



ACT Government

2005-2006 BUDGET

MEDIA RELEASE

GOVERNMENT INCREASES ITS SUPPORT FOR CANBERRA, THE SMART CITY IN 2005-06 BUDGET

Minister for Economic Development, Ted Quinlan, today announced further initiatives to support enterprise development in the Territory.

“The Government will extend out-year funding to the Knowledge Fund by providing an additional \$3 million to the Fund in 2008-09,” the Minister said.

“This new funding will take the Government’s total funding commitment to the Knowledge Fund to \$21.5 million. The Knowledge Fund, which is the Government’s centrepiece business grants program, has already leveraged approximately \$44 million in company project expenditure and supported over 200 new knowledge economy jobs in the Territory.

The Minister also announced additional funding of \$1.4 million over four years to support a range of industry development activities across the nine priority industry sectors identified in the *Economic White Paper*. The funding will be applied across a range of projects including cluster development and capability mapping activities, increasing local industry participation in major infrastructure projects and new initiatives to showcase innovative ACT companies on the national and international stage.

Mr Quinlan added that as well as support for enterprise development, the Government will continue its focus on key business infrastructure in the Territory.

“Last week I had the pleasure of announcing the new home for the National Information and Communication Technology Australia Centre of Excellence (NICTA) in Canberra,” the Minister said. “NICTA is rapidly developing as the pre-eminent information and communications technology (ICT) research institute in Australia and this announcement will consolidate NICTA as a landmark institution in Canberra.

“The ACT Government’s \$20 million investment in NICTA has already leveraged \$127 million in Commonwealth funding plus the \$60 million to construct the new purpose built site. As well as the 100 new NICTA positions and 100 PhD student places, an estimated 280 new jobs will come from the construction phase.

“This does not include the impact NICTA will have on driving SME development in the Territory’s burgeoning ICT sector,” he said.

Released: 3 May 2005

Inquires :Narelle Luchetti 6205 0145 or 0418 448 660



Looking to the future, Mr Quinlan said that the Department of Economic Development, created after the 2004 Election, will be instrumental in driving business and economic development in the Territory in the coming years.

“As well as delivering key services and programs to the business community, I have tasked the Department to develop strategies on some of the big issues facing the Territory over the next 5-10 years,” Mr Quinlan said.

“Demographic change and workforce availability, skills shortages, infrastructure development, maintaining a highly competitive business environment and leveraging private sector funds into key infrastructure and commercialisation investment vehicles are critical questions for all Australian governments, and indeed the ACT,” Mr Quinlan said.

These budget measures continue the Government’s support for the ACT business sector and for Canberra as a smart city. Highlights include:

- A funding commitment of \$21.5 million to the Knowledge Fund (from 2002 to 2008/09).
- Introduction of the Export Growth Program in December 2003. To date, the program has provided assistance to 70 ACT companies. As a result of this assistance, in the 2003/04 Financial Year, the supported companies have generated \$23 million in export sales. This represents a return of at least \$84 for every one dollar invested by the ACT Government to the ACT economy.
- Appointment of the Territory’s first Small Business Commissioner in March 2005.
- Establishment of the \$30 million ANU / MTAA Super Venture Capital Partnership with a repayable Government grant of \$10 million. The Partnership will bring new sources of equity funding to Canberra’s innovative businesses and put us at the forefront of the commercialisation of innovative ideas.
- Provision of \$10 million to expedite construction of a new Health Science Facility at the University of Canberra. The new facility will increase the number of skilled health professionals in the ACT and boost education exports.
- Launch of screenACTion, the ACT’s office of film, media and digital content.
- Set up of the Business Springboard Program as a network to provide emerging entrepreneurs with access to panels of local business people who they can test their ideas on and accelerate their learning.
- Establishment of a One Stop Business Shopfront at 220 Northbourne Ave, which houses BusinessACT, the Canberra Business Advisory Service (CanBAS), the Small Business Commissioner, screenACTion and the ACT Office of Austrade. New and existing businesses will be able to access all the information they need at one location, a new ‘one stop shop’ for Canberra businesses.

Statement ends