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Innovation, Science, Research
and Tertiary Education

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Innovation Policy Report

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Funding Innovation in Start Ups and Small Business in Australia

Access to finance has always presented a significant challenge to [innovators and entrepreneurs in Australia](#), particularly for small business involved in cutting edge technologies. However, the availability of risk capital to finance start-ups is essential to ensure that new ideas with commercial potential are able to reach the market and deliver economic and other benefits.

There is a range of financing options available, across private and public sectors. The Australian Government is focusing on creating an environment in Australia in which technologically intensive start ups can grow and develop their business. It aims to provide support for innovation across the stages of enterprise development, from invention through to commercialisation, particularly in the high-risk early stages where the market forces fall short of supporting innovation. The support offered by both government and privately funded programs often includes mentoring and advice, as well as finance.

New innovations require a significant level of funding to take a prototype or working idea and develop it into a marketable product. Private funding may be hard to access. This is where governments tend to step in to provide finance for such activities as product development and prototyping, market validation and execution of IP strategy.

The Australian Government's support for start ups and small businesses to undertake innovation activity includes programs such as [R&D Tax Incentive](#) and [Commercialisation Australia](#). The Government has just completed public consultation on the [R&D tax incentive quarterly credits](#) program scheduled to start in 2014. Commercialisation Australia offers grants that cover finance as well as providing extensive business assistance and mentoring.

The main sources of funding for most start ups formed to commercialise R&D, and in the very earliest stages of their development, are friends and family followed by angel investors. A more recent approach, particularly in the USA and UK, is [Crowd Funding](#) which may be a suitable mechanism for raising capital to support some types of projects. In Australia, friends and family and angel investors generally address funding requirements before a company has reached a point where it is able to attract formal venture capital.

Angel investors are high net worth individuals who invest their own capital and often offer business mentoring to help guide new managers who frequently lack business and financial skills. Collectively, Angel investors support a wider range of innovation than venture capital firms, across a broader range of sectors, but at earlier stages of development. Traditionally, they invest locally.

Angel investing is [growing rapidly](#) around OECD countries. Policy interventions in the angel funding in some OECD countries have been relatively recent, and have included tax incentives and co-funding. However the issue of government involvement in angel funding remains a contested issue.

Crowd sourced equity funding (CSEF) is defined by the [Australian Securities and Investment Commission](#) (ASIC) as activities involving the use of the internet or social media to raise funds in support of a specific project or business idea, with sponsors typically receiving some reward in return for their funds. ASIC recently released advice on [CSEF warning](#) of potential legal obligations for the operators.

Given the emergence of CSEF models overseas, it is important for Australia to consider the impact that continuing to restrict, or failing to regulate for, crowd funding may have on its innovation system.

Crowd funding has generally been used to develop creative industry products with relatively small budgets ranging from a few thousand dollars upwards. However the scale is rapidly beginning to change. Crowd funding is now evolving separate forms of the model in which commercial ventures are funded by a large number of individuals on a profit sharing basis rather than receiving set incentives. Countries such as UK and US are considering crowd funding through provision of equity.

Access to *venture capital* is essential to a robust innovation system that values the creation of new competitive companies and jobs. The venture capital market in Australia is relatively small but developing. Venture capital programs currently delivered by the Australian Government include the Innovation Investment Fund (IIF), the Early Stage Venture Capital Limited Partnerships (ESVCLP) and the Venture Capital Limited Partnerships (VCLP) programs. The IIF is an equity co-investment program to increase access to risk capital and management expertise for innovative new knowledge-based Australian companies involved in research commercialisation. The ESVCLP and VCLP programs are tax concession programs which assist in attracting capital into the Australian venture capital market.

Recent years have seen a growing number of government programs in OECD countries which target supporting innovation in SMEs. Thus the EU [Innovation and SMEs Program](#) promotes awareness of the need for innovation in the present day globalised market, as well as providing specialist innovation services to researchers, enterprises and policy-makers. A special helpdesk, called LIFT (Linking Innovation, Finance and Technology), provides free advice to EU researchers wishing to obtain financing in order to set up a business venture. The advice aims to improve understanding of the issues involved in attracting investment in business ideas and helps to identify appropriate sources of finance.

The German Government has launched “[Central Innovation Programme SME \(ZIM\)](#)”. The aim of the Programme is to provide sustainable support to the innovative capabilities and competitiveness of companies, particularly SMEs, and collaborating research organisations. The program funds innovation activities in SMEs, as well as research carried out by research institutions collaborating with SMEs in the area of developing cutting-edge technologies.

Departmental Developments

Workshop on research impact assessment

A workshop on research impact assessment was held on 8 August 2012, hosted by the Crawford School Institute of Public Policy at the Australian National University. The workshop was jointly organised by the Department of Industry, Innovation, Science, Research and Tertiary Education (DIISRTE) and the Melbourne Institute of Applied Economic and Social Research.

Presentations were given by:

- Ms Lisa Schofield, General Manager of Research Outcomes and Collaborations Branch, DIISRTE, on the feasibility study the department is conducting on research impact assessment;
- Dr Matt Brown and Dr Ian McMahon, respectively of the Australian Technology Network of Universities (ATN) and the Group of Eight (Go8), on the Excellence in Innovation for Australia (EIA) trial;
- Mr Geoff Sadlier, Director of Strategy, Research and Ministerial Support at IP Australia, on the development of metrics for assessing the quality of university patents;
- Professor Julia Lane of the American Institutes for Research, on the STAR METRICS methodology for capturing administrative data on research and innovation;
- Mr Jack Rejtman, Co-founder and General Manager of The Conversation, on development of public engagement metrics;
- Dr Tracy Henderson, Manager of CSIRO's Impact 2020 project, on the prospective assessment of the public benefits of CSIRO research;
- Associate Professor Paul Jensen of the Melbourne Institute, on the Australian Science and Technology Research Assessment (ASTRA) project.

Audience members included representatives from the above organisations as well as from the Australian Research Council (ARC), the National Health and Medical Research Council (NHMRC), the Australian Bureau of Statistics (ABS), the Australian National University (ANU), the Office of the Chief Scientist, the Office of the New South Wales Chief Scientist, National ICT Australia (NICTA), the Cooperative Research Centres Association (CRCA), and the Australian National Data Service (ANDS).

The next steps are to invite contributions to a new blog site on research impact assessment (impact.weblogs.anu.edu.au). The blog, a joint initiative of the HC Coombs Policy Forum and DIISRTE, aims to contribute to discussion about the impacts of research and how they can be better understood and assessed. A further workshop on research impact is expected to be held before the end of 2012.

Collaborative Research Networks Program

The [Collaborative Research Networks \(CRN\) Program](#) was established as part of a suite of reforms to higher education and research in the 2009-10 Budget.

