

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing 2010-11
23 February 2011

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Commercialisation Australia

REFERENCE: Written Question – Senator Colbeck

QUESTION No.: AI-75

1. How many meetings of the Commercialisation Australia Board were held in 2009 and 2010?
2. How many staff does Commercialisation Australia have?
3. Does that include the Case Managers – and how many of them are there, and what salaries are they paid?
4. What has been the total ASL and total salaries for the entire set of Commercialisation Australia employees (including the Case Managers) for 2009-10 and 2010-11 respectively?
5. What has been the cost to date of creating and maintaining the Commercialisation Australia website?
6. What was the reason for creating a separate standalone website instead of housing this within the Department's main website that already existed when Commercialisation Australia was established?
7. How many of the grants made through Commercialisation Australia so far have gone to manufacturers?
8. Given there are no closing dates for applications and they are assessed on a continuous basis, how is the timing of the decision processes and announcements determined?
9. How often does the Board meet to assess and make decisions about the applications? And what kinds of records are kept of those meetings?
10. Given this is a competitive process, the final assessment step is presumably ranking the applications relative to one another, to establish which are the most qualified for funding?
11. Who makes the final decisions about which applications are supported?
12. The outcome of the third round of funding offers was publicly announced on 19 October last year. On what date was the final decision to make those offers signed off?

13. Were all of the individuals who were appointed to the Board required, before their duties began, to complete a declaration of interests? If so, to whom were those declarations submitted?
14. We understand that at least 22 incidents involving potential conflicts of interest for Board members had arisen by September 2010 – and at least 9 of these related to successful funding applications. Have there been further potential conflicts of interest identified since that time - and, if so, how many in each of those two categories?
15. Is there a procedure in place for formally advising the Minister and/or Secretary of further potential conflicts of interest as they arise?

ANSWER

1. No meetings were held in 2009 as the program opened for applications on 4 January 2010. There were 10 meetings held in 2010.
2. The staff allocation for 2010-11 is 52.05 ASL.
3. No. The Case Managers are engaged under contract - fee for service. In accordance with the Commonwealth Procurement Guidelines, details of the value of the Case Manager fee for service contracts are published on the AusTender website. As at 31 January 2011, the Department of Innovation, Industry, Science and Research had entered into contracts with 15 Case Managers which commenced in July/August 2010. For the period January 2010 to June 2010, the 13 COMET Business Advisors were engaged under contract to provide Interim Case Manager services.
4. The staff allocation for 2009-10 was 40.35 ASL at a cost of \$5.6 million (GST exclusive). The staff allocation for 2010-11 is 52.05 ASL at a cost of \$6.6 million (GST exclusive). As outlined in Answer 3 above, the Case Managers are engaged under contract. Total Case Manager expenses for 2009-10 was \$1.05 million (GST exclusive) for the 13 Interim Case Managers. Total Case Manager expenses for 2010-11 to 31 January 2011 was \$1.33 million (GST exclusive) for the 15 permanent Case Managers.
5. The commercialisationaustralia.gov.au website was developed and designed in house by the Department of Innovation, Industry, Science and Research at an approximate cost of \$55,000 (GST exclusive). The website is built on the Department's existing web infrastructure and has not required additional capital expenditure. Approximately 0.5 ASL is devoted to maintaining the website and its content. This ASL is included within the staff allocation outlined in Answer 4 above.
6. A separate website was established to make it easier for Commercialisation Australia stakeholders and potential applicants to locate the assistance and services it provides. The commercialisationaustralia.gov.au website contains easy to find links to other forms of assistance provided by the Department.
7. Of the 88 applications approved to 31 January 2011, 27 applicants (30.7 per cent) were from the manufacturing sector.

8. Meetings are held approximately every six weeks. Applicants are advised of the outcome following decisions being taken. Successful applications are reported on the Department's website within seven working days of contracts being executed as required by the Commonwealth Grant Guidelines. Successful applicants are announced by the Minister in a media release, the timing of which is at the Minister's discretion.
9. Meetings are held approximately every six weeks. Minutes are kept of these meetings which record the decisions taken.
10. Yes, applications are ranked at each meeting.
11. The Program Delegate, taking account of the merit ranking provided by the Commercialisation Australia Board, makes the final decisions about which applications are supported.
12. There are no rounds under the Commercialisation Australia program. The Minister's media release on 15 October 2010 announced applications decided by the Program Delegate on 27 July 2010, 5 August 2010 and 9 September 2010. Applicants were advised of the outcomes shortly after the Program Delegate finalised the decisions.
13. Yes. All members, upon appointment, prepare and lodge with the Innovation Australia Board Secretariat a disclosure statement of known pecuniary (and other personal) interests of themselves and their immediate family/spouse.
14. Yes. The disclosure of interest process for Board members is outlined on the Innovation Australia website (<http://www.ausindustry.gov.au/InnovationAustralia/Pages/InnovationAustralia.aspx>). This process has been followed for all cases. For material conflicts of interest members do not receive papers or take place in the decision making process. From 1 October 2010 to 31 January 2011 there have been material conflicts of interests declared by Board members in relation to 18 applications. Of these, eight were approved for funding.
15. No. This is not part of the documented disclosure of interest process referred to in Answer 14 above.