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A **step** in the right direction?

A report into the Step UP Loan Program, 2004-2007

NAB's commitment to microfinance

NAB is committed to ensuring that Australians have access to fair banking services. In April 2006, NAB announced an investment of \$30 million over three years to further develop not-for-profit microfinance programs in Australia, to assist low income earners gain access to affordable credit and insurance.

As well as the Step UP program, NAB provides capital support for NILS (a \$10m commitment to loan capital). It also offers microenterprise loans to help start up or support existing businesses, for people on low incomes who have few or no avenues to access affordable business credit. This program was launched in March 2007 and currently has over 60 loans written to the value of \$1 million.



Good Shepherd Youth and Family Service

Good Shepherd is a medium sized not for profit agency that seeks to build and promote a fair, just and caring society. It provides support and relief to those in the community, living with low incomes through support and assistance programs such as NILS® (No Interest Loan Scheme), which it started in Collingwood, Victoria in 1981 and is now operating across Australia through 280 locations. Good Shepherd also undertakes research and policy development work advocating for fair, affordable and safe credit for people living on low incomes.



Foreword



Michael Yore, CEO Good Shepherd Youth and Family Service

Good Shepherd works to ensure the value of every human being, the communities that enable us all to thrive and the integrity of the environment that guarantees both. Our commitment to our partnership with the National Australia Bank in developing Step UP loans is directed towards our goal of fair and just credit for people living on low incomes and who are not traditionally part of the banking system.

We know from our experience with the national No Interest Loans Scheme (NILS®), established with a leap of faith by the Good Shepherd sisters in 1981, that people living on low incomes, given the right conditions, are able to borrow and successfully repay their loans. We were delighted when the National Australia Bank approached us

in 2004 to pilot Step UP. Three years on, nearly 600 people have received loans for important items that will make a difference to their lives: whether a car loan to enable them to get to work or furniture to make their house a home.

This report describes the progress of the Step UP loan program in addressing financial inclusion, the experiences of the Bank and of Good Shepherd's micro finance team in developing a program which meets the real needs of people and the possibilities for future expansion around Australia. While the report records the processes and the statistics of the loans, the remarkable story is that of the people who are borrowers.

Some of their reactions are recorded in the report but they are best captured by the comment of one borrower – "if someone gives you the chance you really want to show that you can do it and pay it all back". Step UP loans are about giving people that chance.

We are thankful for the foresight of Ahmed Fahour and his team at the National Australia Bank in developing this program and their on going partnership with Good Shepherd in seeking ways to further promote microfinance programs in Australia.



Ahmed Fahour, CEO Australia, National Australia Bank

At NAB, it's the success of our customers that defines the success of the bank. We are about backing people, not just banking them.

But how does a bank back people who are down on their luck and don't have the ability to borrow money? The reality is that people on low incomes with perhaps some unpaid debt have great difficulty in borrowing from mainstream financial institutions.

At NAB, we recognise that our responsibility stretches beyond those who feel comfortable walking into a branch and have developed a range of small loans and other financial service products for people on low incomes, known as microfinance.

In 2004, we worked with Good Shepherd Youth & Family Service to develop and pilot Step UP

– a microcredit product to act as a "bridge" between Good Shepherd's successful No Interest Loan Scheme (NILS) and mainstream credit products.

Developing Step UP took us over a year. We had never worked with a community agency to develop a financial product. But openly discussing and working through differences has been important and led to the formation of a true partnership.

Step UP has increased our understanding of those living on low incomes and the challenges in providing microfinance programs that cater to their financial needs. As a result, in March 2007 NAB launched its microenterprise loan program to help start up or support existing businesses for people on low incomes who have few or no avenues to access affordable business credit.

At NAB we have a long term commitment to growing our microfinance programs and helping to address financial exclusion.

We hope that by sharing the learnings in this report that this will help those who continue to be marginalised from mainstream banking and boost the growth of microfinance programs in Australia.

Research methodology

This report documents loan statistics (such as enquiry, interview, application and loan numbers, and arrears and default rates) from National Australia Bank (NAB) and Good Shepherd Youth and Family Service records as at 31 December 2007.