On 31 May 2011, it was announced that twelve higher education institutions would receive a total of \$61.5 million from mid 2011 to mid 2014 under the Collaborative Research Networks (CRN) program to build research capacity through partnering with other institutions in areas of common interest. In mid 2011 funding agreements were signed with all twelve institutions to develop CRN projects. These twelve universities are now partnering with other institutions to combat pressing issues such as the future of the Murray Darling Basin, mental health, environmental management and regional development.

In July 2012, it was announced an additional three higher education institutions would receive a total of \$19.6 million as part of the second funding round of the CRN program. These three projects will investigate health related issues including sports sciences, human genetics, the treatment of bone and joint diseases, cardiovascular diseases, Indigenous health and wellbeing, healthy ageing and chronic disease management.

The funding awarded in July 2012 brings the Australian Government's total commitments to \$81.1 million.

Cooperative Research Centres program

The Australian Government's Cooperative Research Centres (CRC) program supports medium to long-term end-user driven research collaborations to address clearly articulated, major challenges facing Australia, many of which are global challenges.

Since the inception of the CRC program in 1991, 196 CRCs have been funded. The Australian Government has committed more than \$3.5 billion in CRC program funding. Participants in CRCs have committed a further \$11.4 billion in cash and in-kind contributions.

There are currently 37 active CRCs, including six CRCs that were successful in the 14th CRC selection round conducted in 2011. These CRCs are:

| CRC | Description | Funding |
|-------------------------------|---|-----------------------------------|
| Automotive Australia 2020 CRC | Guided by the outcomes of the Automotive Australia Technology 2020 Roadmap, the new CRC will research low-carbon vehicles; with innovation specifically in the areas of vehicle electrification, gaseous fuels and clean manufacturing. | \$26 million (2012-13 to 2016-17) |
| CRC for Low Carbon Living | The CRC will research barriers to cost-effective carbon saving opportunities, empower communities and facilitate the widespread adoption of local renewable energy. | \$28 million (2012-13 to 2018-19) |

| | | |
|--------------------------------|---|-------------------------------------|
| CRC for Polymers | The CRC will position Australian manufacturing as a leading provider and exporter of products that meet emerging global needs in three areas—health therapies, water & food security, and low-cost solar energy—by developing enabling and sustainable advanced polymer technology. | \$14.5 million (2012-13 to 2016-17) |
| CRC for Water Sensitive Cities | The CRC will deliver the socio-technical urban water management solutions, education and training programs, and industry engagement required to make Australian towns and cities water sensitive. | \$30 million (2012-13 to 2018-19) |
| Invasive Animals CRC | The CRC will develop new detection and forecasting knowledge and technologies to underpin national and regional incursion response systems and strategies that aim to minimise invasion by new and existing pest animals. | \$19.7 million (2012-13 to 2016-17) |
| Plant Biosecurity CRC | The CRC will develop tools to provide the scientific support essential for safeguarding Australia from the economic, environmental and social consequences of damaging plant pest incursions. | \$29.7 million (2012-13 to 2017-18) |

15th selection round

Applications for the 15th CRC program selection round closed on 14 June 2012 and 9 applications were received. Stage one of the assessment process is currently underway.

Social innovation, sustainable regional communities and clean manufacturing were announced as the priorities for the 15th CRC selection round. Applications addressing other national priorities were also welcome.

Impact Study of the CRC program

The Allen Consulting Group (ACG) undertook a [study on the economic, social and environmental impact of the CRC program](#). The study quantified known impacts from 117 of 190 CRCs up to 30 June 2012 (or 62% of all CRCs).

The study estimates that between 1991 and 2017 CRCs would have produced technologies, products and processes to have a direct value of almost \$14.5 billion. This includes \$8.6 billion of impacts already materialised and a further \$5.9 billion of imminent impacts estimated to occur over the next five years.

The results of the modelling estimated a net economic benefit of \$7.5 billion – a contribution of around 0.03%age points (or \$278 million) to GDP per annum. Overall, the findings indicate that the CRC program has been able to generate a benefit to the community that exceed its costs by a factor of 3.1.

The Minister announced the release of the impact study report at the CRC National Science Week event at Parliament House on 15 August 2012 and the report is now available from the [CRC program web site](#).

Expert Committee Appointed for Clean Technology Innovation Program

On 23 August 2012, the Minister for Industry and Innovation, the Hon Greg Combet AM MP, [announced](#) the appointment of an expert committee to assist Innovation Australia deliver the \$200 million Clean Technology Innovation Program.

The committee, chaired by Dr Susan Pond AM, and including Ms Anne-Marie Birkill, Mr Adrian Chegvidden, Mr Peter Janssen, Mr John O'Brien, Dr Jane Sargison, and Ms Fiona Waterhouse, will assess applications by businesses for funding through the Clean Technology Innovation Program.

The committee has more than 150 years of business and innovation experience between them - especially in the sustainable energy and environmental industries.

The chair of the committee, Dr Pond, is an Adjunct Professor in Sustainability at the University of Sydney's United States Study Centre, a Director of the Australian Nuclear Science and Technology Organisation, Vice-President of the Australian Academy of Technological Sciences and Engineering, and a Board member of the Centenary Institute and Biotron Ltd.

Further information on the Clean Technology Innovation Program is available at www.ausindustry.gov.au or through the AusIndustry Hotline on 13 28 46.

Investment, Innovation and Venture Capital report

AusIndustry has released a publication [Investment, Innovation and Venture Capital](#), which showcases innovation in Australia. The report profiles venture capital fund managers and innovative companies ranging from biotechnology to wind energy to show how companies and investors with support from the government can succeed. The 19 case studies presented demonstrate Australia's innovative ideas, its strong science and research capabilities and the support provided to commercial these innovative ideas.

Smarter Manufacturing for a Smarter Australia

The [Prime Minister's Manufacturing Taskforce](#) delivered the report [Smarter Manufacturing for a Smarter Australia](#) on 16 August 2012.

The Report concludes that manufacturing is an important part of the Australian economy, with significant links to other industries including construction, agriculture, utilities and services.

However it says that manufacturing faces numerous challenges including the high Australian dollar, the strength of the resources boom in terms of capital and labour, more intensive global and regional competition and the continuing fallout from the global financial crisis.

The report makes 41 recommendations designed to strengthen local firms as they adapt to global economic change.

The report suggests that manufacturing can grow by taking advantage of significant emerging opportunities, especially in the Asian region.

The report builds on current policy settings with a set of proposals to ensure manufacturing is a dynamic contributor to Australia's prosperity, with an economy that has a diverse base creating skilled jobs.

The Government is [supportive in principle](#) of most of the report's recommendations, and will respond to the Report's recommendations with an Industry and Innovation Statement in the last quarter of the year.

