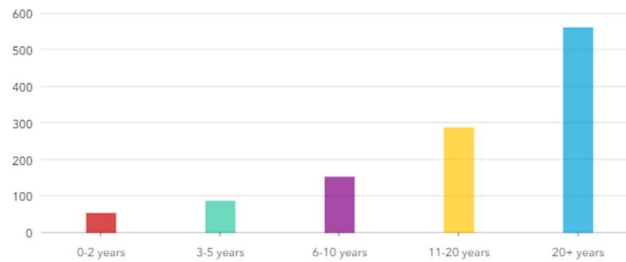
3. Are you a sharemilker?

Answers	Count	Percentage
Yes	73	6.34%
No	541	46.96%

4. Which bank(s) do you have your primary relationship with?



5. How long have you been with your primary bank?



6. Do you have any mortgages/term loans over your farming business?

Answers	Count	Percentage
Yes	992	86.11%
No	155	13.45%

7. In total, what is the current amount owed on your mortgage(s)?

Average amount owed on mortgage is 5 million dollars (\$5,067,000)

8. What is your average mortgage interest now?

The average mortgage interest according to this survey is 8.2% (8.19%).

9. In total, what is the current limit on your overdraft/seasonal finance?

The average current limit on overdraft/seasonal finance is \$500,000 (\$493,666)

10. Do you currently use livestock finance or hire purchase?

Answers	Count	Percentage
Yes	234	20.31%
No	906	78.65%

11. What interest rate are you paying on this finance?

Average is 6.00%

12. In total, what is the current amount owed on your livestock finance or other hire purchase?

Average \$320,000 (\$317,355)

13. Are you being asked about your emissions profile as part of your loan requirement?

Answer	Count	Percentage
No	811	70.46%
Yes	208	18.07%
Unsure	114	9.9%

14. Is your bank making bank-offered insurance schemes as part of their loan prerequisites?

Answer	Count	Percentage
No	919	79.84%
Yes	47	4.08%
Unsure	162	14.07%

15. Is your bank allowing you to structure your debt so that it is as interest-efficient as possible?

Answer	Count	Percentage
No	251	21.81%
Yes	671	58.3%
Unsure	204	17.72%

16. Is the bank asking for you to use your overdraft to pay for capital projects?

Answer	Count	Percentage
No	885	76.89%
Yes	133	11.56%
Unsure	110	9.56%

17. If Kiwibank offered agriculture banking services, would you consider moving to Kiwibank?

Answer	Count	Percentage
No	227	19.72%
Yes	464	40.31%
Unsure	443	38.49%

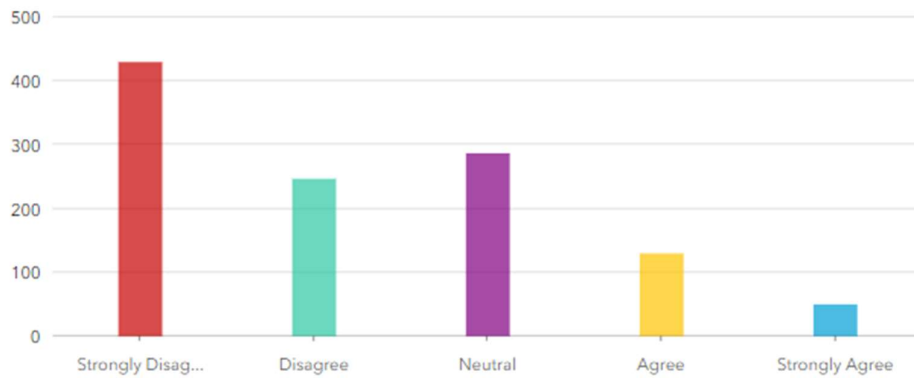
18. Have you tried to change banks and not been able to?

Answer	Count	Percentage
No	1012	87.92%
Yes	120	10.43%

19. Can you get the bank manager on the phone when you need them?

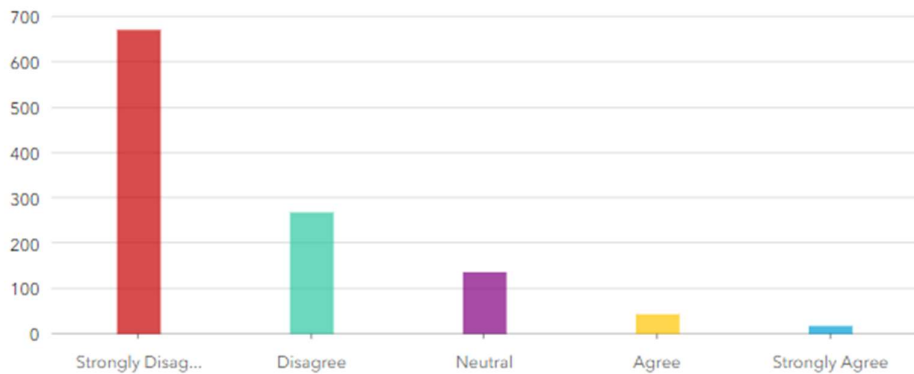
Answer	Count	Percentage
Yes	980	85.14%
No	149	12.95%

20. Some banks are considering offering farmers who reduce their greenhouse gas emissions lower interest rates. How do you feel about banks offering discounted rates for farmers who reduce their greenhouse emissions?



Answers	Count	Percentage
Strongly Disagree	430	37.36%
Disagree	247	21.46%
Neutral	287	24.93%
Agree	130	11.29%
Strongly Agree	50	4.34%

21. How do you feel about this if the discounted products are being funded by other farmers paying higher interest rates?



Answers	Count	Percentage
Strongly Disagree	672	58.38%
Disagree	269	23.37%
Neutral	137	11.9%
Agree	44	3.82%
Strongly Agree	18	1.56%