

**BUSINESS ENTERPRISE CENTRE PROGRAM, REVIEW**

*Statement by Minister for Small Business*

**MR J.B. D'ORAZIO (Ballajura - Minister for Small Business)** [2.17 pm]: I am pleased to inform the house that, following a lengthy period of public consultation, the review into the business enterprise centre program is nearing completion. The business enterprise centre network comprises 34 centres, which have developed their services over time to meet the needs of their local communities. However, the review has identified a number of key issues facing the BEC program in the current format including excess facilitation capacity in some centres, inequitable funding in relation to small business demand, lack of consistency of service between centres, duplication in administrative and infrastructure for centres and a need to improve stakeholder relationships, particularly at a local level. The review of the BEC program has therefore sought to identify recommendations that will lead to an improvement in the effectiveness and efficiency in the operations of the network.

The recommendations for a proposed new BEC structure will be presented to the Small Business Development Corporation board shortly. I plan to release the new network proposal for comment for three to four weeks before taking it to cabinet. While this work is being completed, I have decided to provide an interim extension of the funding to the existing BEC network until 31 December 2005. This will allow the business enterprise centre service to continue operation while the final determinations are made. I have also asked the SBDC to prepare contracts by August so that they are in place well before the new network commences operations on 1 January 2006.

The business enterprise centre network provides a diverse range of community-based services to the small business sector, particularly in regional Western Australia. However, the review has identified that the current network has areas of excess capacity and we need to ensure that we redirect this capacity to the areas of greatest need. It is therefore essential I ensure that all possible alternatives are fully considered prior to making a final decision about the future structure of the service. I am very confident that the final result will be a more efficient and effective business enterprise centre network that continues to assist the booming small business sector in this state.