Minister Brendan O'Connor in discussions about German small business policies

On 9 August 2012 Small Business Minister [Brendan O'Connor met](#) with German business leaders, politicians and senior researchers to discuss ways to encourage innovation and cut red tape for small and medium enterprises during a two-day visit to Berlin.

One of the German Government's high priorities is to create a business environment in which the nation's 3.7 million small and medium-sized businesses and self-employed professionals can develop and innovate.

Germany is also committed to the European Union's target of reducing unnecessary red tape in European laws by 25%.

The Minister said: "I have been particularly interested in measures to assist SMEs export including market reconnaissance, preparation of market studies and how to structure joint ventures."

"Germany is also focusing on seven policy areas for SME commercial success, including innovation, skilled workers, business start-ups and succession and red tape reduction."

"Small business is the engine room of the Australian economy and the Gillard Government is determined to create the environment in which they not only survive, they thrive."

While German small and medium businesses are defined slightly differently to their Australian counterparts, their contribution to both nations' economies is similar, Mr O'Connor said.

"SMEs represent 99.7% of all German businesses, producing 38% of taxable turnover and accounting for 60% of employment," he said.

"Around 96% of Australian businesses are small businesses, providing 46% of private sector employment and contributing 34% of all private sector value added."

"In Australia we face the challenges of the resources boom and its effect on the dollar, while Germany is facing regional uncertainties.

"The right policy settings are crucial in both our economies to ensure that small businesses can compete in international markets and continue to grow."

National Developments

Science of Learning Research Centre

On 6 July 2012, the Australian Research Council (ARC) announced a Special Research Initiative, Science of Learning Research Centre.

The Centre will bring together education professionals and high-quality researchers in areas ranging from neuroscience and cognitive development through to pedagogy and educational technology. The research undertaken through the Centre will aim to identify new teaching practices that are based on solid scientific evidence.

The new Centre will receive Government funding of up to \$4 million per year, for up to four years, through the ARC Special Research Initiatives scheme. The applications from eligible organisations will close on 28 September 2012. The Centre is a key recommendation of the Prime Minister's Science, Engineering and Innovation Council Expert Working Group report, Transforming Learning and the Transmission of Knowledge (2009).

Further information about the initiative is available on the [ARC website](#).

Australian Laureate Fellowships

On 30 July 2012, the Minister for Science and Research, Senator Chris Evans, announced the outcomes of Australian Laureate Fellowships for funding commencing in 2012.

Seventeen new Laureate fellowships worth more than \$46 million over five years were awarded.

In 2011, two fellowships were established under the Laureate scheme specifically for women. These fellows receive additional funding on top of their fellowship to mentor female researchers and promote research career paths for women.

In 2012, the Kathleen Fitzpatrick Australian Laureate Fellowship (for candidates from the humanities, arts and social science disciplines) and the Georgina Sweet Australian Laureate Fellowship (for candidates from the science and technology disciplines) were awarded to Professor Susan O'Connor and Professor Nalini Joshi respectively.

Future Fellowships

On 25 July 2012, the Minister for Science and Research, Senator Chris Evans, announced 209 Future Fellowships totalling \$151.5 million over the life of the awards.

Future Fellowships scheme promotes research in areas of critical national importance by giving outstanding researchers incentives to conduct their research in Australia. The objectives of the scheme include attraction and retention of outstanding mid-career researchers, building collaboration across industry and/or research institutions and/or disciplines, and supporting research in national priorities across all disciplines.

GE announces \$10 million in funding for clean technology innovation in Australia and New Zealand

In collaboration with its venture capital partners, GE has pledged \$10 million to find, fund and bring to market the best ideas from Australia & New Zealand that will improve energy efficiency and reduce the carbon footprint.

GE's first ever local [ecomagination Challenge](#) calls on businesses, entrepreneurs, innovators and students to submit ideas to accelerate growth in the cleantech markets in Australia and New Zealand. The Challenge is part of GE's global ecomagination initiative, a commitment to invest in clean technologies for a low carbon world.

GE will support winning ecomagination Challenge entrants through:

- Investment: a \$10 million capital pledge from GE to be invested into promising start-ups and ideas;
- Validation: evaluation of entrant's business strategy through in-depth discussions with GE's technical and commercial teams;
- Distribution: exploration of partnership opportunities with GE to scale a business and create global reach;
- Development: utilisation of GE's technical infrastructure and GE Global Research Centres to accelerate technology and product development; and
- Growth: exploration of opportunities for utilising existing GE customer relationships for your go-to-market strategy.

The Challenge will be open for [submissions](#) over three months between 21 August and 30 November 2012.

Appointments to the Clean Energy Finance Corporation Board

On 10 August 2012, the Australian Government [announced](#) the appointment of Ms Jillian Broadbent AO as the chair of the \$10 billion Clean Energy Finance Corporation (CEFC) Board. Ms Broadbent is a board member of the Reserve Bank and was made a companion of the Order of Australia in 2003 for service to economic and financial development in Australia.

Mr Michael Carapiet, Mr Ian Moore, Ms Anna Skarbek and Mr Andrew Stock have been appointed as members of the CEFC Board. These members bring significant experience and expertise in banking and finance, the energy sector and low-carbon technologies.

The commercially orientated CEFC will facilitate greater private sector investment in renewable energy, low-emissions technology and energy efficiency. It is a key part of the Government's Clean Energy Future package, working alongside the carbon price, the Renewable Energy Target and the Australian Renewable Energy Agency, to help Australia transition to a low carbon economy.

The CEFC Board will operate independently of the Government and make its investment decisions based on rigorous commercial assessments. The CEFC will commence investment activities from 1 July 2013.

Brisbane Innovation Scorecard Results announced

The results of the third [Brisbane Innovation Scorecard](#) were announced in August 2012. Over 300 local firms were surveyed for the Scorecard which aims to measure innovation within the city's businesses and its effect on their growth, productivity and the region's economic prosperity.

Highlights of results include:

- 62% of Brisbane businesses reported significant innovation within the past three years;
- 78% of businesses reporting innovation activity were undertaking novel (new to their industry) innovations;
- Seeking efficiency improvements for customers was a major driver of reported innovation activity;
- Businesses operating in international markets indicated higher levels of novel or new-to-their-industry innovation;
- Larger businesses demonstrated a strong innovation culture with innovation activity across many parts of their business;
- Information/digital technology provided significant innovation opportunities for many businesses; and
- 93% of businesses reported the driver of innovation as internal to the business (CEO or a team of employees).

The scorecard utilised world-leading methodology developed at the Judge Business School at Cambridge University which is also being used in the UK and New Zealand.

The Scorecard is a project of Brisbane Marketing in collaboration with Deloitte, The University of Queensland Business School, Brisbane City Council, Queensland Government Department of Science, Information Technology, Innovation and the Arts, Regional Development Australia Brisbane and Enterprise Connect.

