

**ECONOMICS AND INDUSTRY
STANDING COMMITTEE**

**INQUIRY INTO TECHNOLOGICAL AND SERVICE INNOVATION
IN WESTERN AUSTRALIA**

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 11 FEBRUARY 2016**

SESSION THREE

Members

**Mr I.C. Blayney(Chair)
Mr F.M. Logan (Deputy Chair)
Mr P.C. Tinley
Mr J. Norberger
Mr T.K. Waldron**

Hearing commenced at 11.25 am**Mr ALAN BANSEMER****Chair, Technology and Industry Advisory Council, examined:****Mr ANDY FARRANT****Member, Technology and Industry Advisory Council, examined:****Professor SHAUN COLLIN****Member, Technology and Industry Advisory Council, examined:**

The CHAIR: On behalf of the Economics and Industry Standing Committee, I would like to thank you for your appearance before us here today. This hearing has been convened to enable the committee to gather evidence for its inquiry into technological and service innovation in Western Australia. At this stage I would like to introduce myself and the other members of the committee present today. I am the chair, Ian Blayney, the member for Geraldton. With me is the deputy chair, Hon Fran Logan, the member for Cockburn, and the other member here is Hon Terry Waldron, the member for Wagin. The Economics and Industry Standing Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of the Parliament and therefore commands the same respect as is given to proceedings in the house itself. Even though the committee is not asking witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of the Parliament. This is a public hearing and Hansard is making a transcript of the proceedings for the public record. If you refer to any documents during your evidence, it would assist Hansard if you would provide the full title for the record.

Before we proceed to the inquiry's specific questions that we have for you today, I need to ask you some questions. Have you completed the "Details of Witness" forms?

The Witnesses: Yes, we have.

The CHAIR: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

The Witnesses: Yes, we do.

The CHAIR: Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form?

The Witnesses: Yes.

The CHAIR: Do you have any questions in relation to being a witness at today's hearing?

The Witnesses: No.

The CHAIR: We have some questions for you, but before we get to them would you like to make an opening statement?

Mr Bansemer: Not as such, but I would like to make a couple of comments if that is okay.

The CHAIR: Please.

Mr Bansemer: We hear a lot that the chance and time for innovation has passed us; the economic circumstances of the day do not permit it. We take a different view, which is that it makes it more essential that we use our knowledge base. We spend a lot of money within government in this state—\$180 million plus—on science and applied science. We use that to develop processes and

technology based on that knowledge, but it is in the innovation where I do not believe the relationship is mathematically right. We do not actually use the approved technology quickly enough. There is a time when that is more possible than at other times. If I can use an analogy from the past, the Department of Health 15 or 16 years ago changed its imaging to digital. It was in many ways serendipitous—there was technology coming to the end of its life—but it actually required the government of the day to make a very serious investment in going into that system and that technology. At that time, we were the first in Australia to really seriously move into that in a systemic way, and it has changed the way medicine is practised in hospitals in this state. I say that it was serendipitous, but the thing that was impressive in retrospect was the way it transcended governments, and it was done rapidly, for the size of the exercise. To me, that has always stood out as a serious example of innovation. It was not technology that was developed here—we imported it—but we used it.

[11.30 am]

We find that, within Western Australian industry, within public and private companies, there is a whole lot of innovation taking place on a day-to-day basis, which we do not really know about, but then all of a sudden you talk to somebody and they will tell you an anecdote that may be about something small that has not reached the public consciousness, and that, to me, is one of the very serious things that we have to concentrate on doing, which is to know where innovation is occurring and how to stimulate it, and bring together the people who have parts of the puzzle, because often they do not know what they need in terms of collaboration. I do not want to take it any further than that at this stage. We have spent a lot of time, as you would expect, thinking through these issues, but I think that the one thing that the council is unanimous on—there are a few things on which it is not unanimous—is that this is the time.

Mr F.M. LOGAN: Thanks for coming along. Why do you think what you referred to just then, about the level of innovation taking place out there in small and large businesses across Western Australia that we do not know about, is happening? Why do you think the government has such little data and so few linkages between its function as a government and business? Big business and government have very strong linkages, as you know, but for the rest of the business sector in Western Australia the linkages are tenuous or non-existent. Your statement reflects that level—that innovation is taking place, but we do not know about it. Why do you think that is, and what do you think should be done to address that, if it needs to be addressed?

