

Media Release



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High industry expectations in advance of Innovation Green Paper

The biotechnology and medical devices industry is urging a swift response by the Rudd Government to recommendations to be outlined in the Green Paper arising from the Review of Australia's National Innovation System.

The Minister for Innovation, Industry, Science and Research, Senator Kim Carr, will address the National Press Club today where he is expected to indicate the Government's response to the Review.

AusBiotech, the national biotechnology organisation, is urging the Government to re-introduce a grants program to assist with the commercialisation of new products and technologies.

Since the Rudd Government's decision to abolish the successful Commercial Ready and Commercial Ready Plus programs in its May budget, the industry has been left in limbo, without the policy certainty it needs to plan for growth and attract investment.

The Review received an overwhelming number of submissions emphasising the importance and value of the Commercial Ready programs, which provided grants to companies to assist with commercialisation of new products and technologies. The program, which supports innovative industries, has been in existence in various forms since the 1980s.

AusBiotech made two submissions to the review – one pre-Budget and one post-Budget, with the latter focusing on the urgent need for a new iteration of Commercial Ready.

AusBiotech CEO Dr Anna Lavelle said while support for university R&D was important, there were now fewer avenues available to commercialise new innovative technologies.

"What we are seeing is a policy gap between the R&D phase and the commercialisation phase," Dr Lavelle said. "Research is less valuable if there is no path to commercialisation. Investment in commercialisation delivers on the public investment in the research stage.

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“Commercial Ready grants not only gave many small innovative companies the boost they needed to commercialise their technologies, as well as technologies originating from university R&D efforts, but they allowed companies to leverage private investment from other sources.

“AusBiotech hopes the Minister will address this gap in our innovation system in his Press Club speech today.”

Dr Lavelle said the Government’s decision to channel funds into a dedicated grants program for emerging climate change technologies (as part of its new Climate Ready program) was worthy, but not at the expense of industries such as biotechnology, medical devices, pharmaceuticals and agri-biotech.

She also anticipated the Review would make recommendations concerning long-awaited tax reforms to encourage early stage commercialisation.

“To date, favourable tax treatment has been overlooked as an important area for reform for the biotech sector,” Dr Lavelle said.

“The Review of Australia’s innovation system presents a great opportunity for the Government to make changes in this area, for example to replace the current R&D tax concession with a credit; and to remove the unfair \$1 million cap on tax offset.”

*** For AusBiotech’s full submission to the Innovation Review, see www.ausbiotech.org/downloads**