

BUSINESS GROWTH CENTRE

Statement

HON LJILJANNA RAVLICH (East Metropolitan) [10.10 pm]: I rise tonight to talk about the Business Growth Centre and the fact that its future hangs in the balance. It appears to me that if ever there was a time to be supporting small business, it is now, yet we find that the future of the Business Growth Centre is at risk. The BGC was established as a result of many years of intensive lobbying by the Combined Small Business Alliance of Western Australia and the Small Business Development Corporation and resulted in the establishment of a State Training Board subcommittee and a small business advisory committee that comprised representatives from small business organisations, the Small Business Development Corporation, small business centres, academia, the Department of Training and so on. The establishment of the BGC was a recommendation of a 2007 review. The centre had been established as a part of the West Coast Institute of Training and is under its umbrella. However, there are concerns that it will no longer be funded by the government, and without any funding, the centre will no longer exist.

As I understand it, a number of parties have written to the Minister for Training and Workforce Development seeking an assurance about the future of the Business Growth Centre and wanting information about the recommendations of a review that the minister commissioned into the BGC by Professor Tim Mazzarol. I am told that this report is still with the minister and that its findings have not been made public. Clearly there is a lot of uncertainty as a result of that. CoSBA has written to the minister about its concerns, and the chair of the governing council of the West Coast Institute of Training has, on behalf of the institute, also written to the minister expressing its concern about the lack of commitment to the continuation of funding for the Business Growth Centre. I want to put on the public record a part of the correspondence from Russel Perry, the chair of the governing council. The letter states —

It is with regret and concern that I write to you again regarding the future of the Business Growth Centre (BGC). You will remember that in recognition of the fixed term funding arrangement, I wrote to you approximately a year ago to see if the necessary and appropriate review regarding the future of the BGC could be carried out to provide reasonable notice for future planning. You kindly replied and indicated that the review would commence in early 2011. Sadly by the middle of this year nothing had been commenced and we exchanged correspondence again reflecting the unfortunate position that the West Coast Institute of training (WCIT) found itself in with regard to:

1. Staff retention.
2. Staff morale.
3. Commitment to ongoing operations and programs.
4. Financial implications of leased premises.
5. Publicity associated with new initiatives in regional areas.

Since the subsequent commencement of the review WCIT has been liaising as closely as possible with the Department of Training and Workforce Development in regard to participation in and contribution to the review. Both the Governing Council and the executive of WCIT have appreciated your support for BGC during the past two years.

This is the rub, and I am glad the minister is in this place. The letter continues —

However for whatever reasons, as recently as this week, the Department has been unable to advise WCIT when it will be in a position to provide advice as to the future of BGC beyond the current contract period. It appears the process of review is being carried out scrupulously but with no recognition of the practical impacts of the ultimate outcome.

Really, the sad situation is that, as the letter states —

As we approach the end of October, the uncertainty surrounding the future of BGC is making it impossible to plan for future activities in 2012; also staff are reluctant to sign up new clients, as they may have a service obligation post 31 December 2011 and there is no certainty as to how this will be met; and staff themselves are understandably uncertain about the future and in several cases quite reasonably looking for other opportunities.

The letter goes on to state —

Council is extremely concerned about the potential negative impacts to WCIT's brand and reputation, as well as the need to properly manage the contractual arrangements associated with both staff and leases.

I have to say to the minister that if I was him, the first thing I would be doing is putting that phone down that he plays with constantly.

Hon Peter Collier: It's a new phone! It's brand-new; I'm just learning how to use it.

Hon LJILJANNA RAVLICH: It is a brand-new phone? Maybe the minister should be paying much more attention to what I am saying.

Hon Peter Collier: Because you were such a success as an education minister. Weren't you such a roaring success? Worst ever!

Hon LJILJANNA RAVLICH: Look, the minister only demonstrates his own insecurity when he butts in like that.

Hon Peter Collier: Go back and re-read *Hansard* for the last four years!

Hon LJILJANNA RAVLICH: And we only have to look at today's newspaper to read about his lack of competence.

The PRESIDENT: Order!

Hon Peter Collier: You have to be joking!

Hon LJILJANNA RAVLICH: Mr President, the minister should be making public the recommendations in the report by Mr Tim Mazzarol. Secondly, he owes it to the chair of the governing council and he owes it to the staff and clients to provide them with information in relation to the continuation of funding. He needs to ensure that the West Coast Institute of Training has certainty around the future of the Business Growth Centre. Clearly, he is not doing that. I want to put on the public record that it also states —

After due deliberation, taking into account the need to practice good governance and to reflect WCIT's values, it was unanimously resolved that without any decision or appropriate information by the end of October that the WCIT Corporate Executive should commence to wind down the BGC and bring the operation to a close in the most appropriate and dignified way possible as far as the institute, its staff and its clients are concerned. We would of course, work closely with our regional partners to minimise the impact in their communities.

The other matter pointed out in this correspondence is that the governing council also does not want to be carrying the liability for any of the costs associated with ongoing lease arrangements post-31 December 2011, which is when I assume its funding runs out. Quite clearly, I think these people have been dealt with rather shabbily. I think the closure or the lack of certainty about the future of the Business Growth Centre is unacceptable. As I said in my opening remarks, if ever we should be supporting small business in the state and the growth of small businesses across Western Australia, the time is now. Clearly, the minister has his head in the sand. If he understands what the economic impact on small business has been in the past couple of years as a direct result of the global financial crisis, he will know that small businesses are doing it particularly tough. He will know that the services provided by the Business Growth Centre are essential services to that industry. If he has another plan, he should come out and make that plan public, because what we see here is more of the very sneaky minister who is not up-front, who is not forward, who is not direct and who does not provide the support to those portfolio areas that he has responsibility for.

House adjourned at 10.21 pm