Mr Bannister: I think you are right. It is implicit in what I was trying to say. Why it is, I think, is complicated, and I do not think Western Australia is any better or worse than most other places. It comes down to competitiveness between industry and others. It comes to those things that people sometimes do not think are worthy of talking about. I will get Andy to speak to that. We feel very strongly that we need to actually build the information about what is happening and where the competencies are, and to be able to make that available. It is not answering your question about why, but it is actually recognising that what you say is right, and we believe that something needs to be done about it.

Mr Farrant: Thank you; that is a very good question. I am now a consultant, and my last real employment was with a defence technology company called Poseidon Scientific Instruments. We had a staff component of less than 20, and when I joined the company, within three months of me starting with the company, the global financial crisis hit. The answer to the question why, particularly with companies of that size, but even companies 10 or 15 times that size, is the capacity to do that work and the capacity to spend time sharing and working with other organisations. There is, from my experience, a role for a WA government in this. I am going to use that phrase, “a WA government”, because it is not about the current government, it is not about past governments; it is about the government. There is a role for a Western Australian government in this in being able to create, as part of a wider ecosystem, the conversation around innovation,

because my view about innovation is that it is like oxygen, and to be able to pump more oxygen into the system means that it will be somebody's job, probably from the public purse, to track how we are performing on an innovation ratio, and other people will then respond to that and be able to measure themselves as, "How do we measure against the innovation ratio? Are we a company that is investing, as Poseidon Scientific did?" One of the benchmarks for PSI was 15 per cent of the total turnover was spent on research and development, and that is why the company was an internationally leading radar components company, and better than any of the competition in the world by 300 times because of that R&D spend. To take that one step further, one of the conversations that TIAC has had recently has been on: what is the innovation focus for Western Australia? One of the elements of that that came out very, very strongly is the state's capability and how we look at the capabilities. At the moment you have people who are highly skilled in the minerals and resources area and other people who are skilled in delivering services in the health and medicine area. One of the questions that we have not been able to answer is: what are the transferable capabilities from, say, mining and energy? It could be about many innovative processes that are applicable in other sectors, so rather than cut the cake in the traditional birthday cake manner, let us try to slice the cake on a different angle, if I can mangle a metaphor.

So with Poseidon Scientific, one of the things that we were asked to do was to look at a very, very small component of work for Curtin University for the build of a radio telescope—now the first working radio telescope on the Square Kilometre Array site called the Murchison Widefield Array. That work turned into a three to four-year program for Poseidon Scientific. We were a radar company; radio astronomy is actually also radar. It is just on a much, much larger scale, so what we did was apply our very specific capabilities into an allied area of different scale and help solve the problems in putting that technology out into the desert in the Murchison.

Mr T.K. WALDRON: Alan, when you were talking before, you were saying it is critical that we—I wrote it down and I cannot find it! You said that there is a lot of innovation taking place with a lot of our companies, but the public generally does not know about it and we do not recognise it, so we need to bring people together. What can we do to help this from a government point of view? What can government do to make sure that that does happen? Can we send messages from government? How do we facilitate that to try to improve that situation so that we get to work closer together? One of the things that comes up all the time is about collaboration and working together with academia and industry et cetera, but it is actually making it happen; that is what I am looking for. How does government do that, in your opinion?

[11.40 am]

Mr Bansemer: Largely, government has to help create the environment in which it happens, and you cannot do it directly because that will submerge even more. It has to actually lead the way to having a more open environment. There is a big benefit, I think, at the moment in the federal government becoming seriously interested in innovation, but from Western Australia or any other state's point of view, that can be two-edged. We have to find a way to be able to collaborate, but we also have to find a way that does not suck our expertise into eastern states projects. We have to be able to have a way to bring eastern states and international expertise into a Western Australian environment.

Mr T.K. WALDRON: So, do we do that by incentive or by putting some strong conditions on funding to force people to collaborate, or a bit of a balance of both?

