

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2011-12 Supplementary Estimates Hearings

Outcome Number: 7

Question No: 205

Topic: Indigenous Business Australia – Business Development and Assistance Program

Hansard Page: CA52 – 21 October 2011

Senator Scullion asked:

How many business loans were approved per year from 2007?

Answer:

<i>Year</i>	<i>Business Loans Approved</i>
2006-07	103
2007-08	102
2008-09	74
2009-10	81
2010-11	71
2011-12 (YTD to 31/1/12)	47 *

* Based on the current level of loan enquiries and applications being received, IBA believes it will meet or exceed its PBS Deliverable for loan approvals in 2011-12.

The contrast in the number of loans and amount loaned between 2006-07 and 2010-11 could be attributed to the effects of the global financial crisis on the viability of the loan enquiries received, as well as a strengthened risk management regime and the introduction of a more rigorous loan assessment policy.

The introduction of the Into Business Workshops has also resulted in reduced business loan numbers and expenditure in 2010-11 due partly to the number of prospective applicants progressing through the series of workshops before moving to the loan application stage. This lag effect should be removed with loan activity expected to increase from 2011-12.