

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: Treasury

Question: BET 892-913

Topic: Small Business Assistance

Reference: Written – 12 June 2014

Senator: Wong

Question:

With reference to the Budget cuts to the following programs and replacement with the Entrepreneurs' Infrastructure Programme.

- Australian Industry Participation;
- Commercialisation Australia;
- Enterprise Solutions;
- Innovation Investment Fund;
- Industry Innovation Councils;
- Enterprise Connect;
- Industry Innovation Precincts; and
- Textile, Clothing and Footwear Small Business and Building Innovative Capability.

892. What consultation with business took place before the axing of the above programs?
893. What will the new Entrepreneur's Infrastructure Programme do? What are its objectives and guidelines?
894. What industry consultation took place in devising its purpose and guidelines?
895. How and when will businesses be able to apply?
896. Are you aware of any gaps for SB between what the previous grants covered and the Government's new approach of funding the Entrepreneurs' Infrastructure Programme?
897. Do you yet have an idea of what SB could previously seek assistance that no longer can under the new Entrepreneurs' Infrastructure Programme?
898. What research and consultation has been done with the Small Business Community to ensure the Entrepreneurs' Infrastructure Programme is needed, wanted and delivered effectively?
899. Could you please list the ways the new Entrepreneurs' Infrastructure Programme is better at assisting SB than the 8 programs that were cut that we were discussing earlier?
900. Does the Department have any concerns with the new program?
901. What aspects of SB were considered when your department gave advice on the Entrepreneurs' Infrastructure Programme?
902. Has an economic analysis been done on the effects of the cuts to these grants on SB?
903. Has a regulatory impact statement been done?

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- 904. How developed is the Entrepreneurs' Infrastructure Programme? When will it be fully operational?
- 905. How much guidance has the Department provided with regard to the creation of the Entrepreneurs' Infrastructure Programme?
- 906. How does Entrepreneurs' Infrastructure Programme differ from the axed Commercialisation Australia currently does?
- 907. How much of the funding for Entrepreneurs' Infrastructure Programme will be spent on grants versus staff and management?
- 908. How many staff will be hired to implement this program?
- 909. What stakeholder and community engagement has the Government done to ensure this idea is wanted, useful and implemented appropriately?
- 910. How will success of this new program be measured? What benchmarks are in place? Will these benchmarks be different to what was in place with Commercialisation Australia?
- 911. Will businesses still be given their own case manager as they were with Commercialisation Australia?
- 912. Between the demise of these current programs and the start of Entrepreneurs' Infrastructure Programme, what assistance is still available for SB?
- 913. We know that with the Abbott Government there is certainly a push to privatisation – which was exactly the sort of niche market that suited the Enterprise Solutions Program. Now that the program is cut, what services will be available to help SB win Government contracts?

Answer:

- 892. This was a decision of Government taken in the context of Budget considerations.
- 893. A description of the objectives and services to be provided through the Entrepreneurs' Infrastructure Programme are available in the discussion paper available at www.industry.gov.au. The Ministerial Guidelines for the Entrepreneurs' Infrastructure Programme are available at www.business.gov.au.
- 894. Stakeholder consultation occurred during June 2014. The Department of Industry continues to undertake stakeholder consultation on the design and development of the Programme.
- 895. Two programme elements opened 1 July 2014. Details of the application process are available at www.business.gov.au.
- 896. No. The Entrepreneurs' Infrastructure Programme (EIP) and associated Single Business Service initiative will streamline engagement with business and will focus on supporting job creation, providing information, and facilitating access to business management advice, including for small business.

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897. Transition arrangements for previous industry and innovation programmes are outlined in the Transitioning to the new Entrepreneurs' Infrastructure Programme Factsheet distributed to stakeholders at the consultation sessions.
898. Ongoing consultation occurs with the Small Business Community.
- Small business has consistently asked for a simpler service and offerings from government. The Entrepreneurs' Infrastructure Programme (EIP) and the Single Business Service initiative give effect to this approach.
899. The Entrepreneurs' Infrastructure Programme (EIP) and the associated Single Business Service initiative will streamline engagement with business, including small business, and will provide:
- a more integrated set of programmes, and
 - a significantly expanded capacity to provide information and assistance through a consolidated call centre and web-based interaction service.
900. No.
901. Small business has consistently asked for a simpler service and offerings from government. The Entrepreneurs' Infrastructure Programme (EIP) and the associated Single Business Service initiative give effect to this approach.
902. No. The Entrepreneurs' Infrastructure Programme will enhance the offerings available to small business. It will simplify and streamline the way businesses access government information and services by putting their needs first, reducing red tape and providing quality, consistent services at the lowest possible cost.
903. The Department of Industry is currently preparing the Regulatory Impact Statement.
904. The Entrepreneurs' Infrastructure Programme had adopted a phased implementation approach. The Programme will be fully operational by 1 January 2015. Two elements were launched on 1 July 2014. Further information can be found at business.gov.au.
905. The Treasury was consulted in the development of the Entrepreneurs' Infrastructure Programme.
906. The Entrepreneurs' Infrastructure Programme will seek to deliver support for businesses as an integrated product suite. The Department of Industry is continuing to work on finalising programme design.
907. The budget for the Entrepreneurs' Infrastructure Programme is outlined and broken down to administered and departmental expenses on page 31 and capital funding on page 33 of the Industry Portfolio 2014-15 Portfolio Budget Statements.
908. The Department of Industry is unable to confirm ASL for implementation as the Department is still working to finalise programme design.
909. Stakeholder consultation occurred during June 2014. The Department of Industry continues to undertake stakeholder consultation on the design and development of the Programme.

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910. Key performance indicators for the programme are being considered as part of ongoing programme design.
911. Services under the commercialising ideas stream will include access to commercialisation advisers. The Department of Industry is continuing to work on finalising programme design. Existing Commercialisation Australia customers will continue to have access to their case managers for the duration of their existing contractual arrangements.
912. The Entrepreneurs' Infrastructure Programme commenced on 1 July 2014. Existing small business programmes such as the Small Business Advisory Service are ongoing programmes. The Small Business Support Line is now integrated into the expanded Single Business Service contact centre, which has the capacity to provide dedicated support and advice for Small Businesses.
913. The Government is committed to improving small business access to the Commonwealth procurement market. The Department of Finance has been funded to work with small businesses and their representatives to develop procurement policy, guidance material, training and education programmes that will make it easier for small business to do business with the government.

One recently implemented initiative is the Commonwealth Contracting Suite (CCS), a suite of procurement and contract templates Commonwealth entities will use when undertaking low risk procurements valued under \$200,000. The CCS includes simplified terms and conditions, including liability and insurance requirements, in Commonwealth contracts and will provide a consistent approach for all suppliers in dealing with the Commonwealth Government.