



Media Release

Wednesday, May 6, 2009

SBDC Decision: The Ultimate Kamikaze Blow To Small Business

If Western Australia's Small Business Development Corporation wanted to wreak havoc with hundreds of small businesses and thousands of families throughout the state, while also undermining its own future, it would be hard to surpass its recent decision to sever funding from the Belmont Business Enterprise Centre – Small Business Centre as of June 30, according to BEC Australia.

"This is a master move in mass destruction of WA's small business advice network," says BEC Australia chairman Peter Murray.

"If the SBDC was engaged in a war against the local small business sector, hitting the award-winning Belmont BEC – SBC would be a brilliant blow because the vibrant centre reaches out to WA enterprises far beyond its own neighbourhood.

"This short-sighted, eleventh-hour decision, to rob the Belmont BEC - SBC of the last year of its three-year funding agreement puts other WA-based business advisory services on notice that if you succeed and if you are innovative in finding new ways to fuel the economy, you will be punished," he says.

Earlier this year, BEC Australia warned against a move to privatise the SBDC but now it believes major, urgent reform is needed to help it to remember what it exists for; to develop small business.

"We believe the only way to restore confidence in the SBDC is to enable it to become truly independent by making it a government instrumentality with a seven-member board," says Mr Murray.

"Three members could be appointed by the WA Government, three by Industry (and we would suggest one member each from the Chambers of Commerce, Council of Small Business, and BEC Australia) with the final member being a representative elected by the WA SBCs to represent them on the board.

"Alternatively, the decision makers at the SBDC could spend five minutes inside an actual small business to help them reconnect with reality. There's no way a real business person would undermine a successfully functioning business unit, strip it of funds, and scatter those funds like crumbs in the wind.

"I am sure Carol Hanlon, the Belmont BEC – SBC manager who won the City of Perth's Convention Scholarship on the weekend to help her bring an international fashion incubator conference to WA, would be more than happy to arrange meetings with some small business people who could offer some commonsense, grass roots business insights.

“She can also show SBDC representatives the letters and emails of support that have poured in from across the country by small business people and industry experts completely dumbfounded by the move.

“I think it is fair to say that this brazen decision might ultimately spell doom for SBDC itself because it has tarnished the state government as “anti-small business” and turned the full glare of scrutiny onto itself – a kamikaze move indeed, albeit unintentional.”

ENDS

**CONTACT: Peter Murray, national chairman, BEC Australia on 0402 722 788
or chair@beca.org.au**

BACKGROUND BEC AUSTRALIA INFORMATION FROM www.beca.org.au

Business Enterprise Centres operate throughout all states and territories in Australia endeavouring to work with and on behalf of the micro and small business sectors.

BECA Charter: -

BEC Australia is a not-for-profit organisation whose primary role is to support and grow the national network of Business Enterprise Centres and provide representation on behalf of its members to key stakeholders.

BECA Vision:-

A nationwide network of Business Enterprise Centres that are recognised as the first and best point of contact for small business operators seeking quality business information, advice and guidance.