



# **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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16 April 2009

### **Emerson presses banks to support small business during economic slowdown**

The Minister for Small Business, Dr Craig Emerson, today pressed Australia's banks to support small business during the economic slowdown.

Dr Emerson told a meeting of banks that credit is the lifeblood of small business, especially in an economic slowdown, and that they had a responsibility to provide adequate credit flows to the small business sector.

"I told the banks that they have a vital part to play in keeping small business trading," Dr Emerson said.

He again urged the banks to pass on to small business to the maximum extent possible any reductions in funding costs, including recent reductions in the Reserve Bank's cash rate.

"The purpose of the Reserve Bank cutting interest rates is to stimulate the economy and it is essential that this stimulus flows on to small business," he said.

Today's meeting was a follow-up to the Small Business Roundtable in Melbourne on 6 March 2009 and a meeting of the banks with small business representative organisations on 8 April 2009.

At the 6 March Roundtable, the banks offered to meet with the industry associations in attendance to identify and seek to resolve or ameliorate any industry-specific issues in securing bank finance.

Six of 13 associations accepted the banks' invitation at a meeting on 8 April 2009.

The banks and Dr Emerson pointed to the availability of a small business banking complaints clearing house for businesses that believe they have been unreasonably denied credit.

To date, 34 complaints have been referred by the clearing house through the ABA to individual banks.

Dr Emerson has contacted more than 100 industry associations, encouraging them to advise their members of the availability of the clearing house facility.

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