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# Stop the Great Bank (and Vulture) Robbery of 2023

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Mortgage interest rates are spiralling, threatening tens of thousands of families with poverty and even homelessness.

1 in 6 owner-occupier mortgages are owned by international vulture funds like Lone Star, Mars Capital and Start Mortgages. They are hiking rates as high as 7 and 8% on the 95,000 households affected, using the increases in European Central Bank interest rates as an excuse. But many are privately funded and don't even borrow from the ECB.

Nearly 200,000 households are on trackers and have been hit automatically by every ECB rate increase since July 2022. Their mortgage repayments have already gone up by between €200 and €400 a month.

Another 148,000 households are on variable rates with the banks, or fixed rates for only a year. They are next in line to take a hit as the main banks start passing on more of the ECB rate increases.

The scale of the increases people are facing are huge! A 3% increase on a €300,000 mortgage means paying an additional €6,000 a year. On top of all the other cost of living increases in energy and food, there's no way people can pay!

Despite still owning majority stakes in AIB and Permanent TSB, the response of the government and the Central Bank has been to throw up their hands and say, "There's nothing we can do. We cannot intervene in the market and the ECB needs to increase interest rates to control inflation."

But this is rubbish. The current wave of inflation has not been caused by ordinary working people having too much money - any man or woman on the street could tell you that - or by "costs" going up, but by big business creaming it in profits. A recent Oxfam report found that 60-80% of price increases were down to profiteering!

Interest income at all the major banks is up significantly on the back of rising rates and profits are set to balloon even more if ECB rates continue to rise. AIB made €765 million in profit last year, up 22% on 2021. Bank of Ireland made €1.2 billion profit. No one knows how much the vultures are making as they are completely unaccountable.



## **People before Profit Says:**

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**Cap mortgage interest rates.** The government has done it for moneylenders, why not for vulture funds and banks? PBP will introduce a Private Members' Bill this year to cap mortgage interest rates for owner occupiers at 3%. The main banks can easily absorb this from the killing they are making in interest on their €35 billion in deposits with the ECB. If it drives the vultures from the market, so long and good riddance.

**Tax banks and vulture funds** to ensure they don't profit out of rising interest rates. Introduce a windfall tax on remaining profits and end the disgraceful practice of allowing banks to continue to write off financial crash losses against profits.

**Ban vulture funds and give them 6 months to sell up to the state or lose their assets.** This would also apply to the rest of the housing market where vultures and cuckoos are driving up rents and hoovering up new housing in the same way as they are driving up mortgage costs.

**Stop the sell off of AIB and Permanent TSB and use the state's majority stakes as the basis for a publicly owned non-profit banking system** that works for people's needs, not bankers' greed.

**Take over vacant housing and build enough new units to clear the housing lists and provide secure, affordable, public housing accessible to all.**