It also draws on the findings of an evaluation of the Step UP program (Eliadis, Maria, *A Step in the Right Direction, Step UP Pilot Program Stage 2 Evaluation Report*, August 2007 (revised October 2007), unpublished

paper) that was prepared for NAB and Good Shepherd in October 2007. The evaluation included quantitative analysis of loan performance data (such as loan numbers, profile of loans, recipients, and arrears and default rates) from January 2006 to May 2007. As well as qualitative methods including interviews with 45 clients undertaken in October 2006 and June 2007 and interviews and a survey of microfinance workers.



In 2004 National Australia Bank and Good Shepherd Youth & Family Service launched Step UP – a not-for-profit loan for people on low incomes who cannot get access to credit from mainstream lenders. The pilot drew to a close in 2007. What did we learn and where to from here?

What is a Step UP loan?

Step UP loans are low interest personal loans designed for people living on low incomes. They have a fixed interest rate of 7.24% (comparison rate 7.24%^a) for amounts between \$800 and \$3,000 and are available for terms of up to three years.

Step UP loans are currently offered in 16 locations in New South Wales, Victoria, Western Australia and across South Australia.

At a glance: Step UP loans (as at 31 December 2007)

Number of loans – 599

Number of declines – 113

Average loan size – \$3,000

Amount of loans written – \$1.46 million

Amount outstanding – \$1.1 million

Main loan purpose – cars and car repairs

Default rate – 4 per cent

Step UP overview

Many low income Australians can not access affordable credit through mainstream financial institutions like banks. This is largely due to their unemployed status, the income levels required to service mainstream credit, and poor credit history. For the financial institution, it can be a fine line between providing credit and overcommitting recipients.

The result is everyday items such as cars, whitegoods and other basic necessities become difficult to obtain, employment opportunities can be limited and everyday lifestyle impacted. All of this increases the financial disadvantage.

Step UP is a microcredit program offered by Good Shepherd and NAB on a not for profit basis to address financial exclusion. It provides safe, affordable and accessible personal loans with a supportive service model to low income earners.

Built on Good Shepherd's experience in operating NILS® (No Interest Loans Scheme), Step UP is a complementary program to assist low income individuals and families to make essential purchases of items such as white goods, cars, furniture and medical expenses. It has been designed

as a "step up" from NILS to help low income earners enter mainstream banking.

Step UP offers loans between \$800 and \$3,000, with a relatively low interest rate of 7.24% and no fees. Loans are designed specifically for individuals or families holding a current Centrelink Health Care Card or Pension Card or eligible for Family Tax Benefit Part A and who have lived at their address for more than six months.

First launched in October 2004, as a pilot in five sites in New South Wales and Victoria, Step UP has now been expanded to 16 sites in New South Wales, Victoria, Western Australia and across South Australia.

By December 2007, 599 Step UP loans had been written, and it is regarded as one of the leading microcredit schemes in Australia, winning *Money* magazine's "Best of the Best Awards" for the Best Socially Responsible Product in the low-income loans section for 2007 and 2008.

This report details NAB and Good Shepherd's findings and experience in offering Step UP for the last three and a half years.

Key learnings

Microfinance improves social inclusion – A key benefit of the Step UP program is the positive impact on the recipient's quality of life and self esteem that the loans and the products and services purchased, have enabled.

The gap between microfinance and mainstream banking is likely to remain – Initial indications are that the low income levels of many Step UP loan recipients will not allow them access to mainstream credit unless their circumstances change.

Microfinance workers play a central role – Microfinance workers, not only help applicants gain access to affordable credit, but play an important role in developing the applicant's financial understanding and capability. The microfinance worker helps the applicant with monthly expenditure, come to terms with other financial problems, find out about their personal credit history and provides education on how financial systems operate.

Difficulties in reaching the target market – Step UP recipients do not view themselves as welfare recipients, nor do they feel comfortable in a "bank" environment. As a result the last three years has seen constant changes to marketing and promotions to better reach customers. Also, to limit the enquiries seeking cash loans, marketing has needed to clearly explain the loan criteria.

Step UP start up costs are significant – The Step UP program employs a "high touch", supportive service model where every loan is case managed by a microfinance worker. This is more costly and requires far more intensive up-front resourcing. The challenge now is to find ways to make the process more efficient while maintaining the supportive service approach.

A true corporate and community partnership – As well as delivering the Step UP program, the partnership between NAB and Good Shepherd has been a valuable learning experience; helping to reduce stereo types, overcome ethical differences, agree mutual aims and develop new skill sets.

