

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing 2009-10
10 February 2010

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY SCIENCE AND RESEARCH

TOPIC: Industry Innovation Councils

REFERENCE: Written Question – Senator Eggleston

QUESTION No.: AI-61

There are currently 7 Industry Innovation Councils. In respect to each Innovation Council:

- a. When was it established?
- b. What is the budget?
- c. Provide a breakdown of the spending for each year including member costs, travel, administration, staff and other costs.
- d. What departmental resources are provided to support the Council and what are the cost of those resources?
- e. Have any external consultants been engaged by the Council? If so, who has been engaged, what have they been engaged to do and at what cost?
- f. Where and how often has the council met?
- g. What has been the attendance at Council meetings of each of the Members of the Council?
- h. What work has been undertaken by the Council?
- i. What recommendations have been made by the Council?
- j. What recommendations of the Council have been implemented by the Government?

ANSWER

- a. Senator the Hon Kim Carr, Minister for Innovation, Industry, Science and Research announced the establishment of the following Industry Innovation Councils (Councils):
 - Automotive—10 November 2008
 - Built Environment—2 September 2008
 - Future Manufacturing—10 October 2008
 - Information Technology—5 May 2009
 - Space—19 November 2009
 - Steel—30 July 2009
 - Textile, Clothing and Footwear—12 May 2009
- b. The budget for the Industry Innovation Councils for 2008-09 was \$4.270¹m.
The budget for the Industry Innovation Councils for 2009-10 is \$3.796m.

¹ Unless otherwise stated, all figures are GST exclusive.

c.

Automotive Industry Innovation Council 2008–09 Expenditure	
Category	Expenses (GST excl) \$
Staffing	135 293
Travel	10 091
Member costs	10 003
Other [Fee for service, consultancy and grants]	100 000
Administrative costs	1 121
Total	256 508
2009–10 Expenditure to 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	121 921
Travel	7 942
Member costs	2 610
Other [Fee for service, consultancy and grants]	199 250
Administrative costs	2 682
Total	334 405

Built Environment Industry Innovation Council 2008–09 Expenditure	
Category	Expenses (GST excl) \$
Staffing	196 201
Travel	7 411
Member costs	15 337
Other [Fee for service, consultancy and grants]	244 099
Administrative costs	15 926
Total	478 974
2009–10 Expenditure to 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	103 190
Travel	4 832
Member costs	13 053
Other [Fee for service, consultancy and grants]	37 727
Administrative costs	7 249
Total	166 051

Future Manufacturing Industry Innovation Council 2008–09 Expenditure	
Category	Expenses (GST excl) \$
Staffing	156 833
Travel	27 513
Member costs	13 579
Other [Fee for service, consultancy and grants]	83 136

Administrative costs	19 469
Total	300 530
2009–10 Expenditure to 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	56 350
Travel	2 334
Member costs	25 423
Other [Fee for service, consultancy and grants]	26 480
Administrative costs	2 576
Total	113 163

Information Technology Industry Innovation Council	
2008–09 Expenditure	
Category	Expenses (GST excl) \$
Staffing	128 925
Other [Fee for service, consultancy and grants]	118 527
Administrative costs	22 727
Total	270 179
2009–10 Expenditure to 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	116 049
Travel	13 619
Member costs	24 809
Other [Fee for service, consultancy and grants]	46 418
Administrative costs	18 235
Total	219 130

Space Industry Innovation Council	
2009–10 Expenditure as at 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	46 984
Travel	882
Administrative costs	150
Total	48 016

Steel Industry Innovation Council	
2009–10 Expenditure as at 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	189 413
Travel	13 589
Other [Fee for service, consultancy and grants]	3 972
Administrative costs	1 492
Total	208 466

Textile, Clothing and Footwear Industry Innovation Council 2009–10 Expenditure as at 31 January 2010	
Category	Expenses (GST excl) \$
Staffing	101 412
Travel	3 600
Member costs	18 623
Other [Fee for service, consultancy and grants]	34 845
Administrative costs	8 462
Total	166 942

