

**Question on Notice
No. 1038
Asked on 8 June 2006**

MS MALE asked the Minister for Small Business, Information Technology Policy and Multicultural Affairs (MR CUMMINS) —

QUESTION:

With reference to statistics that show that the franchise sector is a growing industry in Queensland with approximately 22 per cent of these businesses being located in Queensland —

Can he outline the benefits to small business in my region of the franchising seminars being run in Caboolture by his department?

ANSWER:

I thank the Member for her question and for her strong support for small business within her electorate. The Beattie Government recognises that small business represents 96.5% of all Queensland businesses and employs around 50% of all private sector workers, and as such, this Government is committed to driving economic growth and innovation, developing business and industry and securing employment opportunities for Queenslanders.

The franchise sector is an important and growing segment of Queensland's small business sector. Queensland has more system head offices and outlets per head of population than any other state in Australia. Queensland now boasts more than 12,000 franchise operations creating more than 110,000 permanent jobs.

The Queensland Government works closely with the Franchise Council of Australia and has funded a range of initiatives to build the sector. These have included funding to the Franchise Council of Australia to deliver the highly successful *How to Franchise your Business* and *Franchise Information Seminars* throughout regional Queensland and funding to Griffith University to undertake an innovative research project that will attempt to identify the essential elements in a successful franchising operation.

This will complement our existing services to Queensland's franchise sector, which already include:

- fact sheets on buying a franchise and other relevant business development and management information;
- hosting trade delegations and virtual trade missions and teleconferences to help franchisors to promote their products and services to potential investors — particularly in the Asia-Pacific markets;
- delivering export readiness workshops to franchise operators; and
- developing a database of franchisors interested in expanding overseas.

In response to a request from local business, the Caboolture State Development Centre recently delivered a presentation entitled *Introduction to Franchising*. The information session provided detail on the Franchise Business Model and its associated advantages and disadvantages to an audience of prospective franchisees in the Caboolture region.

Participants benefited from exposure to an alternative business model, gaining an understanding of the need for research, planning and risk mitigation when considering a new business venture. For example, some of the acknowledged advantages of franchising over stand-alone forms of small business are that the franchisor provides detailed training and an established brand and reputation, whilst the franchisee has the incentive of owning their own business.

This Government is committed to growing the franchise sector in the Smart State.