

Cumboogle Eucalyptus Products

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10 May 1999

Submission to the Parliament of The Commonwealth of Australia, house of Representatives Standing Committee on Employment, Education and Workplace relations into issues specific to workers over 45 of age seeking employment or establishing a business following unemployment.

In response to your invitation for submissions from older Australian who have been seeking employment or trying to establish their own business. I am enclosing my submission detailing my experience in attempting to start a business. I welcome the opportunity to do so as I have more than a decade of experience.

My submission contains a brief outline of my story, plus two appendices.

Appendix A deals with reasons to establish business, method chosen, undertaking to achieve, manufacture, qualifications and retraining, compliance with government regulations, establishing business financial assistance, financial sector regulatory authorities, final result, and solutions.

Appendix B gives a brief outline of Product range, photographs and brochure research and developments undertaken, marketing strategies and markets.

Yours Sincerely

Max Cattle

Submission Brief Outline

I started my working life as a farmer. As I became older, I realized that I could no longer do the heavy work required in this line. I was born with an incurable back problem and have been advised that it was inevitable that I would become an invalid. Realizing this, my goal has been to achieve self-sufficiency before I become completely incapacitated I endeavored to develop, manufacture and market a souvenir product which would be internationally recognized as a symbol of Australia.

As a result of personal observation and experience, and after much research and development to gain the technology, I achieved the capacity to design and manufacture this uniquely Australian product.

Enclosed herewith is a brief history and description of my research, development, marketing strategies and marketing of these Cumboogle Eucalyptus Products along with photographs - Appendix B.

I undertook the appropriate business training through N.E.I.S. which culminated in the development of an acceptable business plan. During the N.E.I.S. program I worked at getting my business established. Unfortunately, I encountered problems with government department requirements which later proved to be unnecessary, but caused a great waste of time and meant that when the N.E.I.S program finished my business was not established, and I now had no income at all. I then contacted the Minister and his Parliamentary secretary but they were not interested in helping me.

At this time I inquired about, and started to apply for the invalid pension. I was informed that the process might take up to six months. However, it took over eighteen months for a pension to be granted to me.

I am in the process of putting the above files together for the purpose of your inquiry.

I approached the then State Bank to establish this new enterprise. Business plans and principles were submitted to the State Bank and these were accepted by them which allowed me to establish my business, as follows:

Initial facilities negotiated with Forbes branch

- \$15,000 overdraft facility established January 1996

- \$20,000 Term Loan facility established 1996

Although these contracts were belatedly delivered to the West Wyalong Branch office State Bank on the 28th December, 1995, I was not notified of their presence until over a week later. I was completely inexperienced in the reading of legal documents and I received these contracts during the Christmas legal holiday. Therefore, it was impossible to have them checked by an independent solicitor and I was pressured to have them signed and returned to the Bank within 36 hours of my receiving them. I now consider this to have been improper behaviour by the Bank

Throughout this whole process I was approaching a number of various markets. I was constantly analyzing the results and making minor refinements to the range of my product. My repeated approaches to the identified markets resulted in invitations from both Qantas and Ansett, my major markets at that time, to have meetings with them

I requested business expertise and analysis of products in relation to my markets from the Banking Business Manager, but was informed that they did not have these advisers. I was later told by more senior bank officers of what market outlets that I should possibly be approaching, (I knew the intricate details of that market, and the Purchasing Manager who liked my concepts and products.) I was also told by these officers of how I should be financing and running my business.

At this crucial moment, the now Colonial State Bank withdrew credit from me, thus not allowing me to achieve my goals, and was the cause of my present financial difficulties.

Since my credit was withdrawn in 1997, I have followed correct procedures in continually requesting that information of markets and achievements be considered. However, in my dealings with the Bank it has:-

- Refused to negotiate with me
- Continually threatened and dictated to me
- Not followed industry guidelines or other accepted practices, and
- In my opinion may have broken a number of laws and principles.

From the time that my business accounts were frozen by the Bank I have regularly paid into the account, an amount I can afford from my limited income. This has not been commented on or refused by the Bank

The Bank made a commercial decision but, in my opinion, the method in arriving at that decision was flawed and I have continually been denied the opportunity to address that outcome. The timing of that decision was at a most crucial time and thus denied me the opportunity to gain my markets and capitalize on many years of research, development, retraining and hard work.. It also ensured that I was unable to repay my financial commitment to them without their foreclosing on my mortgaged assets.

That decision and the action of its officers since, show a complete lack of duty of care. Although the Bank officials have admitted that mistakes have been made and investigations have been conducted, they still continue to refuse to negotiate.

I do not have a legal background but I hold a strong opinion that the Bwk has indulged in immoral and unjust actions and is unconcerned in ethical conduct, even flouting the law from my point of view.

In my considerable efforts in the last two years to have this case investigated, I have approached every conceivable Government department and agency that may have jurisdiction in these matters. It appears to me that these agencies are less than enthusiastic to uphold the principals and objectives of the Federal Government, let alone possible breaches of a variety of Commonwealth laws and statutes.

This may prove to be an embarrassment to the present Federal Government in view of all the statements made in support of small to medium enterprises and employment

I hold extensive files on my dealings with the Financial sector and my attempts to have the appropriate authorities who oversee the regulations of the financial sector to investigate my case.

It is inevitable that the whole affair becomes public as the Colonial State Bank now intends proceeding to legal action.

Also the new political groups that have emerged, I believe are aware of my case and are keen to take up the issue if given the opportunity. On the other hand, it is increasingly difficult to remain loyal to the established political parties in the face of my adverse predicament.

I cannot accept that a bank has the right to

Deny an individual the right to earn an income

Deny industry diversification for a community

Deny employment opportunities for a community

Effectively stop Australian exports which provide foreign earnings and accordingly affect the Australian, balance of payments.

It surely must be in a bank's interest if it is in a strong and viable partnership with a business client who has the capacity to strengthen the local economy. This in turn would be beneficial to the bank and its shareholders as it could provide more of its services.

On the calculations assessed by a Bank officer of sale item units to one section of my markets alone, equated to \$10,000,000.

If I had been given a fair go and allowed to achieve my goals, other major economic benefits that I could have facilitated would have resulted for this community.

The attitude that the Bank has adopted is not beneficial to itself and their shareholders, to this community and region and also Australia. It is a complete contradiction to the ideals, aim and principles of the Federal Government.

I believe that the above submission outlining my experience contains facets of all the issues you are inquiring about i.e. social, economic, industrial, political, retraining, and their implications. I can expand on all of these when I am invited to appear before your committee.

APPENDIX A and B and Newspaper article not reproduced