

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Budget Estimates Hearing 2012-13
28 and 29 May 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Business Enterprise Centres

REFERENCE: Question on Notice (Hansard, Tuesday 29 May 2012, pages 54 and 55)

QUESTION No.: BI-87

Senator RYAN: Have you undertaken internal work on how many BECs you envisage laying off staff or winding down their activities on 1 July due to the end of the Commonwealth funding?

Ms Launder: Across the 36, anecdotally I have heard that there might be a few who are in the process of thinking that they will need to lay off their staff, but I cannot give you exact figures on that.

Senator RYAN: So the department has undertaken no work in looking into the impact of this transitional period and the lack of Commonwealth funding over what might only be six weeks if we look at the dates that we discussed earlier?

Ms Launder: Not personally from my area, no, we have not.

Senator RYAN: Is there anyone else from the department that may have looked at the impact of this?

Mr Cicchini: We have been aware for some time that the program is terminating on 30 June. From time to time we think about what that might mean. As Ms Launder said, the 36 have known that the program has been terminating. The government announcements have been around a competitive based round. They will need to apply in the process to get continued funding.

Senator RYAN: I appreciate that. The point I am coming to is the program's end. Often the competitive funding rounds will be structured so that they commence on 1 July rather than June 30 and the lack of funding from June 30 to potentially August may mean that if that gap did not exist you may have some of these centres in a position to have applied for funding, found out in June and then either continued or shut down, whereas now you may have some that no longer have the capacity to make the application and to continue their work.

Ms Launder: I would like to add to my previous answer. In fact, we are going through a process where we will contact the 36, so I might be in a position to take it on notice to get back to you specifically about any that reported to us in that process regarding having to lay off staff.

ANSWER

In the 2008-09 Budget, the Government announced funding for 36 Business Enterprise Centres (BECs) under the Small Business Advisory Services program. These BECs were contracted by the department in 2008-09 to provide business advisory services to small businesses. The BECs have known from the time contracts were executed that the schedule had a four year period.