

Irish Rural Link

17<sup>th</sup> September 2018

## **Irish Rural Link Publish Rebuttal of the Government Report on Local Public Banking in Ireland**

Irish Rural Link (IRL) – the national network representing the interest of rural communities are publishing its rebuttal of the Joint Department today, Monday 17<sup>th</sup> September.

The Department of Finance and Department of Rural and Community Development published its Joint Report on Local Public Banking on the 4<sup>th</sup> July. IRL welcomed this publication and acknowledge that the Government will continue to keep the conversation of Local Public Banking on its agenda and continue to engage with stakeholders, including IRL.

However, we believe that the Joint Report on Local Public Banking has misjudged or misinterpreted some of what was outlined in our proposal on a Local Public Banking model in Ireland would look like and it is for this reason that we have issued a rebuttal on this report.

While the report outlines the many reasons that at this time, a Local Public Banking model will not be developed in the immediate future, IRL continue to believe that such a model is necessary for the survival of rural areas. Micro and SME's are the backbone of rural economies and we remain concerned that lending to SME's by pillar banks, albeit increasing is still out-stripped by repayments of outstanding loans. SME's and Micro enterprises are vulnerable to external shocks and are they first types of businesses to be adversely affected by financial crisis.

A Local Public Banking Model can help SME's and Micro Enterprises survive and even continue to grow during such crisis and this must be reconsidered by Government to ensure that its objective for a revival of rural areas and development of regions are realised.

A copy of our full rebuttal is available on <http://www.irishrurallink.ie/local-community-banking/>

Ends

### **For further information, please contact (anytime):**

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**About Irish Rural Link:**

Irish Rural Link represents the interests of locally based rural groups in disadvantaged and marginalised rural areas by highlighting problems, advocating appropriate policies, sharing experiences and examples of good practice. It has a membership of nearly 600 rural community groups dedicated to sustainable rural development and represents rural communities at a national and international level