

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2015-16 Additional Budget Estimates
11 February 2016

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Government's Growth Centres Program

REFERENCE: Written Question – Senator Carr

QUESTION No.: AI-140

In relation to the Government's Growth Centres program:

- a. How many of the Growth Centres are actually up and running?
- b. For each Growth Centre, how much money has been raised by private enterprise?
- c. Have any of the Growth Centres been successful in accessing the \$60 million pool of competitive funding for projects? If so, please detail which Growth Centres, including a summary of the project and the amount of funding awarded.
- d. What are the requirements for accessing the competitive funding pool? Does it require matching funds from industry?
- e. Are the Growth Centres still expected to be self-funding within four years of establishment? If so, please provide a breakdown of when this will occur for each of the Growth Centres.

ANSWER

27. In relation to the Government's Growth Centres program:

a.

All five initial Growth Centres are operational: Advanced Manufacturing; Food and Agribusiness; Medical Technologies and Pharmaceuticals; Mining Equipment, Technology and Services; and Oil, Gas and Energy Resources.

Further information about the individual Growth Centres is available at:

- Advanced Manufacturing Growth Centre: www.amgc.org.au
- Food and Agribusiness Growth Centre: www.fial.com.au
- Medical Technologies and Pharmaceuticals Growth Centre: www.mtpconnect.org.au
- Mining Equipment, Technology and Services Growth Centre: www.metsignited.org.au
- Oil, Gas and Energy Resources Growth Centre: www.nera.org.au

A Cyber Security Growth Centre, announced as part of the government's National Innovation and Science Agenda on 7 December 2015, will be established to grow and strengthen Australia's cyber security industry. The Growth Centre is expected to be operational by mid-2016. Further information about the Cyber Security Growth Centre is available at: www.business.gov.au/industrygrowthcentres

b.

Each Growth Centre is industry-led, and selects their own business model to suit the needs of the sector. For the five initial Growth Centres, additional funding to date is listed below.

- Advanced Manufacturing Growth Centre: To date, no private enterprise money has been raised for the Growth Centre.
- Food and Agribusiness Growth Centre: Since its establishment on 1 July 2015, the Food and Agribusiness Growth Centre, known as FIAL, has received in addition to grant funding further contributions of \$1,091,000 from various government and non-government sources to fund activities delivered by FIAL. FIAL runs an Enterprise Solution Centre that connects businesses to take advantage of a market opportunity – one to one matched company funding is a requirement to participate in the Centre.
- Medical Technologies and Pharmaceuticals Growth Centre: To date, no private enterprise money has been raised for the Growth Centre.
- Mining Equipment, Technology and Services Growth Centre: To date, no private enterprise money has been raised. The Queensland Government is providing \$6 million over four years to the Growth Centre.
- Oil, Gas and Energy Resources Growth Centre: To date, no private enterprise money has been raised. The Western Australia Government is providing \$875,000 over four years to the Growth Centre.

c.

There are two sources of project funding that fall under the Industry Growth Centres Initiative: Commercialisation Funding and the Industry Growth Centres Project Fund.

Commercialisation Funding

The Commercialisation Funding element of the Industry Growth Centres Initiative had \$60 million of funding over the four years from 2014-15. This is now \$74 million over the four years from 2015-16. This is delivered through the existing Entrepreneurs' Programme.

The Commercialisation Funding is not provided to the Industry Growth Centres; instead this funding is granted directly to firms that operate within one of the industry sectors covered by the Industry Growth Centres. As such, the breakdown below is the amount of Commercialisation Funding contracted to firms operating in one of those sectors, over the forward estimates. Refer to the Entrepreneurs' Programme Guidelines for more information: www.business.gov.au/EP.

<i>Sector</i>	Number of projects funded	Commitment (\$) per financial year		
		2015-16	2016-17	2017-18
Food and Agribusiness	12	1,938,650.40	2,378,832.00	412,733.00
Advanced Manufacturing	17	3,425,091.23	3,050,318.00	217,927.00
Medical Technologies and Pharmaceuticals	22	4,136,597.37	3,028,292.00	522,935.00
Mining Equipment, Technology and Services	9	1,730,746.64	913,738.00	62,500.00
Oil, Gas and Energy Resources	2	768,914.36	549,303.00	50,000.00
TOTAL	71	12,000,000	9,920,483	1,266,095

Project Fund

The Project Fund will assist the Growth Centres to undertake industry-led projects within and between key growth sectors to improve their productivity, competitiveness and innovative capacity.

The Project Fund element of the Industry Growth Centres Initiative commences in 2015-16. The funding is \$88 million over the four years from 2015-16, which includes new funding for the Cyber Security Growth Centre announced as part of the National Innovation and Science Agenda. Funding under the Project Fund will be granted to Growth Centres following a merit-based selection process.

d.

Commercialisation Funding

The Commercialisation Funding is made available through a competitive merit-based process to support projects with the potential to attract sector investment and bring new ideas to market. To access the Commercialisation Funding, firms apply through the website: <http://www.business.gov.au/AcceleratingCommercialisation>. Commonwealth investment is no more than 50 per cent and up to \$1 million in total per project.

Project Fund

The Project Fund granted to Growth Centres following a merit-based selection process. Guidelines for the Project Fund will be released in due course.

e.

The Growth Centres are expected to be self-funding by the end of their Commonwealth funding agreements. Each Growth Centre is industry-led, and selects its own business model to suit the needs of the sector. The end date for each Growth Centre is listed below.

- Advanced Manufacturing Growth Centre: 30 June 2019
- Food and Agribusiness Growth Centre: 30 June 2019
- Medical Technologies and Pharmaceuticals Growth Centre: 31 October 2019
- Mining Equipment, Technology and Services Growth Centre: 20 October 2019
- Oil, Gas and Energy Resources Growth Centre: 30 June 2020