

Onus on banks for recovery

THE reluctance of the big banks to ease tough lending conditions may be feeding a lethargic recovery, but for Australia's largest private capital raising platform its boom-time.

ASSOB CEO Paul Niederer, says the company experienced an influx of SMEs looking for credit after being turned away by the banks.

Despite reaping the benefits of last year's spike in the private investment sector, the capital raising platform continues to apply pressure on banks to ease lending conditions.

"We've certainly benefited from the lending conditions of the past year or so, so I'm not really in a position to say whether or not the banks have been making the right decisions financially – I might be a little biased in that respect," says Niederer.

"However, more than anything I think slightly more relaxed lending standards this

year will be of huge benefit to the small business sector, for which relatively small loans can really make a difference in their business's direction and earning capacity."

Link business brokers managing director David Fitzgerald, says the capacity of the banks to lend credit will play a 'huge part' in how businesses grow over the next 12 months.

"Right across the board, businesses need access to finances in order to grow over the next year, and a lot of the lending guidelines at the moment, I feel, are impinging upon that," says Fitzgerald.

"I can certainly see the virtue in financial frugality in tough times, but I think now is the time to start freeing up a bit of credit in order to get things flowing again."

Fitzgerald expects the banks to 'test the waters' as they attempt to make money and encourage stronger cash flow.

instances that go unreported and urges victims of online scammers to report the crimes and help stamp out fraudulent online activity.

**\$1.23
TRILLION**

- total assets held in the country's superannuation funds. The Australian Prudential Regulation Authority (APRA).