

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Vodafone Hobart call centre

REFERENCE: Written Question – Senator Carr

QUESTION No.: BI-135

In May 2013, the previous Government committed a \$4 million grant to Vodafone for a Hobart call centre. In relation to this funding:

1. Has it ever been paid to Vodafone? If so, under which Department?
2. Is the Department confident that the funding will be paid to Vodafone? Is the agreement still in place?
3. How many jobs did Vodafone have to create to fulfil the funding agreement?
4. Has Vodafone fulfilled the terms of the agreement in terms of job creation?
5. Is the Department aware of the number of workers currently employed at Vodafone's Hobart Call Centre?
6. Is the Department aware of any Senators or Members raising concerns about the agreement with the Minister?

ANSWER

1. Yes, the \$4 million was paid to Vodafone Hutchison Australia (VHA) in June of 2013, under a funding agreement with the then Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICSRTE).
2. Under the current funding agreement, VHA is required to maintain a balance of at least \$4 million in a specific Bank Account. At the conclusion of the current funding agreement the department will make a determination about whether the funding can be made available in full or part. The current agreement concluded on 30 June 2017, and a final report to the Department is due by 1 August 2017.
3. The basis of the current funding agreement was on sustainable, ongoing employment in Hobart through the provision of highly skilled and technical positions at the VHA Hobart Customer Care Centre. In meeting the goal of sustainable employment, the current funding agreement targeted the maintenance of at least 700 positions for the duration of the agreement.
4. The extent to which VHA has fulfilled the terms of the current funding agreement will be assessed by the Department upon receipt of their final report on 1 August 2017.

5. The Department is in close contact with VHA in managing the current funding agreement, this includes an awareness of current employment figures.
6. The Department is aware of concerns being raised.