- d. In addition to individual Councils' expenses itemised in Estimates QON AI-61 (c), departmental expenses were:
- 2008–09 financial year, departmental overheads of \$233 000, contracts worth \$349 957 and administrative expenses of \$321 098; and
 - 1 July 2009 to 31 January 2010, departmental overheads of \$136 500, contracts worth \$73 015 and additional administrative expenses of \$199 974.
- e. *Please note:* figures provided are for total contract, some of which were expensed in more than one financial year.

Automotive Industry Innovation Council

Nil

Built Environment Industry Innovation Council

Waterfield Consulting Pty Ltd

- As facilitator at meetings to develop a Council strategic roadmap to 2014.
- \$18 909 excluding GST

Future Manufacturing Industry Innovation Council

Access Economics Pty Limited

- Consultancy to provide statistical analysis of Australia's future manufacturing industry.
- \$22 000 including of GST

AECOM Australia Pty Ltd

- Provision of a report providing background on Australian manufacturing capability and opportunities in the sustainable energy sector.
- \$77 413 including of GST

Australian Institute for Commercialisation Limited

- Development of a diagnostic tool to help assess the readiness of organisations to innovate and collaborate.
- \$16 280 including of GST

Waterfield Consulting Pty Ltd

- As facilitator at meetings to develop a Council strategic roadmap to 2014.
- \$32 816 excluding GST

Information Technology Industry Innovation Council

Blake Dawson Waldron

- Development of a guide to limiting supplier liability in IT contracts with Australian Government agencies.
- \$72 727 excluding GST

Waterfield Consulting Pty Ltd

- As facilitator at meetings to develop a Council strategic roadmap to 2014.
- \$66 000 excluding GST

Space Industry Innovation Council

Nil

Steel Industry Innovation Council

Nil

Textile, Clothing and Footwear Industry Innovation Council

Waterfield Consulting Pty Ltd

- Facilitate workshops and stakeholder consultations, develop a strategic roadmap to 2014, train departmental staff on related applications, and conduct a 90 day review.
- \$46 000 excluding GST

f. *Please note:* Dates are up to and inclusive of 28 February 2010.

Automotive Industry Innovation Council

The Automotive Council has met four times:

- 29 January 2009, Melbourne
- 1 June 2009, Melbourne
- 5 November 2009, Melbourne
- 26 February 2010, Melbourne

Built Environment Industry Innovation Council

The Built Environment Council has met five times:

- 30 October 2008, Melbourne
- 27 February 2009, Sydney
- 29 May 2009, Melbourne
- 10 August 2009, Canberra
- 27 November 2009, Sydney

In addition, the Built Environment Council held two stakeholder forums:

- 24 April 2009, Canberra
- 8 December 2009, Canberra

Future Manufacturing Industry Innovation Council

The Future Manufacturing Council has met six times:

- 2 December 2008, Canberra
- 26 February 2009, Sydney
- 27 May 2009, Melbourne
- 19 June 2009, Canberra
- 31 August 2009, Sydney
- 10 February 2010, Melbourne

In addition, the Future Manufacturing Council held three stakeholder workshops:

- 6 May 2009, Sydney
- 7 May 2009, Adelaide
- 8 May 2009, Melbourne

Information Technology Industry Innovation Council

The Information Technology Council has met twice:

- 21 July 2009, Canberra
- 18 November 2009, Sydney

In addition, the Information Technology Council held five stakeholder workshops:

- 13 August 2009, Brisbane
- 14 August, Sydney
- 18 August 2009, Melbourne
- 19 August 2009, Adelaide
- 20 August 2009, Perth

Space Industry Innovation Council

- 10 February 2010, Canberra.

Steel Industry Innovation Council

- 5 November 2009, Sydney.