Applications open for WA Government Innovation Vouchers Program

Applications for round three of the West Australian Government's Innovation Vouchers [Program](#) (IVP) opened on 15 August 2012. The vouchers will provide SMEs with funding of up to \$20,000 to engage professional skills or services to assist with commercialisation. The program aims to enable West-Australian based SMEs to access and establish collaborative relationships with research providers and specialist commercialisation support services.

Applications close on 27 September 2012 and applicants will be notified in November 2012.

DFAT Trade Data for 2011

The Australian trade [statistics](#) for 2011 show that strong price rises for commodities (especially iron ore) are pushing up the value of exports, and reducing the value of imports (through a strong dollar). In 2011 the volume of Australian exports actually fell 1.3% but the value increased by more than 10%. This small reduction in volume of exports is attributable to closed mines during the Queensland floods.

Iron ore made up 20% of Australia's exports in 2011. In value terms these exports have doubled in the last 2 years and iron has replaced coal as Australia's most valuable export. Between 2001 and 2011 the value of iron ore exports increased from \$5.2b to \$64.1b. This is being driven by the sheer scale of Chinese demand for iron ore - in 2011 China took approximately 300 million tonnes of iron ore from Australia. This has risen dramatically from less than 50 million tonnes in 2001. In that period Japan was a stable market for between 6 and 8 million tonnes of iron ore annually.

Between 2001 and 2011 Australia's terms of trade rose by 97.3%.

Exports of primary products (including iron) made up 60% of exports and totalled \$196b in 2011, up from \$57.1b in 2001. Manufacturing exports were worth \$41.5b and services exports were \$50.1b.

Over half of Australia's imports were manufactured goods and these had a total value of \$160.8b. Service imports rose to \$59b. Personal travel was our largest import followed by crude and refined petrol, and then cars.

China (\$77.1b) is by far Australia's largest trading partner. Exports to China are 50% larger than our second largest market in Japan (\$52.4b). China is also the source of nearly 15% of Australian imports, making it the largest exporter to Australia, slightly ahead of the USA. China's proportion of our export markets has increased from 7.3% in 2001 to 33.1% in 2011.

The services sector in Australia employs approximately 80% of Australians so it is worth examining more closely. Australia ranks 22nd globally in service exports and represents the 20th largest market for service imports.

Australia's service industry suffered a significant decline in its trade balance in 2011 due to a number of factors related to the high Australian dollar. Import prices on services fell by 6.1% on average, while volumes increased by 14.4%.

Interestingly the amount of international business-related travel by Australians dropped by 5.7%, while domestic business travel increased significantly. International recreational travel increased by 11.4%, meaning a record 7.4 million overseas trips were undertaken by Australians in 2011.

Beyond the Boom: Australia's Productivity Imperative

Asia's economic and demographic trends point to sustained demand for commodities in the decades ahead, but growth fuelled by demand for natural resources carries risk. The McKinsey Global Institute (MGI) report [Beyond the boom: Australia's Productivity Imperative](#) finds that "one-off" factors—including favorable terms of trade and an investment surge—have driven half

of Australia's recent growth. The magnitude of Australia's resource boom belies some weakening fundamentals. Since 2005, the country has enjoyed 4.1% annual gains in income. But growth in labor productivity has fallen to just 0.3%. The report identifies four sectors—defined by their proximity to the resource boom and their exposure to trade competition—and pinpoints the major challenges for each of them.

Resource sectors: Getting capital productivity right

Australia is less than halfway through the capital boom, with \$443 billion in investment still to come in the resource sector. Major capital projects are prone to inefficiencies and overruns, but the country has an opportunity to boost its capital productivity by up to 30% if firms emphasize a top-level focus on value, adopt a best-practice “tool kit,” and assemble project teams with superior execution skills.

Resource-rider sectors: Improving efficiency

Transport, utilities, professional services, and other resource-related sectors have grown dramatically because of their links with the mining and energy boom. Yet at the same time, their labor productivity has fallen dramatically as well. Stakeholders must find ways to develop new infrastructure more cost effectively. Additionally, a more integrated cross-sector approach to resource productivity can reduce the need for some expensive new projects.

Local services: Implementing microeconomic reform. Sectors such as retail trade and telecommunications have been largely unaffected by the resource boom. They have posted solid productivity gains but tend to lag behind international benchmarks. Australia can close the gap through a renewed focus on microeconomic reforms that streamline regulations, encourage innovation, and promote competitive markets.

Manufacturing: Creating a foundation for long-term competitiveness

Like other developed economies, Australia has seen its manufacturing base erode. Improvement will depend on cost efficiencies, particularly the neglected area of management quality; higher labor mobility; and a shift to innovative manufacturing, which offers the best long-term potential for competitiveness.

Innovation-Active Australian Business

On 23 August 2012, the Australian Bureau of Statistics (ABS) released [detailed information on innovation in Australian business](#), collected as a part of the Business Characteristics Survey 2010-11.

Findings on business innovation activity in 2010-11 include:

- Approximately 40% of Australian businesses were active innovators in 2010-11, a figure that is unchanged from 2008-09. An Innovation-active business is a business which undertook any innovative activity during the reference period including: introduction of any type of innovation; and/or the development or introduction either still in progress or abandoned.
- [Collaboration](#) is an important component of many successful innovations and two of the Australian Government's seven innovation priorities relate

to increasing collaborative activity. Around a quarter of innovation-active businesses reported at least one type of collaborative arrangement in Australia in 2010-11. The proportion of Australian businesses that collaborate with universities or other higher educational institutions nearly doubled to 4.6% in 2010-11. The proportion of businesses collaborating with overseas competitors and other businesses in the same industry have more than doubled to 4.6% in 2010-11 from 1.7% in 2008-09.

- In 2010-11 innovation-active businesses reported two major barriers to innovation: lack of access to additional funds (32% of businesses) and lack of skilled persons in any location (29.8% of businesses). In 2010-11, major innovation related expenditure related to the acquisition of machinery, equipment or technology and training.
- Overall, 91% of businesses reported some form of benefit as a result of the introduction of new or significantly improved goods, services, processes or methods. Improved customer service (43%) was the most commonly reported benefit followed by increased revenue (42%).
- For the first time the ABS asked businesses on their expenditure on innovation for the financial year ended 30 June 2011. About two third (63.3%) of innovation-active businesses reported some expenditure on innovation. The ABS estimates that this expenditure is likely to be in the range of \$23-29 billion.

International Developments

US and Canada

Obama Administration Announces Winners of the Rural Jobs and Innovation Accelerator Challenge

On 1 August 2012, the Obama Administration [announced](#) the winners of the multi-agency Rural Jobs and Innovation Accelerator Challenge to spur job creation and economic growth in rural regions across the country.

The Rural Jobs Accelerator Challenge is a national initiative to support rural partnerships and regional clusters. By leveraging local assets, the selected industry clusters and partnerships aim to help entrepreneurs and small businesses foster innovation, increase competitiveness and employ highly skilled workers, all of which are critical to long-term economic growth in their regions.

