

Numsa members to benefit from Absa deal

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In a first to market, about 270,000 members of the National Union of Metal Workers of South Africa will benefit from competitively priced and tailored banking solutions from South Africa's largest retail banking group, Absa.

At the heart of the package is an affordable housing offering, which would allow National Union of Metal Workers of South Africa Numsa members to own their own properties and use that as a base for wealth creation.

About 82% of Numsa members are in the gap market (earning between R4,000-R8,000) and this initiative assists in responding to the national agenda in terms of housing the nation.

In addition, the Numsa membership will have access to the following product set comprising of transactional accounts, savings ability and insurance products. Lending products within the vehicle finance and personal loans space will also be phased in. This is in line with Absa's responsible lending practice.

These offerings will be backed by financial planning and literacy support programmes to ensure future financial growth for members and their families.

The above interventions give expression to the five-year strategic partnership between Absa and Numsa, which will see Absa becoming the preferred strategic financial services partner of choice for the union's members.

Speaking at the official launch on Thursday night at the Emperors Palace, Khandani Msibi, Group CEO of Numsa Investment Company (NIC), said: "The formalities have been completed with Absa. Now is the time for execution. We will be mobilising Numsa members and shop-stewards into committees for their own housing needs, debt counselling and transactional products, and of course engagement with the Numsa Employer Groups. From NIC's perspective, we will be launching a few Absa products through our route to market and our chance of a credible deal flow has improved considerably."

Gavin Opperman, Chief Executive of Absa Retail Bank, said that the abovementioned customised solutions are informed by insights that were gained over time to develop a deeper understanding of Numsa members' financial position and needs.

"Access to adequate shelter is one of the basic human rights. To this end, Absa's mortgage solutions cater for the different customer needs. Absa will also design specific financial solutions which will respond to Numsa members' unique housing needs," said Opperman.

He added: "Through this initiative, we will also be able to ensure the financial inclusion of Numsa members and their active participation in South Africa's economic growth. Particularly, this partnership provides us with an opportunity to speak to and add value to 270 000 families and gain a deeper understanding of their banking needs. Together, we will be able to help these families to plan better today, for a sound financial tomorrow."

Numsa members will also benefit from tailored corporate financial solutions that Absa will provide to the NUMSA Investment Company (NIC) and its subsidiary companies.

"Another key element of our strategic partnership is the provision of investment and asset management services to NIC to grow and acquire assets so that the proceeds from these can cascade to its members," said Opperman.

"Numsa views this alliance with Absa as a strategic relationship that can serve as a cornerstone in line with the core objective of our Union which is to continuously improve the benefits and conditions of members. This is especially significant in light of the triple crisis of poverty, inequality and unemployment that affects our members and the broader working class," said Irvin Jim, General Secretary of Numsa.