

Question on Notice
No. 871
Asked on 25 May 2006

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

QUESTION:

With reference to the Franchise Council which I am aware he has been working with recently —

Why is there a focus on franchising at the moment?

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.

Franchising in Queensland has grown to become a vibrant sector of our business community, and continues to make significant contributions to the State economy.

In Queensland, over 12,000 franchise businesses operate throughout metropolitan and regional locations and have created more than 110,000 permanent jobs.

Queensland is the powerhouse of franchising in Australia, with the establishment of many new franchise concepts and more system head offices and outlets per capita than any other state in Australia.

Therefore, the Queensland Government – particularly the Department of State Development, Trade and Innovation – maintains a proactive role to uphold the continued growth of the franchise sector.

I recently opened the Franchise Council of Australia's Queensland State Conference. This conference was a huge success for Queensland's franchise sector, with key speakers discussing highly relevant topics such as financial performance, recruitment and marketing.

I am also aware that the National Franchising Council of Australia's National Conference will be held 24-26 October 2006 at the Gold Coast Convention and Exhibition Centre.

The 2006 Small Business Week will provide significant opportunities to further encourage the franchise sector in Queensland. To achieve this, the Department of State Development, Trade and Innovation is sponsoring the 2006 Franchising and Business Opportunities Expo to the value \$12,265 (including GST) to be held at the Brisbane Convention and Exhibition Centre on 4-6 August 2006.

In January 2006, I met with the Mr Phillip Ciniglio, President of the Franchise Council's Queensland chapter. This meeting was very successful and two issues were discussed – finance for franchises and regional education and information.

The Queensland Government is already working on addressing finance issues. The Queensland Small Business Advisory Council, of which Mr Philip Ciniglio has been newly appointed to, recently nominated a representative to the Australian Bankers Association Small Business forum, who will provide information and raise any Council concerns.

The Department of State Development, Trade and Innovation maintain an effective relationship with the Franchise Council of Australia to achieve successful outcomes and continue to grow the franchise sector. These outcomes include:

- Departmental funding of \$80,000 for the Franchise Council to develop and deliver 24 highly successful franchise seminars to a total of 1,170 people throughout the State.
- Departmental funding under the Leadership and Management Program of \$17,500 to the Franchise Council to deliver seven How to Franchise Your Business seminars to a total of 350 people throughout the State.
- Departmental sponsorship to the value of \$30,000 to the Franchise Council's 2004 National Conference held on the Gold Coast.
- Departmental funding of \$5,000 to Griffith University to research and examine the relationship between franchisors and franchisees, to determine what makes a franchise system successful. The results of this study have been developed into research papers, and the Department is currently developing online contents to be added to Smart Skills Online by mid 2006.

The Department will continue to work with the Franchise Council of Australia's Queensland chapter to identify the most effective approach to raising the profile of franchising throughout regional Queensland.

I look forward to continuing the Queensland Government's strong relationship with the Franchise Council of Australia, and maintaining strong economic growth for Queensland's franchising sector.