

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Australian Small Business and Family Enterprise Ombudsman

Question No: 157

Topic: Small Business Loans Inquiry

Reference: Written

Senator: Ketter, Chris

Question:

How many cases were settled by banks in connection with the Small Business Loans Inquiry? How many remain unresolved? Please identify the total number of cases that the ASBFEO selected to look closely into.

- 1) Of these cases, how many were settled or resolved by banks prior to the ASBFEO concluding its investigation into the case?
- 2) How many were settled or resolved by banks subsequent to the ASBFEO concluding its investigation into the case and making findings?
- 3) Of the unresolved cases, how many does the ASBFEO consider include: i) poor business decisions where the bank appears to have acted reasonably ii) a mixture of poor business decisions and poor bank practice and iii) very real issues where bank conduct is unacceptable and possibly unconscionable (see page 6 of the report).
- 4) Of the cases where there was a settlement or resolution, in how many of these does the ASBFEO consider that this settlement or resolution was fair?

Answer:

The terms of reference for the inquiry were to investigate bank practices and current industry and government reforms (not seek compensation for individual cases). Any settlements before, during or after the inquiry are confidential between bank and borrower.