

**Economics Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
Industry Portfolio  
Supplementary Budget Estimates Hearing 2014-15  
23 October 2014

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**AGENCY/DEPARTMENT:** DEPARTMENT OF INDUSTRY

**TOPIC:** Entrepreneurs Infrastructure Fund – Programme 3

**REFERENCE:** Written – Senator Wish-Wilson

**QUESTION NO.:** SI-72

1. What services are currently being offered under this programme?
2. How many businesses have accessed services under the three elements?
3. Have performance benchmarks for the programme been established yet?
  - a. What are they?
4. How are you letting businesses know these services exist? Are you approaching them? Are you advertising?
5. How did you determine eligibility criteria for participation including type of industry?
6. Can you give a breakdown by industry about uptake of the services offered?
7. How much does it cost on average for a business evaluation?
8. Can you provide further information on how you see the Research Connections matched grants working? What kind of activities are you envisaging?

**ANSWER**

1. As of 1 November 2014, the Entrepreneurs' Infrastructure Programme offers services and grants under the following three elements of the Programme:

Business Management

- Business Evaluations
- Supply Chain Facilitation
- Business Growth Services
- Business Growth Grants

Research Connections

- Research Connections Facilitated Service
- Research Connections Grant

Accelerating Commercialisation

- Accelerating Commercialisation Portfolio Service
- Accelerating Commercialisation Grant

2. As of 31 October 2014, 288 businesses had accessed the Business Management and Research Connections elements of the Entrepreneurs' Infrastructure Programme, which were launched on 1 July and 1 September respectively. The Accelerating Commercialisation element commenced on 1 November 2014.

3. Performance benchmarks for the assessment and delivery of services and grants have been set.

Application assessment performance benchmarks are:

<b>Service/Grant</b>	<b>Assessment timeframe</b>
Business Evaluation	4 working days
Supply Chain Facilitation	10 working days
Business Growth Services	10 working days
Business Growth Grant	15 working days
Research Connections Facilitated Service	10 working days
Research Connections Grant	15 working days
Accelerating Commercialisation Portfolio & Grant	75 calendar days

Service/Grant delivery performance benchmarks are:

<b>Service/Grant</b>	<b>Delivery timeframe</b>
Business Evaluation	up to 6 months
Supply Chain Facilitation	up to 2 years
Business Growth Services	up to 2 years
Business Growth Grant contract execution	3 weeks
Business Growth Grant completion	12 months
Research Connections Grant contract execution	2 weeks
Accelerating Commercialisation Portfolio & Grant	up to 2 years

4. The services and grants delivered under the Entrepreneurs' Infrastructure Programme are being promoted through a broad range of communication channels and promotional activities. Some of these include; direct mail outs, website information, referrals, engagement with partner organisations, media publications and networking activities undertaken by Programme advisers and facilitators.
5. The eligibility criteria for the Entrepreneurs' Infrastructure Programme are outlined in Part 3 (clauses 43 to 53) of the Entrepreneurs' Infrastructure Programme Guidelines November 2014 (available at [www.business.gov.au](http://www.business.gov.au)).

Eligibility criteria were informed by stakeholder views received during the consultation with stakeholders on the design of the Entrepreneurs' Infrastructure Programme between June and October 2014.

Eligible/priority sectors were identified through analysis by private sector economists including Deloitte Access Economics, IBISWorld and McKinsey. Their analysis identified a number of sectors with growth potential across the Australian economy. In the context of the Industry Portfolio sectors this included: food and agribusiness; mining equipment, technology and services; medical technologies and pharmaceuticals; oil, gas and energy resources; and advanced manufacturing.

For the Business Management and Research Connections elements firms must operate in the five identified growth sectors. Businesses providing enabling technologies and services are also included as they are considered vital to the productivity and competitiveness of these sectors.

Applications for the Accelerating Commercialisation element do not need to be linked to one of the five identified growth sectors to be eligible. This is primarily because innovation is by its nature disruptive and during early stage commercialisation it is often unclear as to the sector or target market the product or service will serve.

Instead, applications for grants under Accelerating Commercialisation will be assessed on a competitive basis against a range of merit criteria, including National Benefit. The National Benefit merit criteria will be used to ensure that commercialisation opportunities within the five identified growth sectors are prioritised.

6. A breakdown by industry sector of applications approved for services or grants under the Entrepreneurs' Infrastructure Programme is provided in the table below.

<b>Industry Sectors</b>	<b>%</b>
Advanced Manufacturing	15%
Food and Agribusiness	8%
Medical Technologies and Pharmaceuticals	5%
Mining Equipment, Technology and Services	9%
Oil, Gas and Energy Resources	3%
Enabling Technologies and Services	34%
Other	26%

Note: The "Other" category includes applications received between 1 July 2014 and 31 August 2014, prior to the decision to focus the eligibility criteria for the Entrepreneurs' Infrastructure Programme services and grants on five priority growth sectors and services and technologies enabling those sectors.

7. A Business Evaluation is delivered at no charge to the business. It does however require the business to invest time, a precious commodity for a business, in working with a business adviser to talk through the challenges it faces and its aspirations for charting a growth path.
8. The matched grant offered through Research Connections follows the delivery of a Research Connections Facilitated Service. Following completion of the service, businesses can apply for matched grant funds of up to \$50,000, to fund activities directly related to the outcome of the facilitated service.

As outlined on page 4 of the Customer Information Guide for Research Connections, these activities may include:

- Engagement of a publically funded research organisation to undertake research activities on the business' behalf;
- The placement of a researcher in the business in order to develop and implement a new idea with commercial potential;
- Access to research infrastructure; and/ or
- Access to other forms of research capability.