

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
ATTORNEY-GENERAL'S DEPARTMENT

Group 3

Program 1.2

Question No. 28

Senator Cameron asked the following question at the hearing on 24 February 2014:

Senator CAMERON: On the small business loans issue: in reply to question on notice No. 48, you said that the minister had commenced discussions with the department in mid-September last year and then steps were taken on 2 October to implement this. There was then a declaration on 23 December. Can you advise me what processes took place between 2 October and 2 December? Can you advise why it took so long to make the declaration and why small businesses in the Blue Mountains still do not have access to this small business loan that was a promise of the Abbott government?

Mr Sheehan: I can take that on notice. It may be helpful to note that the payment can be made retrospectively and, if New South Wales chooses to use the payment under NDRRA, it can be applied to events retrospectively.

Senator CAMERON: That is fine but is not much help to a business who has closed down. It is not much help to employees who have lost their jobs. This was, as per the rhetoric the government used prior to the election, designed to immediately help businesses consequentially affected by the fires. Maybe you can explain to me how this delay meets the commitments that were made—not only the promise that was made but also how it meets the determination that the minister made.

Mr Sheehan: We will take the question on notice, Senator.

The answer to the honourable senator's question is as follows:

Between 2 October and 2 December, the Attorney-General's Department undertook consultation with Australian, State and Territory Government policy and loan delivery agencies (including NSW Rural Assistance Authority, Victoria Rural Finance Corporation and Queensland Rural Adjustment Authority) in the development of the new loan policy. This consultation established the eligibility parameters of the loan scheme under the Natural Disaster Relief and Recovery Arrangements, including its extension to primary producers and not-for-profit organisations, and allowed for the program to be designed to complement, and not duplicate, other assistance already available.

The new loan was made available under the NDRRA on 23 December 2013 for immediate use by states and territories. It was also open to the states and territories to offer these loans retrospectively to small businesses, primary producers and voluntary non-profit bodies affected by disasters from September 2013.