



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**GRIEVANCE DEBATE**

**Employment**

**SPEECH**

**Monday, 30 May 2011**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Questioner**  
**Speaker** Mr SIDEBOTTOM

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(Braddon) (NaN.NaN pm)

Mr SIDEBOTTOM (Braddon) (21:10): I would like to thank the government for its efforts to tackle, as is its responsibility, unemployment in my region. The federal government has adopted a number of projects and programs and initiatives. I am speaking about things in addition to the Jobs Fund, in addition to the highly successful BER program in my region and also the Regional and Local Community Infrastructure Program. On top of those things, the federal government has gone about developing specific programs to tackle unemployment. In many ways this has been highly successful. The government has been able to achieve this success because it has responded to a local situation, taken local advice and remained fairly flexible in its programs. Only recently in the budget one of my municipalities was deemed to be one of the place-based initiative areas for Australia and eligible for the funding that is associated with that.

On top of those government initiatives, which I will return to in a moment, there are government programs and I want to congratulate the business and employment unit of the O group organisation in my region who have been the recipients of Small Business Advisory Service funding, Small Business Field Officer Program funding, Home-Based Business Program funding and Building Entrepreneurship in Small Business program funding as well. They have gone about helping small businesses in my region. Many of the small businesses in my region have been able to grow and absorb the unemployment that has unfortunately been caused through the closure of two of our paper mills, the Tascot Templeton carpet factory and a major part of the McCain vegetable processing plant in Smithton. We now face the prospect of losing more jobs through the forest restructuring going on in the state, particularly with the unilateral action of Gunns. Unfortunately that will have a negative impact. On top of the programs I have just referred to, and before I mention the major one I want to talk about, the federal government has also funded the ForestWorks program to specifically map and do an inventory of all those workers at our paper mills and to see them into training or setting up their own businesses or retiring. Each and every one of them will be tracked. That program has done a terrific job. On top of that, my region has also been the beneficiary of a local employment coordinator.

I congratulate the former Prime Minister, Kevin Rudd, who personally intervened in this next matter I turn to, and Minister Kim Carr and I were pleased to play a part in it, as were many other government ministers. I refer to the North-West and Northern Tasmania Innovation and Investment Fund. I want to share this with my colleagues because I think it is a template that is applicable throughout Australia. I do not care what the region or what the party—it works. It is working on my region, and I am really pleased that it has tackled unemployment.

This fund was established on 8 December 2009. It had a \$17 million competitive grant template to assist with the development of the broader north and north-west economies. The fund was intended to stimulate innovation, investment and jobs in the north-west and Northern Tassie in the face of the unemployment that I mentioned to you earlier. It is a joint initiative. In the main it is from the federal government but it also has a Tasmanian government contribution, and I thank them. It was established as a regional structural adjustment program and provides merit-based competitive grants of a minimum of \$50,000 to business for innovative projects that would create sustainable jobs and/or diversify the region's economy, including supporting projects that encompass new innovation and technology and emerging industries. I know that sounds a lot, but it actually worked on the ground, and I would like to share with you how we do it.

The grants support business expansion or capacity-building projects on a matching dollar-for-dollar basis, and that is the key. If you have to put skin in, I think it is a demonstration of your bona fides and that you are dead serious. This is not just a handout; this is actually assisting and working with you in cooperation. The capacity of the applicant to successfully undertake the project was assessed, as was the capacity of the applicant to match the funding being applied for, which was really important.

So the federal government contributed \$12.5 million and the state government \$4.5 million. The fund received 123 eligible applications, and the applicants sought nearly \$120 million of the funding. As you can see, it does not work out exactly like that. AusIndustry assessed all the projects against the eligibility and merit criteria and provided recommendations to an

assessment panel for consideration. The assessment panel included an independent member of the local community from the region as well as representatives from the Australian and Tasmanian governments. It was delivered by AusIndustry, with Tasmanian based staff available to provide advice to potential applicants. I thank all those members of AusIndustry who have taken part in this—in particular Geoff Atkinson and his crew, who have done a terrific job. There are local people knowing local conditions applying local solutions.

Thirty-six projects were approved, with total project budgets of nearly \$36 million. There was over \$19 million in matching contributions from the businesses, so it achieved that first up. The projects are to be completed—and many are—and the final payments made before 30 June this year. Due to the number and quality of applications received, there was no need for a second round. This was in the north-west of Tassie where, on the surface, things are hard and people are doing it hard, but it is a diversified economy, and that is at the heart of the survival of rural and regional Australia. This helped us to continue to diversify and sustain what we have there. It was estimated that 417 jobs were created. We have already created 256 jobs to date, so it is doing a great job that way. There are six grants of more than \$1 million, four grants between \$500,000 and \$1 million, five grants between \$250,000 and \$500,000, and 21 grants between \$50,000 and \$250,000. The projects cover a wide range of business types and sizes. The largest grant, for instance, was just over \$2 million, and the smallest grant was \$50,000.

I will just share with you some of the projects, because I know we have regional members here, and this will typify the successful applicants and the broad range and diversity of the businesses: building supply wholesaling; two electricity supply businesses; bakery product manufacturing; two dairy product manufacturing businesses; wholesale trade; two biotech, pharmaceutical, veterinary and diagnostics businesses; two meat-processing businesses; poultry processing; three vegetable-growing businesses; four construction businesses; fabricated metal product manufacturing; other manufacturing; nuts, bolts, screws and rivet manufacturing; other food product manufacturing; automotive repair and services; mining services; retail trade and other services to water transport; fresh meat, fish and poultry retailing; sheet metal product manufacturing; printing and printing support services; marine shipping; plant nurseries; bacon, ham and smallgoods manufacturing—mmm, that's excellent business; iron and steel forging; plastic manufacturing; aquaculture; and boatbuilding. Anyone who was unsuccessful could be contacted, and was contacted, by AusIndustry to give them feedback for any future in terms of this program.

I recommend to you, colleagues: if you are looking for a template, no matter what side of the fence you are on, you cannot go past what we call the North West and Northern Tassie Innovation and Investment Fund. I really do recommend it to you, and I thank everybody that has participated in this, particularly those businesses. If I could do anything before I either leave or they kick me out of this place, it would be to get a replication of this into the future. I recommend it to you, and if any member would like to have a yak with me about this I am more than happy to share it with them.

The DEPUTY SPEAKER ( Hon. Peter Slipper ): I am not sure whether the descriptive rendition by the member for Braddon of the consumption of smallgoods from his area was necessarily orderly or disorderly, but I suspect we will move on.

(Fisher) (NaN.NaN pm)