Economic development partnerships and initiatives across the US will receive awards ranging from nearly \$200,000 to over \$1 million from the US Government. The winning projects will promote job creation, accelerate innovation and provide assistance to entrepreneurs and businesses in a wide range of industrial sectors, including advanced manufacturing, agribusiness, energy and natural resources, technology and tourism.

Lockheed Martin Launches Innovation Contest

Lockheed Martin Corporation, a global security and aerospace company, launched the [“Innovate the Future” contest](#) on 6 August 2012 to generate ideas around how innovation can enable a more secure future for the global community. The innovation contest is open to [online submissions](#) from around the world and seeks submissions on topics such as sustainable energy, cyber security and healthcare. Up to five ideas will be selected for cash awards with the prize pool totalling US \$50,000. The grand prize winner will receive an incubation contract with Maryland Technology Enterprise Institute at the University of Maryland to validate and develop their idea.

Mobilizing innovation: The changing landscape of disruptive technologies

To gain deeper insights into future technology innovations, KPMG led a global [survey](#) in 2012 which assessed the scope of change over the next three to four years. With cloud and mobile technologies driving technological change, and China emerging as a true rival to the US, the findings indicate that the landscape for technology innovation is as fast-changing as the technologies themselves.

The survey was conducted among 668 global technology leaders, representing ten of the most technologically innovative countries. The mix included technology startups, mid-market enterprises, large technology companies, venture capital firms and angel investors.

Three key takeaways of the study's findings include:

- (1) The undeniable impact of cloud-based computing to unleash innovations and streamline business activities;
- (2) The still-developing potential of an always-on mobile communications era; and
- (3) The emergence of China as a force that will compete with the US to foster tech innovation and gain leadership.

"The pace of technology innovations today is happening at unparalleled speed and China's projected rapid rise to prominence as a technology leader would be another example of this", according to Gary Matuszak, Partner, Global Chair, KPMG's Technology, Media and Telecommunications practice.

National Science Board innovation capacity study

A report, [Research & Development, Innovation, and the Science and Engineering Workforce](#), released recently by the National Science Board (NSB), expresses concern about America's innovation capacity, noting that US companies cut their R&D funding by nearly US \$12 billion (5%) between 2008 and 2009, in the middle of the most recent recession, in addition to government budget constraints at all levels.

Prepared as a companion to Science and Engineering Indicators 2012, NSB's biennial analysis of trends and factors affecting the nation's economy, competitiveness and innovation capacity, the new document also notes that private venture capital investment in select science and technology sectors has declined from US \$43 billion in 2000 to under US \$10 billion in 2010. Private equity investments in some science and technology sectors has dropped from nearly US \$60 billion in 2007 to under \$10 billion in 2008, but has since rebounded and reached about \$15 billion in 2010. Declines in private-sector investment were also accompanied by a shift away from investing in higher risk early stage start-ups.

When business investment in R&D declined during 2008-2009, the shortfall was made up temporarily in part by increased federal R&D funding, although federal activities are focused traditionally on fundamental and capacity-building research, while private sector efforts are on developments closer to the market.

Despite concerns about the long-term health of US innovation capacity, the NSB believes there are some reasons for optimism. Since 1953, total US R&D has grown nearly uninterrupted with sizeable boosts from the private sector and the federal government. In 2009, the private sector funded 62% and conducted 71% of all US R&D. It also funded about 80% of development work, which is key to bringing potential innovations to market.

Domestic Manufacturing Upgrades

A new report, [Capturing Domestic Competitive Advantage in Advanced Manufacturing](#), released by the US President's Council of Advisors on Science and Technology (PCAST), calls for sustaining investments in advanced science and technology, filling the skills gap in advanced

manufacturing by upgrading community college workforce training programs and tapping into the talent of veterans, and encouraging investment through tax, regulatory, energy, and trade policies.

The PCAST report urges efforts to build on progress to date on improving domestic manufacturing competitiveness and encouraging companies to invest in the US. The Report is a product of PCAST's Advanced Manufacturing Partnership Steering Committee, whose members include leading manufacturing experts from industry, academia and government.

The new report builds on last year's PCAST study, *Ensuring American Leadership in Advanced Manufacturing*, which argued that boosting US manufacturing was critical to creating a strong economy. President Obama created the public-private Advanced Manufacturing Partnership and its steering committee, led by Hockfield and Liveris, of CEOs of 12 US manufacturers and presidents of six leading US universities.

The United States Lags Behind in R&D Tax Incentive

The [Information Technology and Innovation Foundation \(ITIF\) Report](#) (July 2012) finds that the US continues to fall behind other countries in providing tax incentives for corporate R&D.

The ITIF report 'We're #27: The United States Lags Far Behind in R&D Tax Incentive Generosity' examines the tax policies of 42 nations. It finds that the US ranks 27th out of 42 countries on R&D tax incentives, down from 23rd only five years ago.

The Report's findings include the following:

- Use and levels of R&D tax incentives continued to intensify through 2011, particularly in emerging non-OECD economies. Of nine such countries examined, eight have R&D tax incentives;
- India leads the world in R&D tax generosity by allowing a 200% super deduction for R&D spending;
- Several countries boosted their R&D tax incentives significantly compared to the 2008-2009 period, including Denmark, France, India, Italy, and Portugal; and
- For the US to offer the most generous R&D tax incentive in the world, it would have to increase the Alternative Simplified Credit from 14% to over 50%.

Government of Canada invests \$62M in Canada's Advanced Research and Innovation Network

On 8 August 2012 CANARIE, Canada's Advanced Research and Innovation Network, [announced](#) the Government of Canada has confirmed its investment of CAD \$62 million for a term of three years. Budget 2012 announced \$40 million of the funding over two years. In confirming the \$22 million in funding for the third year of the mandate, the Government also reaffirmed a requirement for CANARIE to explore and implement cost-sharing strategies with its user community. CANARIE will be consulting with its users and

stakeholders over the coming months to determine the appropriate mechanisms to implement a cost-sharing strategy.

The three-year investment and mandate period give CANARIE time to implement critical strategic initiatives, including a plan to increase network capacity to 100G (one hundred billion bits per second) to meet user demand. Over the past five years, traffic over the network increased by 587%, the result of an explosion in the use of digital data to solve problems and drive innovation in areas as diverse as health care, transportation, and resource management. CANARIE will also move ahead with planned initiatives to make access to research data and tools easier for researchers, and with an expanded testbed environment for small businesses and researchers in the information and communications technology sector.

CANARIE will continue to develop and offer new “above the network” services that deliver tangible value to connected institutions and users. CANARIE now offers two of these services: Canadian Access Federation, which enables users to access protected online resources and campus networks through a shared framework for identity management; and Content Delivery Service, which provides faster and cheaper access to Internet-based content for institutions connected to CANARIE.

