

23 MARCH 2010

SENATE ECONOMICS COMMITTEE
Department of the Senate
P.O. Box 6100 PARLIAMENT HOUSE
CANBERRA 2600

DEAR COMMITTEE MEMBERS,

Re. SENATE INQUIRY INTO FINANCE for Small
Business.

I am a 63 year old self employed person.
My reason for writing this submission has been
brought about by numerous experiences dealing
with BANKS.

I have always lived in Country Towns and I
have endeavoured to seek Development Opportunities.
Among the enterprises I have undertaken have
been Squash Courts, Ice Works, LAUNDROMAT, Food
DISTRIBUTION, 60 MINUTE DRY CLEANING, NEWSAGENCY,
Spring Water and Cordial MANUFACTURE, CAR WASH
and Supermarket FACILITY. All of these enterprises
have filled or Vacuum in the Country Towns
in which I have resided. The Supermarket
provided in BEECHWORTH significantly arrested
a 75% business leakage to ALBURY-WODONGA.
The multiplier effect for this town was very
obvious.

I was never fortunate enough to obtain
support from The COMMONWEALTH DEVELOPMENT
BANK. Since it is no longer the "Peoples
BANK" the support has withered dramatically.

My submission is that for Small Business to continue and survive, a Peoples Development Bank must be established. The mergers of BANKS have led to less competition and all the associated issues.

The model of the Bendigo Community Banks indicates success and acceptance by the public.

I have read about a major Development Bank in GERMANY, apparently established in 1948 as a corporation UNDER public law.

It would appear the idea is not a novel 21st Century fashion. The balance sheet showed it to be one of GERMANY'S 10 biggest banks.

If small business cannot access favourable rates that can be repaid free of charge in advance of maturity, a dramatic decrease in innovation and confidence will occur.

It is often stated that Small Business is the "ENGINE ROOM" of the nation, therefore it should be entitled to a reliable supply of necessary "Fuel."

Thank you for the opportunity to express my thoughts and wishes.

Yours faithfully,

