



Australian Government

Australian Government response to the
Senate Committee on Economics report:

Australian Business Growth Fund Bill 2019 [Provisions]

May 2024

Response to the recommendations

Recommendation 1

The Committee recommends that shareholders, including the government, when developing the investment rules, consider the inclusion of provisions to allow for the underwriting of investments.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Australian Greens Senators' Dissenting Report - Recommendation 2

That the Council of Financial Regulators be directed to conduct an inquiry into the impact that prudential regulations are having on the supply of finance to small and medium sized enterprises.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Additional Comments by Senator Rex Patrick - Recommendation 1

The Government should facilitate the establishment of an Australian Business Growth Fund without investing \$100 million of taxpayers' money, similar to the arrangements in the UK and Canada.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Additional Comments by Senator Rex Patrick - Recommendation 2

The Senate should not proceed to vote on this legislation until such time as it is informed as to the governance arrangements of the \$100 million of taxpayers' money and the investment mandated for its use.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Additional Comments by Senator Rex Patrick - Recommendation 3

The Senate should not vote on this legislation until such time as the Australian Government Competitive Neutrality Complaints Office has established that the ABGF will operate within the government's long established Competitive Neutrality Policy.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Additional Comments by Senator Rex Patrick - Recommendation 4

That analysis is carried out on repurposing the Fund to allow it to underwrite, partially-underwrite, or sub-underwrite equity for SMEs.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Additional Comments by Senator Rex Patrick - Recommendation 5

Treasury should examine the proposition that has been put and make available the results of that analysis to senators before the legislation is voted on.

Australian Government response

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.
