

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing
26 February 2009

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Enterprise Connect

REFERENCE: Question on Notice (Hansard 26 February 2009, E97)

QUESTION No.: AI-48

Senator CAMERON—You may like to take this question on notice. Can you give the committee an update on the operations of Enterprise Connect and how successful it has been?

CHAIR—Can I ask that you do take that on notice?

Senator Carr—Yes.

ANSWER

Enterprise Connect is a \$251 million election commitment launched on 21 May 2008 with a further \$20 million committed in December 2008 for a Defence Innovation Centre.

Enterprise Connect is a national network of manufacturing and innovation centres aimed at providing small and medium sized businesses with better access to new ideas, knowledge and technologies. Through a network of experienced Business Advisers, Enterprise Connect provides advice to businesses to become more innovative, efficient and competitive and lift productivity.

As at 26 February 2009, 1,425 applications for a no cost Business Review have been received with 854 completed. Eighty one per cent of applications are from manufacturing companies and the average annual turnover of all applicants is \$10.9 million.

Enterprise Connect collects systematic feedback on the Business Review. To date, these clients have reported:

- 88 per cent stated that their Business Adviser identified the key strategic issues facing their firm,
- 82 per cent said the Business Adviser identified opportunities for improvement and growth,
- 86 per cent that the Business Review was valuable for their business, and
- 89 per cent stated that they would recommend the Business Review to others.

As at 26 February 2009, the Department has approved 349 applications for the Tailored Advisory Service, providing \$4.4 million in matching funding to business to address issues and opportunities arising from the Business Review.

More than 30 per cent of Tailored Advisory Service projects have helped firms to implement recommendations to improve their strategic business activities. This includes formulating and implementing business goals, corporate governance issues and formal business plans. Twenty two per cent of projects deal with improvement to internal systems. This includes administrative procedures, quality assurance, risk management, and customer feedback systems. Fourteen per cent of projects deal with improvements to production processes. Nearly 10 per cent of

projects deal with advertising and marketing. The remainder relate to environmental issues, exploring new markets, financial management systems, human resources, and new product and service development.

Eight Enterprise Connect centres have been opened with Manufacturing Centres launched in Sydney (NSW), Dandenong (Vic), Mawson Lakes (SA), Brisbane (Qld) and Burnie (Tas) along with the Innovative Regions Centre in Geelong, the Remote Enterprise Centre in Alice Springs and the Creative Industries Innovation Centre in Sydney.

The Mining Technology Innovation Centre will be launched on 24 March 2009, the Perth Manufacturing Centre will be launched on 25 March 2009 and the Clean Energy Innovation Centre will be launched on 1 April 2009. The Defence Innovation Centre will become operational from the beginning of the 2009-10 financial year.

Interim Advisory Boards have been established to provide advice to the Minister on the establishment and development of the Manufacturing Centres, the Innovative Regions Centre and the Mining Technology Innovation Centre.

The Manufacturing Centres Interim Advisory Board is chaired by Mr Jim Walker AM, CEO of QMI Solutions. The Innovative Regions Centre Interim Advisory Board is chaired by Professor Roy Green, Dean of the School of Business at the University of Technology, Sydney. The Mining Technology Innovation Centre Board is chaired by Ms Christine Charles, Regional Director, Environment and Social Responsibility with Newmont Mining. Advisory Boards will also be established to assist in the implementation of the other three Innovation Centres.

The \$10 million Researchers in Business (RiB) initiative was launched on 5 March 2009. RiB places researchers into businesses to help them develop and implement new commercial ideas.