



Press Release

Release: Immediate

Date: 03/11/09

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UK :

Break Up of British Banks

Lloyds Bank division must be in the interest of the British Taxpayer and our economy. West Midlands' Conservative MEP, Malcolm Harbour welcomed the break-up of Lloyds Bank and RBS as creating the possibility of greater competition in the UK High Street banking sector. On a cautionary note Mr Harbour raised his concerns about the risks to taxpayers and the economy as a whole. He said,

"The British Taxpayer is being asked, once again, to contribute vast sums to the banking sector while there is still a great risk that the government could sell the 'good bits' of the banks too cheaply."

As part of the State aid requirements of the European Commission, the Government has agreed restructuring plans for RBS and Lloyds that include the divestment of a significant proportion of their retail and corporate banking assets over the next four years.

Malcolm Harbour went on to say,

"UK businesses and borrowers need access to a competitive bank market to get bank lending and the economy moving again, the intention of increased competition should be welcomed.

"However, UK tax payers will be stunned by the vast amount of additional money that the government is proposing to put into the banks - nearly £40 Billion and more than the original bail out.

"Ultimately we, the British Taxpayers, are relying on the government getting the best value for the taxpayers from the sales - sadly the current government does not have a great record when it comes to asset sales - remember the 125 tonnes of gold that was sold for a fraction of its current value." Ends

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