



MEDIA RELEASE

DR CRAIG EMERSON

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

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Giving credit where credit's due

Westpac's decision to cut business lending rates should be immediately followed by other Australian banks, Federal Small Business Minister Dr Craig Emerson said today.

Westpac has announced a cut in its business lending rate of 0.25 per cent in line with the Reserve Bank of Australia's decision to cut the official cash rate by the same amount on Tuesday.

"While the banks have behaved poorly in relation to dropping home loan rates, this announcement by Westpac is good news for small business," Dr Emerson said.

"Westpac clearly recognises that many of their small business customers are trying to manage difficult economic circumstances.

"Other banks should immediately take the same approach."

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 Economic Stimulus 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 between 13 December 2008 and 30 June 2009, and install by 30 June 2010.

"Yet we have an Opposition Leader hell bent on erecting road blocks at every opportunity," 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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