

## **Responsibility 'up to the individual' - The Dominion Post, 15 July 2009**

Too much debt is no-one's fault but your own, savings advisers say.

Reserve Bank governor Alan Bollard said New Zealand households had borrowed "considerably more" than other developed Western economies during the credit boom preceding the recession.

As the recession abated and temptations increased, New Zealanders would have to change their habits, he said.

Those households with heavy debt hangovers needed to look at their own attitudes to money first, Federation of Family Budgeting Services chief executive Raewyn Fox said.

Easy credit was a global phenomenon and pointing the finger at banks, financial institutions and loan sharks missed the point.

"Even more so than the credit being made available, is the attitude in being comfortable to take it. Thirty years ago, we would not have even thought of having more than one line of credit going at once," Ms Fox said.

Households needed to come round to thinking years ahead, rather than weeks, and to break the lush habits that they had become accustomed to.

"They are living like everybody else does. It's the accepted way we live in New Zealand, and we have to stop accepting that."

Retirement Commission marketing manager David Kneebone said there was encouraging interest from financial institutions, but it was up to individuals to monitor their own welfare.

There was unlikely to be a wholesale crisis, "but there's an opportunity for all of us to be more prepared."