



MEDIA RELEASE

DR CRAIG EMERSON

Minister for Small Business, Independent Contractors and the Service Economy
Minister Assisting the Finance Minister on Deregulation

5 February 2008

Emerson welcomes business lending rate drop

Timely moves by the Westpac and Commonwealth banks to reduce business lending rates for Australia's businesses have been welcomed by the Federal Small Business Minister Dr Craig Emerson.

Westpac and the Commonwealth have both announced that business lending rates will be cut by one percentage point following the Reserve Bank's official cash rate reduction earlier this week.

"This is a positive move at a time when small businesses are really looking to stay viable and retain staff," Dr Emerson said.

"I strongly urge other banks to do the same and pass on the full rate cut to business."

Dr Emerson said the Rudd Government had Australian businesses firmly in mind when it developed its latest stimulus package to support jobs and invest in future long term economic growth.

The \$42 billion Nation Building and Jobs Plan includes a \$2.7 billion business investment tax break for small and general businesses buying eligible assets.

Small businesses can claim an additional 30 per cent tax deduction for eligible assets costing \$1000 or more that they acquire from 13 December 2008 to 30 June 2009, and install by 30 June 2010.

Other businesses can receive the same deductions for eligible assets greater than \$10,000.

"Yet Malcolm Turnbull is hell bent on blocking legislation that will help businesses keep their heads above water," Dr Emerson said.

"The Coalition is not interested in supporting Australian jobs or fending off the impacts of a global economic recession on Australia's 1.9 million small businesses."

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