

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing 2009-10
10 February 2010

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY SCIENCE AND RESEARCH

TOPIC: Structural Adjustment Package

REFERENCE: Written Question – Senator Eggleston

QUESTION No.: AI-34

In respect to Structural Adjustment Package (Electrolux):

1. What is the stated purpose of program?
2. When did the program commence and when is it scheduled to end?
3. How much money has been budgeted for the program for each year of the program?
4. How much funds have been spent to-date on the program for each year of the program?
5. Is the program on schedule and on budget?
6. How are funds appropriated to the program allocated?
7. Is spending under the program subject to guidelines and/or ministerial decision?
8. If there are no guidelines governing spending how is it governed?
9. Have all funds been allocated in accordance with the guidelines?
10. Where ministerial approval of payments is required – have any payments or amount of payment been made, or not made, contrary to Departmental recommendations?
11. Is the Department aware of any situation where funds have not been spent in accordance with the guidelines or any other requirement regarding the use of the funds?
12. Has any situation arose requiring the recovery by the Government of funds paid by the government?
13. What amount has the Department spent in administering the program in each of the years of the programs operation?

ANSWER

1. The Innovation and Investment Fund (IIFSA) was established in response to the decision in September 2006 by Electrolux to scale back its Adelaide manufacturing facilities, affecting approximately 500 jobs. The purpose of IIFSA was to support investment aimed at creating sustainable new jobs in South Australia, with a focus on the Adelaide region in general.
2. IIFSA commenced 2006-2007 and is scheduled to end 2009-2010.
3. Administered budget. All figures are GST exclusive.

2007-08	-	\$7.054m
2008-09	-	\$7.195m
2009-10	-	\$10.751m

4. Payments – all figures are GST exclusive

2007-08	-	\$7.047m
2008-09	-	\$7.107m
2009-10	-	\$1.464 m (YTD)

5. As at 31 January 2010 the program is on schedule but not on budget.

6. IIFSA is a competitive, merit based grants program. All applications were originally reviewed against eligibility and merit criteria by the IIFSA team within Invest Australia before being provided to an Advisory Committee. The Committee then made recommendations on projects to be funded to the then Minister for Industry, Science and Resources and the South Australian Government and later to the Minister for Innovation, Industry, Science and Research and the South Australian Minister for Industry and Trade.

7. Yes.

8. N/A.

9. Yes.

10. No.

11. No.

12. No.

13. Total costs in administering program. All figures are GST exclusive.

2006-07	-	\$1.238m
2007-08	-	\$1.820m
2008-09	-	\$0.628m
2009-10	-	\$0.126m