UK

NESTA Report on India's Innovation System

[Our Frugal Future: Lessons from India's Innovation System](#) is a report that explores the policies, institutions and industries that are driving research and innovation in India. It measures how India's research strengths are developing and maps how the geography of Indian research and innovation is changing.

The report, released in July 2012, is based on over 130 interviews with policymakers, entrepreneurs and academics from across India and draws on secondary literature, as well as the latest quantitative data available. It was undertaken in partnership between Nesta, the FCO Science and Innovation Network, the UK Research Councils and the UK-India Education and Research Initiative.

The report highlights India's strength in frugal innovation and its growing relevance to businesses and policymakers in developed economies. Frugal innovation responds to limitations in resources, whether financial, material or institutional, and using a range of methods, turns these constraints into an advantage. Through minimising the use of resources in development, production and delivery, or by leveraging them in new ways, frugal innovation results in dramatically lower cost products and services. Successful frugal innovations are not only low cost, but outperform the alternative, and can be made available at large scale.

It is envisaged that the findings of this report will help UK policymakers, businesses and universities to better understand the opportunities and challenges of engaging with Indian research and innovation sectors and how to strengthen their efforts to collaborate.

UK Innovation Index

NESTA released an updated version of its [UK Innovation Index](#) in July 2012.

The updated Innovation Index covers the the period from 1990 to 2009 and builds on the work of Corrado, Hulten and Sichel. Using new data sets and a new micro survey, it documents intangible investment in the UK and determines how it contributes to economic growth.

Findings from the newly released Innovation Index indicate that the UK needs to look at measures of innovation that go beyond R&D, particularly in the services sector. The Index also reveals the disproportionate role that intangible investment plays in manufacturing - highlighting the changing nature of innovation in the sector.

The updated Innovation Index documents the large differences emerging across different sectors over the last decade, in their performance, in the composition of their innovation investment, and in the contributions these have made to productivity growth. It also confirms the important contribution that innovation makes to productivity growth in the UK.

Nesta is planning to utilise the data captured in the latest Innovation Index to make key recommendations on how to stimulate innovation and put the UK on the path towards sustainable long term economic growth. A report outlining those recommendations is expected to be released in the coming months.

EU

European business to increase R&D spending despite crisis

The [European Union Survey on R&D Investment Business Trends](#) carried out by the European Commission was released on 20 August 2012. The survey reports that EU businesses comprising the top R&D investors in the EU expect to increase their annual investment in research and development by 4% over the period 2012 to 2014. In spite of the current economic downturn in the EU, companies see investing in R&D as a key factor in their future growth and prosperity and view in-house R&D as the most relevant driver of innovation.

Survey results also found that companies viewed policies and external factors such as fiscal incentives, national grants, EU financial support and public-private partnerships as having strong positive effects on their innovation activities. In a possible sign of the increasing role of open innovation, collaboration agreements with other companies were seen as the most important way to share knowledge.

Unleashing the potential of low energy buildings to push construction sector back to growth

On 31 July 2012, the European Commission tabled a [strategy](#) to boost the construction sector (which comprises of more than 10% of total employment in the EU), as well as to promote construction of low energy buildings with high CO2 and energy cost saving potential.

The main lines of the strategy include the following:

- (1) Stimulating favourable investment conditions, in particular in the renovation and maintenance of buildings. For example, this comprises encouraging the take up of the package of up to €120 billion in loans available from the European Investment Bank (EIB) as part of June's Pact for Growth and Employment;
- (2) Boosting innovation and improve worker's qualifications by promoting mobility;
- (3) Improving resource efficiency, by promoting mutual recognition of sustainable construction systems in the EU;
- (4) Providing standard design codes of practice to construction companies making it easier for them to work in other Member States; and
- (5) Fostering the global position of European construction enterprises to stimulate good performances and sustainable standards in third countries.

Public consultation on demand-side policies to spur European industrial innovations in a global market

The European Commission has launched a public [consultation](#) with the aim to gather inputs from stakeholders and citizens on the scope of possible future EU-level actions in demand-side policies for industrial innovation policy.

Consumers and public procurers should not underestimate their power to spur industrial innovations, for example by buying products which consume less energy and/or are friendlier to the environment. The Commission is therefore calling for ideas for potential new policy measures and focus areas for future targeted demand-side innovation actions at EU level, to enable faster uptake of innovations and to create a better environment for creating innovations in order to maintain the value chain and business investments in Europe.

As Europe (at EU, Member States and regional levels) now has some initial experience in demand-side policies and the political and economic priorities are clear, the leverage potential of using these policies increases and more sectors could benefit from them. A menu of policy tools is in place but can be further elaborated. There is room and need for tailoring tools and support mechanisms by market sector.

The public consultation ran until 6 September 2012.

European Commission seeks to develop Business Innovation Observatory

The European Commission wishes to conclude a service contract to develop a [Business Innovation Observatory](#). The Business Innovation Observatory is a three-year project with the aim to provide the European policy makers on a regular basis with analysis and intelligence on latest novel business and industrial innovation trends, activities and models. The analytical emphasis will be placed on a business micro-perspective in relation to the macro institutional, political, socio-economic, legal and policy context. The analysis will be complemented by a development of appropriate policy recommendations at European and national levels. The tool should be seen

as complementary to quantitative analytical instruments, most notably to the Commission's European Innovation Scoreboards*.

Submissions closed on 10 September 2012.

*European Innovation Scoreboards encompass Innovation Union Scoreboard, Regional Innovation Scoreboard and European Public Sector Innovation Scoreboard, the latter currently under development.

Unleashing the potential of key enabling technologies for jobs

The European Commission called for a European [effort](#) to boost Key Enabling Technologies (KETs) on 26 June 2012. The global market in KETs, which comprises micro- and nano-electronics, advanced materials, industrial biotechnology, photonics, nanotechnology and advanced manufacturing systems, is forecast to grow from € 646 Billion to over € 1 Trillion by 2015.

This is a jump of over 54%, or more than 8% of the EU's GDP. Rapid growth in jobs is expected, too. In nanotechnology industries alone, the number of jobs in the EU is expected to increase from 160,000 in 2008, to around 400,000 by 2015. The European Commission tabled its strategy today to boost the industrial production of KETs-based products, e.g. innovative products and applications of the future. The strategy aims to keep pace with the EU's main international competitors, restore growth in Europe and create jobs in industry, at the same time addressing today's burning societal challenges. As a matter of fact, Europe is a global leader in KETs research and development with a global share in patent applications of more than 30%. Despite this, the EU is not translating its dominant R&D base into the production of goods and services needed to stimulate growth and jobs. This is why the Commission calls for a European effort to boost KETS.

