

Terms of Reference

That the Parliamentary Joint Committee on Corporations and Financial Services be required to inquire into and report on the access for small and medium business to finance, and report by 30 April 2011, with particular reference to:

- (1) the types of finance and credit options available to small and medium business (SMEs) in Australia;
- (2) the current levels of choice and competition between lending institutions, but not limited to, credit availability, fees, charges, comparative interest rates and conditions for business finance;
- (3) credit options available from banks, non-bank lenders and second tier lenders;
- (4) the impact of financial institution prudential requirements and banking guarantees on lending costs and practices;
- (5) comparison between the credit options available to SMEs located in regional Australia and metropolitan areas;
- (6) the impact of lenders' equity and security requirements on the amount of finance available to SMEs;
- (7) policies, practices and strategies that may restrict access to SME finance, and the possible effects this may have on innovation, productivity, growth and job creation;
- (8) the need for any legislative or regulatory change to assist access by SME to finance; and
- (9) any other related matters.