The application process

Step UP is promoted locally in each of the 16 locations. NAB and Good Shepherd, through the community agencies that deliver Step UP loans, employ microfinance workers at each of the locations. A microfinance worker will take enquiries, send out information packs and then follow up with the applicant to arrange an interview. The interview is used to ascertain the individual's needs, to help build their financial capability and for referrals to other support services where required.

Where appropriate the microfinance worker will then support the individual to complete a Step UP loan application, which includes a review of the client's monthly budget. The loan application is submitted to NAB for approval and processing. Each loan is assessed individually and takes into account loan affordability and the applicant's credit

history. Once approved, the loan is drawn down from the local NAB branch, where final identity checks also take place. The recipient makes regular repayments to NAB until the end of the loan.

Unlike no interest loan products, Step UP loans are the same as mainstream personal loans in so far as they are regulated by the Uniform Consumer Credit Code (UCCC). Recipients are subject to regulated assessment, receive formal contracts and regular statements for the life of the loan.

Loan purpose, size and term

The majority of recipients (73 per cent) take out the maximum loan amount of \$2,600 to \$3,000 for the maximum term of three years (83 per cent).ⁱⁱⁱ

The most common loan purpose is for cars and car repairs (59 per cent) and household goods (21 per cent).^{iv}

Loan Purpose (Jan 2006 – May 2007)	Number	Percentage
Used Car	134	52%
Car Repairs/Service	18	7%
Computer	8	3%
Multiple Purpose	14	5%
Education/Schooling	2	1%
Furniture/Household Goods and Services	55	21%
Medical/Health	5	2%
Travel Expense	5	2%
Business Development	2	1%
Transport (other than cars)	6	2%
Refinance	3	1%
Removalist Costs	3	1%
Other	2	1%
Total	257	99%

Recipient profile



Most Step UP loans are taken up by individuals (93 per cent) the remaining seven per cent are couples. Recipients were aged between 25 and 44 years old, with the majority women (60 per cent). Most are on a Centrelink fixed income pension, with about seven per cent of recipients in part time work.^v

Step UP loan recipients tend to be on the fringes of both community services and mainstream banking and include those on government benefits, the underemployed, migrant and refugee communities, and young and older couples.

Interviews with Step UP recipients^{vi} have revealed the loans, and the products and services purchased, have had a positive impact on the recipient's quality of life and self esteem.

Quotes from loan recipients^{vii}

"I think it's a great program that provides people on low incomes a great opportunity to access credit. Most banks don't want to give pensioners the time of day but Good Shepherd and NAB were prepared to help us."

"The loan helped me out to buy furniture. I was renting appliances from Radio Rentals and had no other option."

"It helped me when my car broke down, without this loan I would have been completely stuck."

"I felt very supported throughout the process and never felt like I was being interrogated or anything like that. I was given an opportunity when I no longer had part-time work."

"I think it's fantastic that people who don't have a lot of money are given the chance to get a loan. It's an opportunity to let people prove they can pay back the loan - if someone gives you the chance you really want to show that you can do it and pay it all back."

Susan* – story of a Step UP loan recipient



Susan, an Indigenous-Australian grandmother, is the primary carer of a young grandson. She is unemployed and relies on Centrelink support. Living out of town, Susan requires a car to take her grandson to pre-school and to access shops and other facilities.

Susan was recently involved in an accident where her car was damaged. This made it extremely difficult for her to take her grandson to activities and to pre-school. Unable to cover the costs of repairs, Susan was left without a car for five months, relying on the goodwill and assistance of family and friends, however this was becoming increasingly difficult.

Through Step UP, Susan received a loan for car repairs just over a year ago. She has been meeting all her repayments and regularly pops in to the office of the microfinance worker to chat about how things are going. And more importantly, her

grandson no longer misses social and pre-school events.

Susan told us that not only was Step UP her first banking experience, but that it was her first ever formal financial appointment. She had never applied for credit prior to this application and would not have felt able or comfortable approaching a bank.

*Susan's name has been changed to protect the identity of those involved.