Textile, Clothing and Footwear Industry Innovation Council

The Textile, Clothing and Footwear Council has met three times:

- 17 September 2009, Canberra
- 17 November 2009, Canberra
- 23 February 2010, Melbourne

g. *Please note:* data are up to and inclusive of 28 February 2010.

Automotive Industry Innovation Council

Dr David Charles (Chair), 4 out of 4

Mr Mark Albert, 4 out of 4

Mr Zoran Angelkovski, 3 out of 4

Mr Alan Batey, 2 out of 2

Mr Marin Burela, 2 out of 4
Mr Jurgen Bracht, 3 out of 4
Dr Megan Clark, 4 out of 4
Mr Barry Comben, 4 out of 4
Mr Charlie Donnelly, 1 out of 4
Mr Bruce Griffiths, 4 out of 4
Mr Wayne Hanson, 1 out of 2
Mr Ian Jones, 3 out of 4
Mr David Latina, 1 out of 1
Professor Caroline McMillen, 3 out of 4
Mr Dave Oliver, 1 out of 4
Mr Steve Payne, 3 out of 4
Mr Russell Pettis, 2 out of 3
Mr Len Piro, 3 out of 4
Mr David Robinson, 4 out of 4
Mr Mike Shnier, 4 out of 4
Mr Terry Stinson, 3 out of 4
Mr Hayden Williams, 4 out of 4
Mr Max Yasuda, 4 out of 4
Mr Paul Howes (resigned), 0 out of 2
Mr Wayne Lewis (resigned), 3 out of 4
Mr Mark Reuss (resigned), 1 out of 2

Built Environment Industry Innovation Council

Ms Sue Holliday (Chair), 5 out of 5
Mr Ross Batstone, 2 out of 4
Professor Catherin Bull, 5 out of 5
Mr Tristram Carfrae, 4 out of 5
Mr Peter Gow, 5 out of 5
Dr Michael Green, 4 out of 5
Mr Mal Grierson, 2 out of 5
Professor Ralph Horne, 5 out of 5
Dr Matthew Inman, 4 out of 5
Mr James Kell, 1 out of 2
Professor Martin Loosemore, 4 out of 5
Professor Ken Maher, 4 out of 5
Mr John McCarthy AO, 3 out of 5
Professor Peter Newman, 1 out of 5
Mr Dave Noonan, 4 out of 5
Mr Paul O'Keefe, 4 out of 5
Mr Roger Olds, 3 out of 5
Ms Pru Sanderson, 3 out of 5
Mr David Smith, 4 out of 4
Ms Kerstin Thompson, 3 out of 5
Ms Siobhan Toohill, 5 out of 5
Ms Petie Walker, 1 out of 1
Mr Greg Barlow (resigned), 2 out of 2
Mr Rod Fehring (resigned), 1 out of 2
Mr Keith Mitchelhill (resigned), 0 out of 1

Future Manufacturing Industry Innovation Council

Mr Philip Binns (Chair), 6 out of 6
Mr Pat Boland, 5 out of 6
Mr Lyle Bruce, 3 out of 6
Ms Sharan Burrow, 2 out of 6
Mr Peter Cockbain, 5 out of 6
Dr Calum Drummond, 6 out of 6
Mr Brad Dunstan, 5 out of 6
Dr Bronwyn Evans, 4 out of 6
Dr Michael Green, 5 out of 6
Mr Bruce Grey, 6 out of 6
Ms Lusia Guthrie, 5 out of 5
Professor Erol Harvey, 4 out of 6
Mr Erich J. Hofmann, 4 out of 6
Mr Paul Howes, 1 out of 6
Mr David Malloch, 4 out of 6
Mr Dave Oliver, 3 out of 6
Mr Tony Quick, 5 out of 6
Dr Leanna Read, 3 out of 5
Mr Rohan Stocker, 3 out of 4
Professor Elizabeth Taylor AO, 5 out of 6
Mrs Diane Tompson, 4 out of 6
Ms Sylvia Tulloch, 4 out of 6
Mr Gary Zamel, 2 out of 6

