Australian Banking Association

17 February 2020

Mr Mark Fitt
Company Secretary
Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600
via email: economics.sen@aph.gov.au

Dear Mr Fitt

Senate Economics Committee Inquiry into the Australian Business Growth Fund Bill 2019 [Provisions]

The Australian Banking Association (**ABA**) is pleased to make this submission to the inquiry into the Australian Business Growth Fund Bill 2019 [Provisions].

With the active participation of its member banks in Australia, the ABA provides analysis, advice and advocacy for the banking industry and contributes to the development of public policy on banking and other financial services.

The ABA strongly supports the Government's initiative to help small businesses grow by coinvesting with banks to establish this Australian Business Growth Fund. The Fund is designed to provide equity finance to qualifying businesses across a range of industries and locations.

Small and medium sized enterprises are the lifeblood of the Australian economy. They generate significant employment growth, drive innovation and boost competition in markets. Access to external finance is an important issue for many small businesses, particularly when they are looking to expand.

The ABA works with the Reserve Bank of Australia, regulators[1],[2],[3] and stakeholders such as the Council of Small Business Organisations Australia (**COSBOA**) to support the growth and ambitions of Australian entrepreneurs.

The ABA supports the Australian Business Growth Fund Bill and welcomes its passage through the Parliament.

Please contact me if you have any questions or require further information.

Yours sincerely

Aidan O'Shaughnessy
Executive Director – Policy

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[1] Reserve Bank of Australia (RBA) Small Business Finance Roundtable, 18 April 2018 https://www.rba.gov.au/media-releases/2018/mr-18-09.html
[2] Australian Banking Association (ABA) Economic Report – SME lending in Australia, August 2019 https://www.ausbanking.org.au/wp-content/uploads/2019/10/SME-Lending-in-Australia.pdf
[3] ABA Small Business Website, September 2019 https://www.financingyoursmallbusiness.com.au/