

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Supplementary Budget Estimates Hearing 2010-11
20 October 2010

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: ICT Policy

REFERENCE: Written Question–Senator Colbeck.

QUESTION No: SI-82

1. In a 19 October 2010 article in The Australian titled ‘Promised \$12.7m ICT research lab lost in election mist’, it was reported that “Labor will no longer proceed with a possible contribution to the establishment of an ICT-enabled laboratory ... (and) this will save \$12.7m over the forward estimates”. Can you outline what that lab is, where it is, and why this decision was taken?
2. Within the Department, which branch is responsible for ICT policy?
3. How many people in that branch are employed to work specifically on ICT policy? What form does their work on ICT take – and, over the last three years, what sorts of issues and projects have they been working on?
4. What are Senator Carr’s Ministerial responsibilities in relation to ICT policy?

ANSWER

1. On 14 October 2010 the Prime Minister announced that the Australian Government would provide \$22 million over six years (\$12.7 million will be provided over the forward estimate years) toward the establishment of an IBM Global Research and Development Laboratory located at the University of Melbourne.

The Laboratory will undertake research and development in collaboration with the University of Melbourne, CSIRO, National ICT Australia and Australian industry aligned to our national research priorities. It will focus on the key issues facing Australia, such as water and natural resource management. The Government recognised the benefits that could be obtained by linking university and public sector research with a very significant technology and research-based global company that had the capacity to commercialise research outcomes and anchor the University of Melbourne’s proposed National Centre for a Smarter World.

The Mid-Year Economic and Financial Outlook reported savings and expenditure decisions made since the election.

2. The Competitive Industries Branch is responsible for ICT industry development and the promotion of telework.

3. The Competitive Industries Branch has six permanent staff members working on ICT policy. Information Technology is a general purpose technology that underpins virtually all innovation, which means that ICT industry development considerations are brought to bear on many issues dealt with by the Department of Innovation, Industry Science and Research. The ICT Industry Development Section therefore works closely with other areas within the Department of Innovation, Industry, Science and Research, portfolio agencies such as the CSIRO and other agencies such as Australian Government Information Management Office (AGIMO), Austrade and the Department of Broadband, Communications and the Digital Economy (DBCDE) for a joint approach on ICT policy matters within the Government. The section also works through the Digital Economy Working Group of the Online and Communications Council of the Council of Australian Governments (CoAG) on ICT industry development issues across jurisdictions.

Issues and projects over the last three years include:

- Advice to the Minister on ICT industry development and associated issues, supported by consultation with stakeholders notably small and medium enterprises and industry and professional associations;
- Support for the Information Technology Industry Innovation Council (ITIIC), which provides advice to the Minister and champions innovation both in the sector and through the use of technology in the wider economy;
- Promoting the uptake of telework across the economy through provision of the Telework Australia website. We are also currently arranging workshops on implementing telework for Information technology (IT) and Human resources (HR) managers and practitioners from the Australian Public Service. Data on the uptake of telework is collected through the *Business Index Teleworking Survey* conducted by Sensis Pty Ltd biennially;
- Carriage of the proposal to provide financial assistance for the establishment of an IBM Global Research and Development Laboratory at the University of Melbourne;
- Managing the Commonwealth's responsibilities in relation to the Intelligent Island Program in Tasmania including the CSIRO Tasmanian ICT Centre;
- Finalising the ICT Incubators Program;
- Participating in the Australian Bureau of Statistics (ABS) ICT Reference Group on ICT industry data;
- Membership of the CSIRO IT Sector Advisory Council;
- Membership of the Innovation and Business Skills Australia (IBSA) – ICT Sector Advisory Committee;
- Appeared before the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government Enquiry into Smart Infrastructure;
- The Branch supports the IT Supplier Advocate, Mr Don Easter, who is working with industry groups to develop and champion initiatives that promote the IT capabilities of Australian SMEs to government customers and global IT forms. Current IT Supplier Advocate activities include developing: a targeted marketing campaign to promote the SME sector, an IT Industry Capability Portal to reduce the industry's search and transaction costs; tailored business training modules for SMEs to improve business deficiencies; and facilitation of showcasing to key customers to raise SMEs' profiles in the market.
- An updated *Guide to Limiting Supplier Liability in ICT Contracts with Government Agencies* was published in May 2010;
- Contributing to the Government's response to the *Review of the Australian Government's use of ICT* (Gershon Review), including seconding an officer to AGIMO for some months;
- Participated in Government processes that brought about change to the Intellectual Property (IP) ownership policy for Commonwealth Government procurements of ICT. The new

policy, which commenced 1 October 2010, establishes a default position that the supplier is to own the developed IP, conditional on granting the Commonwealth a broad licence.

- Participation in the Inter-Departmental Committees implementing the new arrangements for the coordinated procurement of Desktop Computers and Major Office Machines (to bring an industry development perspective to the considerations).

4. As reported in the Administrative Arrangements Orders (AAO), Minister Carr's portfolio responsibilities include information and communications technology industry development.