

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Budget Estimates Hearing 2009-10
01 June 2009

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: BEC Evaluations

REFERENCE: Written Question - Senator Ronaldson

QUESTION No.: BI-65

Mr Peel—As I mentioned, there are a range of services that each BEC has to provide. They include mentoring for new business, planning diagnostics, planning advice and development services, advice on loans and banking products, marketing plan preparation, advice on legal services, accounting services, leasing guidance, regulatory compliance advice and staff training programs.

Senator RONALDSON—How are you benchmarking that as against the services they previously provided?

Mr Peel—As I said, the contractual arrangements indicate that they need to provide these over and above what may have been provided previously and we monitor that. In relation to each report, I have figures here of the amount of services that have been provided overall by the BECs during the first reporting period. We are satisfied from those reports that they are all performing appropriately.

Senator RONALDSON—Could you take that on notice and perhaps provide me with a copy of the criteria upon which they are benchmarked?

Mr Peel—As I said, there are a range of services they have to provide in their reporting to us—

Senator RONALDSON—Perhaps if you could just provide me with that information in due course.

ANSWER:

The criteria against which the BECs are benchmarked are the number of additional advisory services provided under the following categories against individual base line performance measures (see BI-66):

- (a) **Mentoring for New Business:** Centre staff or consultants will provide advisory service meetings and networking opportunities for new small businesses.
- (b) **Business Planning Advice:** Centre staff or consultants will provide a diagnostic assessment of individual small businesses, followed by better business planning advice that meets the needs of the small business.

The Centre will assist small businesses with networking opportunities, writing better business plans, assessing and improving supply-chain management, e-commerce take-up, information technology and broadband, succession planning, and creating security for the business over leased premises or intellectual property.

- (c) **Loans and banking products:** Centre staff or consultants will provide independent information and guidance on available banking and finance products for small and micro-businesses.
- (d) **Simple Marketing Plans:** Centre staff or consultants will prepare simple marketing plans for small businesses on promotional opportunities and advertising options in their local area.

- (e) **Legal and Accounting Services:** The Centre will dedicate at least a portion of the recurrent funding for:
- small business intenders and new small businesses to access legal and accounting advice; and
 - established home-based/micro businesses to obtain advice on issues such as retail tenancy, intellectual property and credit management.
- (f) **Leasing Guidance:** The Centre will provide information and guidance on leasing terms and conditions during negotiations with prospective landlords.
- (g) **Government regulation:** The Centre will provide advice to businesses on regulatory compliance at all tiers of government.
- (h) **Staff training programs:** When significant new regulations start, the Centre will develop and deliver training programs for small businesses.
- (i) **Women:** Women are an increasingly important part of Australia's enterprise culture, and the Centre will ensure its programs cater for the needs of this client group.
- (j) **National Referrals:** Where a Centre's client is looking to conduct business interstate or intrastate, the Centre will refer the client to the most appropriate Business Enterprise Centre for assistance. Where appropriate the Centre will refer clients for industry specific assistance to another Business Enterprise Centre that has specific expertise in that industry.