Loan enquiries, approvals and declines

Running total	Dec 2005	Dec 2006	Dec 2007
Enquiries	298	1033	2530
Interviews	50	170	860
Loan applications	33	137	712
Loans approved	27	124	599
Loans paid out	-	-	26
Loans written off	-	1	14

By the end of 2005 (14 months of operation), 27 individuals had a Step UP loan. Expansion of the program has seen 475 loans approved in 2007 to a total of 599 loans, with one recipient in the process of taking out her second Step UP loan. Twenty six loans have been paid out and 14 written off since the pilot began.^{viii}

A high percentage (85 per cent) of enquirers^{ix} do not proceed with their initial interest in the loan. Further investigation is being done to establish the reasons for this and what alternative sources of credit, if any, enquirers access.

Anecdotally, microfinance workers consider that many enquirers do not proceed as they

realise their credit history may be a problem. Many applicants are also risk adverse and will make multiple enquiries before proceeding with an application for a loan. It can also take time for people to understand what Step UP loans can offer, for example in Kalgoorlie the microfinance worker has received many requests for cash – a service that is not provided.

The interview with the microfinance worker is a very important step in the loan application process to closely examine their monthly expenditure and can help applicants come to terms with other financial problems. It also helps them develop a greater understanding of how financial systems operate and to find

out about their personal credit history. Many applicants are simply not aware of their credit history until they apply for a loan.

The interview is also used to provide applicants with referrals to other services such as financial counselling, or to other government and non-government support services for which they may be eligible. In many respects NAB and Good Shepherd see the interview as important for applicants as the actual loans generated.

To December 2007, a total of 113 loan applications submitted for approval were declined (19 per cent)^x. The main reason for declines is poor credit history or outstanding debt (77 per cent)^{xi}.

This is a far greater approval rate than that for NAB's mainstream personal loan products, where about 25 per cent of applications are declined. This is due to microfinance workers not sending through applications that would not qualify due to monthly budget surplus amounts. Microfinance workers also ensure that applicants have all the necessary documentation to apply for the loan.



Loan arrears and defaults

As at December 2007, four per cent of Step UP loans (23 loans) were more than 90 days in arrears, a total amount of \$52,000 in outstandings.^{xii} This is more than double the rate of NAB's mainstream personal loans at more than 90 days in arrears, which is about 1.5 per cent, but within expectations for the program.

As well, at December 2007, 14 loans had been written off, totalling \$34,500 in outstandings. In most cases recipients were simply unable to service the loan, however, a few were unable to be contacted, and there were several cases where the recipient's circumstances had changed such as a death, imprisonment, unemployment and bankruptcy.

Loan defaults are reported to the credit reporting bureau, Veda Advantage, at 180 days in arrears, however, as at December 2007 none had yet been reported.

Until December 2007, microfinance workers were responsible for following up the recipients until the loan was 45 days in arrears when it was handed over to the

financial hardship team in NAB's collections area. However, microfinance workers had varying degrees of success in following up individuals with loans in arrears and were unable to make changes to the loan in order to help individuals meet their repayments. For example, if a recipient had missed one repayment it was often not possible for them to then catch up. Recipients also struggled to understand how to best set up direct debits to ensure their payments were timed correctly.

Individuals with loans in arrears are now handed over to NAB at 21 days in arrears, allowing the financial hardship team in NAB's collections area to work with the individual to help set up direct debits, tailor repayment plans, or extend the loan terms to meet the individual's needs.

As well, microfinance workers have been provided with training to help them calculate monthly budgets for recipients, a new minimum monthly surplus amount has been agreed and branches are helping loan recipients schedule repayments with Centrelink payments.

Step UP insurance

Launched in September 2006, Step UP insurance is a non-profit product that provides access to affordable house and contents insurance as well as car insurance.

The product was developed jointly by Allianz Australia Ltd and NAB in response to the high number of loans for cars under the Step UP program. A philosophy behind Step UP is to ensure applicants do not get themselves into a worse position and a low cost insurance option was considered an essential option.

Initially available to customers of NAB's Step UP loan program, Step UP insurance is now more widely available for people on low incomes. Those interested in obtaining insurance can contact NAB to help them with a quote. Microfinance workers are

unable to "sell" the insurance product due to financial services regulations.

Despite the best of intentions, no policies have been written for Step UP insurance. This is largely due to the limited understanding of insurance among Step UP recipients and the different sales approach that needs to be taken due to the regulations. To date, NAB and Good Shepherd efforts have also focussed on building the Step UP loan program. A review of the program is planned for 2008.

