

25-3-2010

Mr John Hawkins  
Dear Sir,

On behalf of my husband, son & self I wish to tell the Senate Economics Committee of our problems with one of the big 4 banks.

As farmers we are a small business & due to drought & very low wheat & cattle prices we have not been able to carry on our farming project without the borrowing of a substantial amount of dollars from a bank.

The Bank has, over the past 2 yrs seem fit to ease back on their help & have turned up the pressure on us to pay back in full the borrowed amount, which we cannot do & so yet, have not been able to get assistance from any other bank.

We have put the farm on the market at a realistic price at \$1,000,000 - 00 under valuation by sworn valuator July 2009, but no enquiries yet.

2

I will fax to you our bank statements & fixed loan documents along with letters from the bank for proof of pressure & interest being charged.

The bank over the last 2 years have placed many orders on us to comply with & we have done so, but the last E mail 22/3/10 is a bit hard to comply with due to the time factor given to us by the bank.

We receive 2 mails a week Tues & Fri & that is when we can post mail without travelling 60 Kms to a P. Office, which we cant afford to do. The original letter 22/3/10 is not here yet.

Last Oct we told the bank we could decrease our overdraft by \$140,000 — 00 leaving us \$60,000 to get us through the harvest with fuel, wages, grain carting costs, the bank took \$200,000 — 00 on the 16<sup>th</sup> of Oct. Interest 11.48%. 21<sup>st</sup> Oct. 11.73%  
12<sup>th</sup> Oct. 2<sup>nd</sup> Nov 11.73% 1<sup>st</sup> Dec 11.98%  
8<sup>th</sup> Dec 12.33%

these interest rates are higher than the percentage of profit we can achieve due to commodity prices.

The bank is being very greedy & almost to the stage of being unscrupulous. Please bring the bank to heel & get some help for small businesses.

3

I feel sure we are not the only people that are finding the banks hard to get on with, & the government should be able to put pressure on the banks to ease of the high interest rates being charged.

We have heard from MR Janner via the TV that if you (the people) are not happy with the bank you are with go elsewhere. That is not easy to do, we are trying; but not succeeding.

Please help small businesses they are the back bone of our country.

Yours sincerely  


ANN MELBIN

ROBERT A MELBIN

DURWIN B MELBIN.