

Select Committee on COVID-19 Inquiry
ANSWERS TO QUESTIONS ON NOTICE
Department of Industry, Science, Energy and Resources
Inquiry into the Australian Government's Response to the COVID-19 Pandemic

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, SCIENCE, ENERGY AND RESOURCES

TOPIC: Incubator Support Initiative

REFERENCE: Question on Notice (Senator Keneally)

QUESTION No.: 3

As result of the COVID-19 pandemic, could the department provide an update and any change to the Incubator Support Initiative – migrant and refugee expansion, please provide the following:

- a. When did the program commence?
- b. When will the program conclude?
- c. What amount has been expended to date, by year?
- d. What future expenditure is projected, by year?
- e. What outcomes are expected from the program, by year?
- f. Are there any changes to the delivery of the program as a result of the COVID-19 pandemic?

ANSWER

- a. The Incubator Support Initiative was launched in September 2016. In February 2020, the program was expanded to include support to incubators working with first generation migrant and refugee founders.
- b. The Incubator Support Initiative is funded through to 2022-23.
- c. Expenditure for the Incubator Support Initiative to date is as follows:

2016-17	\$1,479,179
2017-18	\$3,426,756
2018-19	\$8,083,781
2019-20	\$7,314,605
2020-21	\$1,004,906

- d. Future expenditure will include expenditure for the remainder of 2020-21. The future budget allocation for the Incubator Support Initiative by year is:

2020-21	\$6,240,000
2021-22	\$4,330,000
2022-23	\$3,220,000

This includes an additional \$5 million over four years from 2019-20 to 2022-23 to expand the Incubator Support Initiative to include a focus on supporting first-generation migrant and refugee founders.

e. The Incubator Support Initiative provides competitive grant funding for incubators to foster innovative, globally-focused startups and develop Australia's innovation ecosystem. The intended outcomes of the Incubator Support grant are to:

- support Australian start-ups, including first-generation migrant and refugee founders, to access their international business potential and increase their capability to operate in international markets;
- provide Australian start-ups with access to relevant information, training, networks, mentoring and other support;
- further develop Australia's innovation ecosystem, including in regional areas;
- increase the number of start-ups operating in international markets; and
- create opportunities for Australian start-ups to develop sustainable international businesses through access to open public data.

A number of first generation migrant and refugee focused projects are being developed by potential grant applicants. The Regional Incubator Facilitators work with all potential applicants to assist in developing suitable projects, and provide valuable advice about their proposals, even if applicants do not go on to access a grant.

f. In response to the COVID-19 pandemic, the Incubator Support Initiative has continued to deliver the program, while also responding with increased flexibility for grantees and applicants who need it.

The program has seen an increase in requests to vary grants including extensions to timeframes and revised delivery models, due to the impact of COVID-19 on incubators' original plans. The department has been as supportive as possible to allow grantees to deliver projects in different and flexible ways given the changing environment.

Regional Incubator Facilitators have followed COVID restrictions on travel and distancing that have restricted face-to-face discussions with potential applicants by providing phone, video and online advice.

Incubator Support grantees have proven adaptable and have continued to meet project deliverables by changing their delivery approaches, for example moving from face-to-face interactions, on-site activities, and components involving travel, to more virtual means of working with and assisting start-up businesses.