

SMALL BUSINESS CENTRE NETWORK

Statement by Minister for Small Business

MR J.B. D'ORAZIO (Ballajura - Minister for Small Business) [2.20 pm]: I am pleased to be able to outline to the house the final details of the Gallop government's restructuring of funding for Western Australia's community-based small business support network. The government's restructure has two major objectives; namely, providing better services for small business and achieving better use of the services by small businesses. We have provided a major resource boost to the network - from \$2.28 million to \$3.189 million - and we expect results. The changes are substantial and include a 24 per cent increase in recurrent core funding for the network; a new annual \$174 000 allocation to enable centres to coordinate their personnel, services and market development activities across the network; a one-off \$185 000 allocation for capital equipment including information technology, communications and vehicles; two specialist centres - one in Derby focusing on indigenous small businesses and another in Belmont focusing on the clothing and textile sector; a reduction in the number of centres funded from 35 to 26; and a change in name to the small business centre network.

The new arrangements secure a fair deal for regional Western Australia, with 74 per cent of the funding going to non-metropolitan centres. Each small business centre will enter into an agreement with the state government that will include a requirement that its services be accessible to all small businesses in the area for which it is responsible. This will mean for some centres a shift from a town or shire-based focus, and we expect that the make-up of their management committees will reflect this change. The change in focus is underlined by the adoption of new regional names for many of the centres. Consultation since the draft restructure was released in June has resulted in re-allocation of some funds to more accurately reflect responsibilities. These are a transfer of \$20 000 to the Southern Wheatbelt Small Business Centre - formerly Narrogin - from the Great Southern SBC in Albany, along with responsibility for businesses previously serviced from Jerramungup; and a transfer of \$10 000 to the Mid-West SBC in Geraldton from the Eastern Districts SBC in Corrigin in recognition of predicted growth in Geraldton and responsibility for areas previously serviced from Perenjori. Despite these changes, each centre will receive a substantial increase in funding, and this new level of recurrent funding has now been secured for future years. Since the draft restructure proposal was released, the government has allocated an additional \$200 000 to the network's recurrent funding beyond 2005-06 so that its new level of core funding is maintained.

The change of name to the small business centre network better promotes its role in providing support for all small businesses, both new enterprises and existing businesses. The name was chosen as a result of consultation with the current business enterprise centre network. The name change reflects a better integration of SBC services with the state's Small Business Development Corporation. The new arrangements will be in place by 1 January 2006. More funding and a new focus for the network will improve the quality of services to small businesses, wherever they are located in Western Australia. I table a paper outlining the new names and the allocation of funding on a zone-by-zone basis.

[See paper 860.]