Entrepreneurship: consultation on future action at EU level

In these difficult times of increasing unemployment, Europe needs more entrepreneurs. Whilst only 11% of European citizens are entrepreneurs, 45% would like to be their own boss if they could.

To unlock this enormous potential for jobs and growth, the European Commission intends to launch in autumn 2012 a European Entrepreneurship Action Plan to boost entrepreneurship at all levels. To this end, the Commission has launched a public [consultation](#) with the aim to gather inputs from stakeholders and citizens on the scope of possible future actions at EU, national and regional level in promoting entrepreneurship.

New companies represent the most important source of new jobs: they create 4.1 million new jobs every year in Europe. Without the jobs created by new firms, the average net employment growth rate would be negative. Moreover there is a need to prevent companies from disappearing as a result of lack of support during turbulent times, and instead help them to keep growing and developing their business. This consultation, which runs until 10 October 2012, seeks to identify measures that would have a significant impact on achieving the goals of such an Action Plan to boost entrepreneurship.

Promoting entrepreneurship at all levels

Europe lags behind the United States in terms of entrepreneurship: in Europe 45% of citizens prefer to be self-employed, while in the USA this proportion is 55%. This lack of entrepreneurial drive is not due to Europeans' overall dislike of entrepreneurship but rather the result of concrete structural, administrative and cultural factors that need to be tackled.

To overcome the current situation, the Commission is in particular interested in receiving ideas on how to:

- Unleash entrepreneurial potential;
- Remove obstacles to entrepreneurial activities;
- Support entrepreneurs in starting up businesses; and
- Help entrepreneurs to face challenges, particularly during the first years of life of the business.

The Commission is interested to hear the views of citizens on the following topics:

(1) Promoting the spirit of entrepreneurship in schools and universities

What can be done at EU, national, and regional levels to promote entrepreneurship education?

(2) Women, Seniors – untapped pools of entrepreneurial potential

(3) Migrants, minorities or other specific groups of potential entrepreneurs

How can entrepreneurship among migrant and ethnic minority workers best be promoted?

Other issues covered by the consultation include framework conditions for business, facilitating transfers of business, efficient bankruptcy procedures/second chances for honest bankruptcies, supporting new entrepreneurs and improving access to finance.

European hierarchies 'stifle innovation at work'

A KPMG [report](#) (released 31 July 2012) claims that Chinese are better at fostering ideas from junior staff.

Workplaces in Europe are failing to make the most of innovative ideas from junior members of staff because of an ingrained hierarchical approach, a study has claimed.

Only 8% of European respondents to the KPMG Tech Innovation Survey said that their organisation was good at 'spotting and nurturing innovation from the bottom up'. Many took a hierarchical view of innovation, with one in three saying that innovative thinking is the responsibility of the CEO rather than of people throughout the business.

Asked what would encourage junior and mid-level staff to share their innovative ideas, respondents identified financial incentives (46%), promotion (18%) or internal recognition (16%). However, far from rewarding innovation in

this way, many organisations stifle it by valuing conformity and processes over creativity, the report suggested.

Evidence from the survey also suggested that European education systems are worse at developing questioning, challenging thinkers than those of the Asia-Pacific region. Over half (58%) of European respondents to the survey agreed that traditional approaches to education were stifling innovation. Respondents from China did not have the same concerns about their country's education, with 74% agreeing that it fosters innovative thinkers.

“So much lip service is paid to the importance of innovation, but the ability to create ‘something new’ often proves elusive simply because there is too great a focus on putting processes in place to allow innovative thinking to happen,” said Anna Marie Detert, a director in KPMG’s People and Change Advisory team. “It’s a paradox which must be addressed as it is collective problem-solving, rather than individual process compliance, that really counts with innovation. Ultimately it’s the calibre of the people, the alliances they build, space for their thinking time and the culture in which they operate which are the key ingredients to foster fresh ideas.”

She added: “The educational system in Europe is more established than elsewhere and this backdrop of centuries of high standard setting is often used as an excuse for not allowing alternative views to be expressed in the classroom. It’s a situation which means today’s pupils – who are tomorrow’s innovators – are less inclined to stand up and share their ideas out of a fear of being labelled as disruptive or non-conformist. They may be inclined to move to other geographies where their ideas can be heard and implemented.”

New Zealand

Building Innovation Report released by NZ Government

The NZ Government released the Building Innovation report on 21 August 2012. The [report](#) outlines a commitment and strategy for improving the state of the country’s science and innovation systems.

The report acknowledges the low but increasing public and private sector investment in R&D and sets targets in the public and private sector for addressing the gap in R&D investment. It highlights initiatives to improve science and innovation including a review of research centres and science priorities, developing a science funding tool, improving the innovation workforce, IP policy and international linkages.

An Education and Skills Update

International Scholarships and Mobility Update

Endeavour Awards

The 2013 round of Endeavour Awards closed on 30 June 2012. Applicants will be notified in November regarding the outcome of their application. Applications for the 2014 round of Endeavour Awards are expected to open in April 2013.

In the 2012 round, a total of 809 Endeavour Awards were offered. Of these 678 Awards were offered to international students, researchers and professionals and 131 Awards were offered to Australians for study, research or professional development abroad.

Prime Minister Australia Asia Awards

The Prime Minister's Australia Asia Awards are the most prestigious scholarships offered under the Endeavour Awards program and annually support 60 of the best and brightest university students from Australia and Asia to undertake an international research study and internship experience. These Awards help to build a network of people across the region that have a strong affinity with Australia and develop an internationally-aware, skilled workforce in Australia.

A three-day program is held annually in Canberra to provide Prime Minister's Award Holders with a pre-departure briefing which includes information on support services, media and communication awareness and cultural specific training. The program culminates in the Prime Minister's Awards Presentation Dinner. The dinner event also recognises the Prime Minister's Pacific-Australia Award Holders awarded through the AusAID Development program. The 2012 Presentation Dinner will be held on 6 December 2012 at the National Gallery of Australia. A number of high level guest are invited including the Prime Minister and Governor-General, Ambassadors and High Commissioners from participating countries, Vice-Chancellors, representatives of international business councils, and members of the Australia Awards Board.

Australia Awards Board

The Australia Awards Board held its fourth Board meeting on 20 June 2012 in Canberra. The agenda for the meeting focussed on the Board's agreed priorities: Partnerships, Alumni Strategy, and Branding. The Board with support from the Secretariat has made considerable progress in a single year to deliver a recognisable brand for the Australia Awards. The new branding architecture will be previewed at the Prime Minister's Awards Dinner Event on 6 December 2012, with the launch in early 2013. A combined alumni database including records of all Endeavour and AusAID Alumni was launched from 31 August 2012. The next board meeting is scheduled for 2 October 2012.