Entering mainstream banking

Initially it was assumed that recipients who successfully executed Step UP loans would be better placed to enter mainstream banking, that they would have established a positive credit history with NAB and that their financial capabilities would have been enhanced.

Initial indications are, however, that despite the new credit history provided by meeting the terms of a Step UP loan, recipients will not quickly "step up" into mainstream credit due to their low income levels. Only a few loans have been paid out and it is too early to report definitively in this area. Interviews with recipients have revealed that Step UP is perceived as a "bank" product; recipients consider they are participating in mainstream banking already.

Of the Step UP recipients interviewed, 71 per cent had already accessed some type of credit before including personal loans, credit cards and home loans as well as NILS and payday lending.^{xiii} Step UP was accessed because the current circumstances of the client limited their access to mainstream lending.



Maya, the first Step UP loan recipient

Nicky Thompson, Customer Service Manager NAB Collingwood branch, handing over a cheque to Maya, the first Step UP loan recipient.

Maya used the loan to purchase a car, which then enabled her to secure employment. She has now repaid her Step UP loan and is a mainstream customer with NAB.

Costs of delivery

The Step UP program is part of NAB's commitment to making beneficial and meaningful contributions to the communities in which it operates. A primary focus of NAB is to ensure its banking products are available to all in the community, not just customers who can afford, or understand, everyday banking.

As at December 2007, \$1.46 million in Step UP loans had been written with \$1.1 million in loans outstanding. In addition to this capital allocation for the Step UP loans, NAB funds the microfinance workers in each location (an expenditure of \$610,000 for the year ending 30 June 2007), agency on-costs, marketing, and the costs of managing, processing and servicing the loans.

This clearly makes the Step UP program far from self-funding. Much of the previous three years has been dedicated to the initial establishment of the program and its expansion. This has required an intensive up-front effort, which will become more streamlined and the costs of offering the

loans will continue to drop as the program continues.

An important component of Step UP is the supportive service model provided to recipients. On average microfinance workers invest six and a half hours on each loan, which includes fielding enquiries, sending out information packs, following up enquiries, booking interviews, holding interviews, completing loan paperwork, referring clients to other services and contacting clients whose loans have been declined.^{xiv}

By comparison, applying for a NAB personal loan is a largely automated process, requiring an average of one hour of staff time.

Management of the program

NAB and Good Shepherd designed the Step UP loan product and documentation and today share responsibilities for the management, marketing and promotion, day-to-day operations and planned expansion of the program.

In 2005 a reference group was also formed, including representatives from NAB, Good Shepherd, and World Vision (who has significant international microfinance experience). This was

established to oversee and determine the critical elements and positioning of the Step UP program in the market.

In the three and a half years, the reference group has made two key changes to eligibility criteria for the loan. In order to not overly penalise clients for a poor credit history, in 2005 a decision was made to allow customers with an outstanding debt of \$500 access to Step UP loans. In December 2007, the group also decided to allow

people with some form of mainstream credit access to the Step UP program, so long as they meet all other eligibility criteria. Other key decisions included the introduction of Step UP insurance in September 2006, the recent change to the collections process and expansion of the purpose of the loan.

The Good Shepherd and NAB partnership

Step UP was formed in 2004 out of a partnership between NAB and Good Shepherd, one of the first in a growing trend in Australia of partnerships between not-for-profit organisations and the corporate sector to deliver on community needs.

In 2005, the partnership was awarded a Prime Minister's Award for Excellence in Community Business Partnerships in the Victorian Large Business category for the work Good Shepherd and NAB have done to make financial services

more accessible to the socially and financially disadvantaged in the community.

As well as delivering the Step UP program, the partnership has been a valuable learning for both parties helping to reduce stereotypes, overcome ethical differences, agree mutual aims and develop new skill sets.

Good Shepherd has been part of NAB's community forums since 1999 and is represented on NAB's Community Advisory Council.



Program expansion and new agencies

Step UP was originally launched in five pilot locations operated by Good Shepherd and the Josephite Foundation and has been expanded to more than 16 locations also operated by UnitingCare Wesley, Anglicare and West Australia NILS.

NAB and Good Shepherd provide training programs and materials for all host agencies as well as regular mentoring, contact and consolidated reporting.

