



Australian Banking Association

08 November 2019

The Manager
Capital and Payments Unit
Markets Group
Treasury
Langton Cres
Parkes ACT 2600

via email: bgf@treasury.gov.au

Dear Manager

Australian Business Growth Fund Bill 2019

The Australian Banking Association (ABA) takes this opportunity to provide this submission in response to Treasury's exposure draft legislation for an Australian Business Growth Fund.

The ABA works with government, regulators and other stakeholders to improve public awareness and understanding of the industry's contribution to the economy and to ensure Australia's banking customers continue to benefit from a stable, competitive and accessible banking industry.

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

Small businesses are very important for 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 grow further. The ABA works with^{1 2 3} regulators, the Reserve Bank of Australia and stakeholders such as the Council of Small Business Organisations Australia (COSBOA) to support the growth and further ambitions of Australian entrepreneurs.

The ABA supports the proposed drafting of the Australian Business Growth Fund Bill and would welcome a prompt passage. The ABA looks forward to working with the Government to ensure a successful launch of this Australian Business Growth Fund.

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

Yours faithfully

Aidan O'Shaughnessy
Executive Director - Policy

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/>