



**Minister for Innovation, Services and Small Business
Minister for Tourism and Major Events**

121 Exhibition Street
Melbourne Victoria 3000
GPO Box 4509
Melbourne Victoria 3001
Telephone: (03) 9651 9900
Facsimile: (03) 9651 9962

Ref: LA330894

Mr Philip R Davis
Chairman
Parliament of Victoria
Public Accounts & Estimates Committee
Spring Street
EAST MELBOURNE VIC 3002

Philip,
Dear Mr Davis

**2012-13 BUDGET ESTIMATES FURTHER INFORMATION - INNOVATION,
SERVICES AND SMALL BUSINESS PORTFOLIO**

Thank you for your letter dated 7 June 2012 regarding 2012-13 Budget Estimates Further Information - Innovation, Services And Small Business Portfolio.

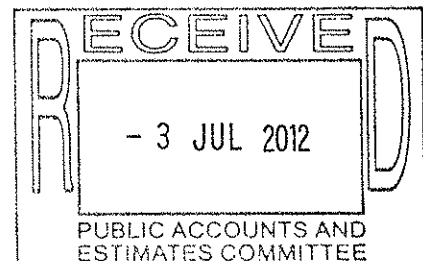
My response to your request for additional information is attached.

If you or your officers have any queries regarding the response, please contact Ms Deborrah Jepsen, Executive Director, Strategic Planning and Ministerial Services on 9651 9421.

Yours sincerely

THE HON LOUISE ASHER MP
Minister for Innovation, Services and Small Business
Minister for Tourism and Major Events

29 JUN 2012



Attachment: Questions taken on notice and further information agreed to be supplied at the hearings

Innovation, Services and Small Business Portfolio

1. **Please list all of the small business assistance programs that ceased/lapsed in 2011-12 and 2012-13.**

(Page 8 of portfolio transcript)

As indicated at the PAEC estimates hearing, small business assistance programs that are lapsing between 2011-12 and 2012-13 are:

- Skills for Growth; and
- MasterClass for Growth (Time to Thrive).

Please refer to pages 8 and 14 of the portfolio transcript.

2. **Please indicate:**

- a. **the value of savings initiatives to be realised by the Department in 2012-13;**

(Pages 15 of portfolio transcript)

Budget savings to be realised by the Department in 2012-13 are:

- Savings outlined in 2011-12 Budget Update (\$8.9 million) (p 113).
 - Savings of \$6.6 million is the Department's contribution to year one of the Sustainable Government Initiative.
 - Savings of \$2.3 million to be achieved by not indexing Departmental operational (non-salary) expenditure.
- Savings outlined in 2012-13 Budget (\$14.7 million) (p 11 BP3).

- b. **their impact on front-line services and the Department's ability to maintain economic growth and jobs**

(Pages 15 of portfolio transcript)

Departmental savings affect a range of initiatives and programs. These initiatives and programs have been refocussed or replaced in the 2012-13 Budget to reflect the challenging investment environment, primarily as a result of the high Australian dollar and economic conditions in traditional investment source countries and the Government's priorities in the current budgetary environment (i.e. a budget surplus, a focus on productivity, new markets and assistance to existing businesses).

The Department does not have any front-line services. However Business Development Managers provide our primary interface with businesses in the field. Given the importance of the services they provide, every attempt will be made not to reduce these positions.

New funding provided for the International Engagement Strategy, manufacturing initiatives and refocussed small business support will all support the Department's capacity and ability to encourage economic growth and jobs.

