

Innovative Australia some way off

Joanna Mather

The federal government has been urged to set tough targets to ward off a bleak and unprosperous future for Australia as it wades through hundreds of submissions to the national innovation review.

Among the ideas put forward are a national council to spearhead innovation policy, a doubling of funding for higher education, tax reform and vouchers to encourage innovation among small to medium-sized enterprises (SMEs).

Greater collaboration between research organisations and industry is a recurring theme, as is the financial plight of PhD students and the shortage of science, maths and engineering graduates.

The submissions process ended on Wednesday, with the review panel expected to provide a green paper at the end of July.

A joint submission by the Business Council of Australia and Society of Knowledge Economics urges the government to make innovation a priority for the Council of Australian Governments.

It also calls for the creation of a national innovation council, which would be responsible for developing and implementing innovation policy and formal benchmarks for measuring its success.

Speaking to *The Australian Financial Review* before the submission's public release, SKE president Steve Vamos said the creation of a truly innovative society required a radical cultural shift and the involvement of every Australian.

"Having identified innovation as a national priority and appointed a federal minister, the next step is to have a whole-of-government body to drive the policies that come out of this review," said Mr Vamos, vice-president of online services for Microsoft.

The University of Melbourne argues the proportion of government spending on tertiary education should be brought up to the level of the US.

"That is, funding should be doubled," provost Peter McPhee writes.



Tertiary funding should be doubled, according to the University of Melbourne.

Photo: CRAIG ABRAHAM

KEY POINTS

- Submissions are in for the government's innovation review.
- The need for more money is a persistent theme.
- A green paper should be available by the end of July.

The research-intensive Group of Eight universities says Australia is "nowhere near" matching the scale of investment in research capability occurring elsewhere in the world.

"Whether in North America, Europe, China, Korea or elsewhere, the level of investment in major research platforms and facilities in distributed laboratory networks, and in teams of young talent led by the world's top researchers working with state of the art equipment, is enormous," the Go8 submission says.

It recommends the introduction of a third stream of university

funding for innovation, in addition to existing grants for teaching and research.

"We haven't put a quantum on these sorts of things but it would have to be a substantial sum," said Alan Robson, Go8 chief and University of Western Australia vice-chancellor.

The Australian Technology Network and Go8 urge the government to cover the full cost of doing research by increasing the current overheads provision from less than 20¢ to about 55¢ per dollar of direct funding.

It also recommends the adoption of a national PhD placement program so students can work with business and industry, as well as the inclusion of 150 hours of compulsory generic capabilities study in each PhD program.

University groups have joined the Council of Australian Postgraduate Associations in calling for an increase in the scholarship stipend for postgraduate research students

to about \$26,000 after the release of figures suggesting the stipend would slip below the poverty line for the first time by the end of the year.

"If Australia wants to support innovation and redress skills shortages, it is essential that university students have adequate financial resources to complete their degrees and graduate," Universities Australia chief executive Glenn Withers said.

The Go8 says its proposed innovation funding stream should form part of the new compacts for universities and be made available from 2010, initially on a competitive basis.

It should be used to increase university engagement with business and the public and community sectors and would contribute to innovation, for example by meeting regional skills needs, technology transfer, spin-off activity and support for SMEs, the submission says.

There should also be up-front

financial incentives to SMEs to encourage their investment in R&D through universities and publicly funded research agencies.

To ensure Australia engages globally, it also recommends the Australian government actively explore government-to-government agreements relating to co-investment in major research facilities.

Knowledge Commercialisation Australasia wants the federal government to commit to higher long term targets for the percentage of GDP invested in R&D.

The group's president, Andy Sierakowski, said it was important that the government establish a pre-seed rebate scheme whereby universities that spent money on getting technology out of the laboratory and into the real world could receive some of that money back.

The joint BCA-SKE submission presents the government with a score card measuring Australia's performance according to 23 innovation indicators.

Although Australia scores well on the quality of its education system, an escalating brain drain and limited capacity to innovate are of considerable concern, the submission says.

SKE acting chief executive Christina Boedker said one of the key recommendations of the submission was the need to foster a culture of innovation.

She said education, teaching and academe needed an image overhaul to make them attractive to young people.

BCA policy director Patrick Coleman said improving the quality of the education system and lifelong learning were key.

"We should have a policy approach that gives adults and people who are already in the workforce an opportunity to update or upgrade their skills and knowledge," he said.

University groups have a similar opportunity to comment during an inquiry by the House of Representatives committee on industry, science and innovation into research training announced last week.

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