



Media Release

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BLUEPRINT FOR AUSTRALIA TO BECOME THE INNOVATIVE COUNTRY

The Business Council of Australia (BCA) today launched a National Innovation Framework to boost innovation outcomes and ensure Australia can meet the fast emerging economic challenges of the 21st century.

New Pathways to Prosperity: A National Innovation Framework for Australia, highlights five priorities for the creation of a framework that business believes are necessary to improve and sustain Australia's innovation performance against global competition.

Chair of the BCA's Education, Skills and Innovation Task Force and Managing Director of Microsoft Australia Mr Steve Vamos said: "Our capacity to innovate will be more and more important in sustaining economic growth, capitalising on future economic opportunities and meeting the challenges presented by an ageing workforce and an increasingly connected and competitive global economy."

"Innovation is about doing new things and drawing on knowledge or creativity to find new and better ways to add value to products, services and processes. Building an innovation framework is imperative to driving social benefit and economic prosperity," Mr Vamos said.

New Pathways to Prosperity has been endorsed by a number of Australia's leading innovation experts including representatives from companies such as Microsoft Australia and New Zealand, DuPont Australia and New Zealand Limited, Deloitte Touche Tohmatsu and ResMed Limited.

The report, prepared in conjunction with the Society for Knowledge Economics (SKE), of which Mr Vamos is the founding president, outlines five priority areas for achieving greater innovation outcomes, including:

- elevating innovation to a national priority and better aligning our efforts;
- strengthening collaboration across the many contributors to Australia's innovation;
- boosting support for research networks and institutions;
- developing workplace skills and a culture of innovation through education and training;
- and
- creating a stronger business environment to support innovation.

New Pathways to Prosperity highlights that while Australia has always compared well with other countries on scientific output, we have a lower proportion of investment in education and research as a proportion of GDP when compared with developed nations.

OECD data for 2004-2005 shows Australia spent 1.76 per cent of GDP on R&D, which is comparatively less than leaders such as Finland, Japan and the United States.

"We have to carefully consider the structure of the Australian economy and the broad nature of innovation in making comparisons," Mr Vamos said.

"Nevertheless, Australia should always continually strive to lift its innovation performance.

"Australia's future prosperity depends on us being able to continually raise the bar of performance to meet the rapidly changing requirements of global markets," Mr Vamos said.

New Pathways to Prosperity's key proposals include:

- making innovation a priority of the Council of Australian Governments;
- establishing a new coordinating body 'Innovation Australia';
- setting a long-term plan for the future by conducting a 'Knowledge Foresight 2025' exercise;
- investigate funding innovation where there are barriers to private market investment;
- support 'innovation partnerships' between business and education sectors;
- support university commercialisation structures;
- establish 'Innovation Resource Centres' for businesses to extend programs supported by government;
- ensuring education and training systems are capable of supporting and encouraging innovation, such as through the development of content for a new year 11 and 12 subject on business innovation; and
- introducing a national post-school 'Entrepreneurs and Innovators Internship' program.

"The BCA has compiled this report because business has a critical role in producing the outcomes required in an innovative society, in close association with government, education and research institutions," Mr Vamos said.

"The National Innovation Framework outlined by the BCA identifies a number of steps required to achieve the policy settings necessary to ensure Australia can remain competitive in the new global economy, where competing successfully increasingly relies on the capacity of people to apply their knowledge and collaborate.

"The BCA will continue to work closely with government and the education sector to achieve the outcomes we all want," he said.

The Society for Knowledge Economics was founded in 2005 by Microsoft, Westpac, CPA Australia, Institute of Actuaries of Australia and the Australian Government Consultative Committee on Knowledge Capital (AGCCKC) who share a vision to establish the knowledge economy in Australia.

For further information contact:

Scott Thompson, Manager, Media Relations
Business Council of Australia

Tel: (03) 8664 2664
Mobile: 0403 241 128