

QUESTION TIME

Q Australians are acknowledged internationally as great innovators but not great business commercialisers. Our inventions are, more often than not, commercialised overseas with great success. What can federal government do to change this?

Dr Glenn Tong, chief executive, Molecular Plant Breeding CRC

A Only 7 per cent of small Australian firms successfully brought new innovations to market in the two years between 2002 and 2004, against nearly 20 per cent of small New Zealand firms, the Organisation for Economic Co-operation and Development says. We crafted a plan to change this, Powering Ideas: An Innovation Agenda for the 21st Century. We're investing \$196.1 million over four years in a new Commonwealth Commercialisation Institute to bring ideas and technologies to market by providing access to business mentors; through specialist commercialisation services and funding proof-of-concept and early-stage commercialisation activities. The government has increased the research and development expenditure threshold for the R&D tax offset from \$1 million to \$2 million for 2009-10. From 2010-11, we will introduce a new R&D tax credit which will be worth about \$1.4 billion a year to business.

Kim Carr, Minister for Innovation, Industry, Science and Research

A Funding for early-stage development, tax credits for R&D, and assistance from mentors are all good moves. Government should also encourage existing businesses to offer their networks as paths to market, as existing distribution channels can be overlooked. Meeting customers' needs is a prerequisite for success, so customers need to be included from the beginning. Businesses can provide channels to market that are already in place and functioning.

Dr Rowan Gilmore, chief executive, Australian Institute for Commercialisation

Questions for government and agencies can be sent to questiontime@brw.com.au.