Information Technology Industry Innovation Council

Mr John Grant (Chair), 2 out of 2
Mr Glen Boreham, 2 out of 2
Mr Michael Clifford, 1 out of 2
Professor Peter Cole, 2 out of 2
Mr Steve Conolly, 2 out of 2
Mr Tom Crago, 2 out of 2
Mr Bob Cupitt, 2 out of 2
Mr Peter Dalton, 1 out of 2
Ms Belinda Dennett, 1 out of 2
Ms Ros Eason, 2 out of 2
Ms Mia Garlick, 1 out of 1
Ms Tracey Fellows, 1 out of 2
Dr Graham Hellestrand, 2 out of 2
Ms Amanda Heyworth, 2 out of 2
Ms Anne Hurley, 2 out of 2
Mr Jan Janssen, 1 out of 2
Mr Paul Kristensen, 2 out of 2
Mr Mike Lawson, 2 out of 2
Mr Andrew Madsen, 1 out of 1
Ms Suzanne Roche, 2 out of 2
Mr Neville Stevens AO, 2 out of 2
Mr Randall Straw, 2 out of 2
Mr Chris Winter, 1 out of 2
Dr Alex Zelinsky, 2 out of 2

Mr Kumar Parakala (resigned), 0 out of 2

Space Industry Innovation Council

Dr Rosalind Dubs (Chair), 1 out of 1

Dr Sue Barrell, 1 out of 1

Mr Brett Biddington, 1 out of 1

Dr Phillip Diamond, 1 out of 1

Dr Michael Green, 1 out of 1

Dr Ben Greene, 1 out of 1

Professor Peter Hall, 1 out of 1

Mr Chris Jenkins, 1 out of 1

Mr Rob Lorimer, 1 out of 1

Dr Roger Lough, 1 out of 1

Ms Naomi Mathers, 1 out of 1

Dr David Nayagam, 1 out of 1

Professor Andrew Parfitt, 1 out of 1

Dr Chris Pigram, 1 out of 1

Mr Paul Sheridan, 1 out of 1

Dr Terry Stevenson, 1 out of 1

Steel Industry Innovation Council

Mr Mark Paterson AO (Chair), 1 out of 1

Professor Lyndon Edwards, 1 out of 1

Mr Paul Howes, 1 out of 1

Mr Don McDonald, 1 out of 1

Dr Steve Morton, 1 out of 1

Mr Paul O'Malley, 1 out of 1

Mr Geoff Plummer, 1 out of 1

Professor Gerard Sutton AO, 1 out of 1

Mr Julius Roe (resigned), 1 out of 1

Textile, Clothing and Footwear Industry Innovation Council

Mr Phillip Butler, 3 out of 3

Mr Phil Butt, 3 out of 3

Mr Ross Fitzgerald, 3 out of 3

Mr John Garrett, 2 out of 3

Mr Michael Gerakios, 3 out of 3

Mr Mike Lawson, 3 out of 3

Mr Daniel Leipnik, 3 out of 3

Dr Steve Morton, 3 out of 3

Professor Marie O'Mahony, 3 out of 3

Ms Michele O'Neil, 3 out of 3

Mr Lindsay Packer, 3 out of 3

Mr Brian Rush, 3 out of 3

Mr Charles Szakiel, 2 out of 3

Mr Barry Tubner, 3 out of 3

Mr Peter Waddell, 1 out of 1

Ms Bronwyn Darlington (resigned), 2 out of 2

Mr David Kesby (resigned), 0 out of 2

Mr Andre Reich (resigned), 0 out of 2

- h. The Councils have developed their strategic roadmaps, identified their priorities and are implementing their program of work, including supporting commissioned analysis, reports and demonstration projects; engaging with their wider stakeholders; and championing innovation, for example through their contribution to Innovation Profiles which tell real stories of innovation in industry in Australia.