Australia Awards Alumni Network Strategy

In conjunction with the Australia Awards Secretariat and AusAID, DIISRTE recently facilitated focus group sessions for Australia Award Alumni and current award holders to help inform the Australia Awards Alumni Network Strategy.

Lessons Learnt from Large Firm Closures

There has been a long history of government responding to large firm closures and down-sizing to support local economies, industries and workers. These interventions are often multi-faceted, involving a number of state and federal government agencies.

The DIISRTE has a number of programs and funding, including the National Workforce Development Fund that can assist firms at risk of closure or help workers transition into new jobs in an orderly way as part of the government's intervention. The government also provides direct support for business and for regional development.

The DIISRTE has appointed the Nous Group to undertake research and report on the lessons learnt from large firm closures or down-sizing resulting in loss of jobs for a large number of workers. The Department is particularly interested in the analysis of the role of skills development and training in helping workers to remain in the work force, along with the impact of direct funding support for business or for regional development initiatives.

The Nous Group is conducting interviews with relevant stakeholders in five locations, selected because they provide unique case studies. The Nous Group will use the information obtained from their interviews to help form advice to the Department about better approaches to support regions, businesses and workers deal with events that have a major impact on the local economy.

NOUS completed the Northern Adelaide case study interviews 27 August 2012.

Australia - United States Green Skills Network

The DIISRTE is working in partnership with TAFE Directors Australia (TDA) to establish an Australia - United States Green Skills Network (the Network).

The Network will encourage and drive bilateral cooperation, collaboration and innovation in skills for sustainability, incorporating energy efficiency and renewable energy skills.

To be managed by TDA, the peak group for Australian public training providers, the Network will provide vocational education and training (VET) practitioners, university academics, US Community College staff, industry groups and students with the opportunity to share, develop and integrate green skills best practice in learning, teaching and workforce development.

The Network will capitalise on work conducted under Australia's national [Green Skills Agreement](#), endorsed by the Council of Australian Governments in December 2009. The Agreement is building the capacity of Australia's VET

sector to deliver the skills for sustainability required to enable individuals, businesses, industries and communities to adjust to, and prosper in, a sustainable, low-carbon economy.

The Network has the potential to support and promote a wide range of initiatives driving the development of green skills in Australia and the United States. For example, partnerships with industry are central to delivery of energy efficiency and renewable energy skills training in the US, while Australia is a leader in integrating skills for sustainability into the training system.

TDA will establish the Network by 31 July 2013.

Multilateral Education Engagement

Minister Evans recently attended the East Asia Summit (EAS) Education Minister Meeting (EMM) in Yogyakarta, Indonesia. Key [outcomes](#) contained in the [joint ministerial statement](#) include ministers adopting an Education Action Plan providing a policy roadmap for the next 5 years. The Plan outlines the commitment by EAS countries to the importance of education cooperation in the region and the EAS need for strong mechanisms to facilitate regional cooperation and harmonization.

Following the July [APEC Education Conference](#): “Shaping Education within APEC” in Vladivostok, Russia, APEC education ministers and senior officials acknowledged the importance of cross-border trade in education services and the need for deeper education cooperation in the Asia-Pacific. The Conference summary outlined key priority areas for enhancing regional education cooperation which would facilitate mobility of students, researchers and education providers in the region.

Australia is currently implementing several multilateral education cooperation projects which support our multilateral education agenda of harmonisation of education systems across the region. Priority areas include quality assurance, provider registration and accreditation, qualifications recognition, program content and delivery, and data collection:

- EAS Regional Technical Vocational Education and Training (TVET) Quality Assurance Framework;
- Development of an EAS Regional TVET Network of Providers;
- Capacity Building in Higher Education Quality Assurance in the EAS;
- Capacity building workshops for APEC Diploma Supplement Implementation Project; and
- Feasibility Study into a Regional Facility for Education Quality Assessment.

MyUniversity website update

In April 2012 the [MyUniversity](#) website was released to assist students to make choices about where and what to study. The website has been well received with one million page views to-date. Under the new student-centred

higher education system, it is important that students have access to meaningful information about Australia's higher education providers.

In September 2012, Phase 1.1 of MyUniversity was released; it includes:

- The publication of additional employment outcomes and the Australian Government's Job Outlook website which will provide potential students with access to careers and labour market information;
- Inclusion of the Office of Teaching and Learning awards; and
- Strengthened information concerning higher degrees by research

The alumni strategy will establish the Australia Awards Alumni Network to engage and foster an influential global network of leaders with strong links to Australia, enabling:

- The Australian Government to engage with leaders and advocates linked by their experience as holders of Australia Awards (and the precursors of these Awards);
- Australia Awards alumni to build and maintain relationships with each other through professional and social links; and
- Australia Awards alumni to contribute to the enhanced reputation and identity of the Australia Awards.

International Student Mobility round opens

DIISRTE administers a suite of international student mobility programs that assist tertiary students from Universities and the VET sector to undertake short-term international experiences that relate to their field of study. The programs are:

- International Student Exchange Program (ISEP);
- Study Overseas Short-term Mobility Program (STMP); and
- The VET Outbound Mobility Program (VET).

The 2013 Round opened for applications on 16 July 2012 and closed 31 August 2012.

Endeavour Cheung Kong Award Receptions

In 2009, the Minister for Education, Julia Gillard agreed to extend the contract between Cheung Kong Infrastructure Holdings Ltd and the Australian Government valued at \$7.5 million over ten years. Endeavour [Cheung Kong Award Receptions](#) are held annually in Adelaide, Melbourne, Sydney and Brisbane to honour the achievements of the Endeavour Cheung Kong Award holders and Alumni. These Receptions also recognise the significant partnership that has grown between the Australian Government and the Cheung Kong Group.

The next Cheung Kong event was held in Adelaide on 6 September 2012 and followed by Sydney in October. Over 100 guests comprising Executives from Cheung Kong Holdings; Chancellery Executives from relevant universities; senior politicians; Executives from the DIISRTE; Cheung Kong Alumni and

current Award Holders (both incoming and outgoing) and their families attend the event.

The Outbound Mobility Best Practice Guide for Australian Universities

The Outbound Mobility Best Practice Guide for Australian Universities, will be launched on the [Study Overseas Web Portal](#) on Wednesday 22 August 2012.

This project is the largest Australian research undertaken into outbound student mobility practice by Australian universities. The Best Practice Guide will support Australian institutions to manage their outbound student mobility programs.

The aims of the guide are to:

- Maximise the benefits, return on investment and outcomes of outbound mobility in Australian higher education institutions;
- Increase the number of and quality of experiences for Australian higher education students and staff undertaking an outbound mobility opportunity;
- Provide access to high quality, practical tools and case studies that all institutions can use to develop and enhance their mobility programs; and
- Assist all higher education institutions, particularly smaller and/or regional institutions, to generate significant efficiencies in outbound mobility to help increase staff and student participant numbers.