A range of lessons have been learnt through the Step UP pilot on how to successfully deliver the loans to where they are needed in a community. For example host agencies need to have experience working with people on low incomes and with microfinance programs such as NILS, financial counselling and support programs. Step UP also needs to be integrated into the

agency's services and have access to office resources, meeting rooms and other client referral services.

As well, NAB branches at each new location need to be closely involved so they can support the loan drawdown.



Quote from a microfinance worker

"The Josephite Foundation is one of the original providers of Step UP loans and has been involved with the program for over three years. Being able to offer these low interest loans alongside our no interest loans has given us the opportunity to provide an enhanced service for our clients. Clients can choose the loan option that best meets their needs and, in addition, receive mentoring through the loan process, education and ongoing support."

Margaret Jones, Microfinance Worker and Executive Officer Josephite Foundation, Bathurst



Quote from a NAB branch manager

"Step UP provides us with an alternative we can offer customers who otherwise wouldn't qualify for a loan at NAB. It's such a relief that we can still help them with something else."

Leo Pye, Branch Manager, NAB Collingwood

Where to next?

Future plans for Step UP

NAB and Good Shepherd plan to continue to expand the Step UP program. It is anticipated that the program will reach 1,000 loans in 2008 and the program is expected to deliver between 600 and 700 loans per year.

Step UP loans are not yet available nationally and the feasibility of establishing

the program in Tasmania and Queensland in 2008 is currently being examined.

Learnings from the pilot and initial years also mean that going forward, NAB and Good Shepherd are able to deliver a better targeted local marketing and promotion plan. They also plan to introduce more standardised agency training, loan processing and reporting.

Conclusion

The experience in delivering the Step UP program over the last three and a half years, has reinforced the lack of finance and credit options available for a great many Australians living on low incomes.

There is a clear demand for safe and affordable microfinance programs, like Step UP, to help meet the needs of this part of our community.

However, delivering programs like Step UP is not easy.

It has taken significant commitment to build the program from a pilot with 27 loans in the first year, to where it currently stands – operating in more than 16 locations, with 599 loans and \$1.1 million in outstandings.

NAB, Good Shepherd and other support agencies continue to refine the application processes and criteria, marketing and promotions materials, arrears management and collections. We expect to continue to further develop the program and the challenge now is to find ways to make the process more efficient while maintaining the supportive service approach.

To provide a truly safe, affordable and accessible program, every Step UP loan needs to be case managed and the loan delivery model is far more resource intensive up-front than mainstream credit. It is the combined community and corporate delivery model that, while it takes substantial effort and co-operation to make it work, provides recipients with the right support and guidance throughout the process and best reaches the target market.

NAB and Good Shepherd would like to thank those that have helped deliver the Step UP program or provided referrals and encouragement as we have grown the program. We would also like to commend other organisations involved in and delivering low-cost microfinance programs in Australia. And we hope that by sharing our learnings we can continue to help grow microfinance in Australia.

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End notes

- i The No Interest Loan Scheme (NILS) provides interest-free loans between \$800 and \$1,200 for 12 to 18 month terms for individuals or families living on low incomes. It's a community based program that enables people to access fair, safe and equitable credit for the purchase of goods and services.
- ii Step UP loans were launched October 2004 with an interest rate of 7.15%. The rate was then lowered to 6.99% in August 2005. The rate was changed to 7.24% in March 2008. Comparison rates are based on a loan of \$2500 over a term of 2 years. A comparison rate schedule is available from the community microcredit worker when you go for an interview. **WARNING:** This comparison rate is true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate. Such unsecured loans would normally attract an interest rate of about 14 to 16%.
- iii Eliadis, Maria, A Step in the Right Direction, Step UP Pilot Program Stage 2 Evaluation Report, August 2007 (revised October 2007), unpublished paper, p.40
- iv Eliadis, Maria, p.38
- v Eliadis, Maria, p.37
- vi Eliadis, Maria, p.23
- vii Eliadis, Maria, p.21
- viii NAB records, December 2007
- ix Eliadis, Maria, p.36
- x NAB records, December 2007
- xi Eliadis, Maria, p.40
- xii NAB records, December 2007
- xiii Eliadis, Maria, p.23
- xiv Eliadis, Maria, p.44

