

24 March 2009

Dunfermline Building Society

Commenting on the situation at the Dunfermline Building Society, Jim Tolson MSP said " I have been seeking a meeting with the Chief Executive, Jim Willens this week to discuss the situation. There is no doubt, that both the Westminster and Scottish Governments are determined that the Dunfermline Building Society should survive as a separate entity and not be taken over by a larger organisation. I welcome this but as the state owned banks move aggressively into the domestic housing market, they must not leave mutual societies with such a small share that the riskier commercial market is the only place for members' investments.

Both Governments must devise a business model that allows mutual societies to offer competitive rates for savers and investment strategy that improves finance to the social housing sector whilst offering good rates for first time buyers. The current difficulties experienced by mutual societies are a result of the Westminster Government's ill-thought out policies. However I am confident that the Dunfermline Building Society will survive its present difficulties and go from strength to strength."

Ends