Illustrative examples of the work of the Councils follow.

Automotive Industry Innovation Council

- The Automotive Council endorsed the development of an Automotive Technology Roadmap
- As a direct result of Automotive Council discussions, the Federation of Automotive Products Manufacturers now distributes a calendar of non-production days to help suppliers plan their own production and staff training schedules.
- China Automotive Engagement Strategy Workshop
- Professor Caroline McMillen (Automotive Council member) drafted a paper on attracting and retaining skilled staff, which was discussed by the Automotive Council.

Built Environment Industry Innovation Council

Priority areas of the Council led to the following reports:

- Procurement Practice: Impediments to innovation and opportunities for change
- Retrofitting Residential Precincts: Current practice, new strategies and industry training responses
- Innovative Practices in the Australian Built Environment: an information resource for stakeholders
- Cities of the Future

Future Manufacturing Industry Innovation Council

- In its first year of operation, the Future Manufacturing Council developed and commenced implementing its strategic plan, and finalised the first set of eight strategic priorities. By the end of February 2010, new strategic priorities for 2011 were being developed by the Future Manufacturing Council.
- The Future Manufacturing Council has identified the following focus areas:
 - Sustainable energy
 - Sustainable water
 - Medical devices
- The Future Manufacturing Council also has widely promulgated the innovation diagnostic tool developed with the Australian Institute for Commercialisation.

Information Technology Industry Innovation Council

- The Council has developed its strategic plan and commenced its work program. Matters covered by the work program include championing innovation, small to medium enterprise readiness for the National Broadband Network, IT skills and training, tax issues, and linkages to Government programs and policies.
- The Information Technology Council has undertaken a round of stakeholder consultations and is providing feedback to the stakeholders.
- The Information Technology Council is engaging with other Industry Innovation Councils and Government advisory bodies to promote IT as transformational technology across the economy.

Space Industry Innovation Council

- Examined the opportunities and threats facing the sector and began the development of a strategic plan for the next ten years, concentrating particularly on the economic benefits to Australia that can arise from involvement in space technologies.
- Commenced the development of a communications strategy in order to start focussing the broader Australian space constituency around a better coordinated strategic direction.

Steel Industry Innovation Council

- The Steel Council has met once. Its stated objectives are to establish the following:
 - Priority opportunities for the Steel Supplier Advocate to work with Enterprise Connect and the Industry Capability Network.
 - Mechanisms to improve connections between project proponents and suppliers, including ensuring that project specifications do not discriminate against Australian suppliers.
 - The creation of industry capability teams to pursue opportunities.
 - Advice on actions industry and unions can cooperatively take to support the activity of the Steel Supplier Advocate.
 - Practical strategies to develop a sustainable innovation culture across the sector.
- A Working Group was been established to support the Steel Council. It has met five times and is coordinating with the Steel Supplier Advocate (an appointment related to, but independent of the Steel Council) to enable the Steel Council to advance its work.

Textile, Clothing and Footwear Industry Innovation Council

The Textile, Clothing and Footwear Council has met three times and in February 2010 finalised its strategic plan through to 2014. In developing its strategic plan it undertook consultations with industry stakeholders in Melbourne, Sydney and Brisbane in November and December 2009.

Council members are now progressing ten 2010 milestones including:

- Helping to develop a clearly articulated Australian TCF brand;
- Building an industry capability map;
- Developing a university and training capability map for the TCF industries;
- Identifying successful cluster models and starting a new cluster pilot

Further information on Councils is at www.innovation.gov.au/industryinnovationcouncils

- i. Each Council provides strategic advice to Senator the Hon Kim Carr, Minister for Innovation, Industry, Science and Research; champions innovation in industry; and builds connections and collaborates across Councils and with other innovation initiatives.
- j. The Government considers the advice provided by the Industry Innovation Councils within the wider decision making processes of Government.