Mr Bansemer: I think it is definitely a bit of both. It is not just those things; it is more than that. I am just looking at the numberplate over there. It is actually—and it has been happening in this country, in Australia, for all my professional life—people finding ways to say, "This is the place to do something." State numberplates have been used in that way: the state of excitement, the state of this and the state of that. It is reflective of an openness and a supportive culture, and then the rest of it comes back to being able to make as much information available as can be reasonably done in

what is a commercially competitive environment, and if you step back from what is actually being done, we would say that the more people know about others' competencies and what they actually have the capacity to do, and then the brokering part of it comes when somebody puts together the various competencies to make something happen. It is very difficult for governments—certainly in the current financial circumstances, but it is actually difficult at any time—to put money into high-risk activity, but we have to learn how to unlock private sector venture capital in a Western Australian environment, because most venture capital is not Western Australian based. If you get the venture capital you need to develop something, then all of a sudden it is not Western Australian, and we have to find a way to counter that.

Mr T.K. WALDRON: So while government should get involved and try to be smart about it, we need to just be a little bit careful—we want to attract the best people; we do not want to lose them.

Mr Bansemer: We speak to a lot of people and we have been doing it systematically over the last few years, and people's first blush is, "Well, what money can the government give us?" The second blush is, "How can they reduce our costs? Can they give us a concession on our land rates or whatever?" But you have to get past that, because this is much more complicated and the support comes in a very broad way. There has to be receptiveness, but government money is not going to be the answer, and it is government money whether you get a grant or whether you get a concession.

Mr T.K. WALDRON: In your submission you stated that if the state failed to embrace new opportunities adequately, our competitive advantages would diminish, which I think I understand. I might just ask you in what way you see it diminishing. The flip side of that, if we do embrace it, what are the advantages and how best can government embrace it? I am trying to look for what government can really do to try to get it going.

Mr Bansemer: That is a question which is very hard to answer in general, but when it comes back to specifics, you can find answers. Essentially, we believe the government can offer leadership, and that leadership is about connection. Now, governments can actually connect in ways that individual companies and individuals cannot. While it is not by any means the only connection that is needed, it is an important connection, particularly if you are dealing offshore. If we do not grasp it, innovation does not take place. The technology is obsolete or moving to obsolescence before you get an advantage from it. We have had some very good examples pointed out to us in the mining industry where the technological development has been quite incredible, particularly some of the underwater work that has been done in terms of how you would move materials underwater. If you think about that in terms of the opportunities, yes, there is opportunity offshore and there is opportunity in other parts of Australia doing exactly the same thing; but it strikes us that the technology is probably applicable in other areas if you actually approached it in that open way, but the people in the other areas do not know about it and you do not know about the other area, and there is a transaction that needs to take place.

Mr T.K. WALDRON: What you are saying is that over the years different things have been developed for a specific purpose, but then there are a lot of spin-offs that you did not think about in the first place and we need to be discussing that so we keep getting those spin-offs.

Mr Bansemer: Yes.

Mr Farrant: Mr Chairman, can I just add to Alan's answer, going back to the mention of government and leadership. The leadership model needs to be one of, if a state government or a Western Australian government says that the leadership is "Hey, follow me", that is not setting the right tone for innovation to become part of—for the creation of an innovation ecosystem or indeed for innovation to become part of a sort of state conversation. It needs to be much more collaborative and along the lines of "We're in this together; let's open up." I know that there are steps being taken at the moment for government-owned data to be opened up for commercial access. That is a perfect common ground for enterprise, be it not for profit, be it commercially based enterprise, to work together and to actually have conversations around the common interest. That comes from the data,

which is publicly owned information. One of the other things where government can play a very important role is understanding. I mean, not many people, from my conversations with some key decision-makers, actually understand that innovation is happening now, and has been happening in this state for generations. We do not know at the moment because no-one has had the time or the resources to be able to take the photograph, but no-one knows where the links are. What is the snapshot of innovation in Western Australia. We know that here we are in West Perth and West Perth is supposed to be one of the hotspots. Well, it is very hard to go around and eavesdrop in the various coffee shops and so on and try to work out where is the innovation going on—or probably more accurately, possibly, in the bars. But being able to map what innovation networks are happening here, that is just not about businesses and organisations and infrastructure; it is about the people: which director of that enterprise is also a director of this enterprise who is also sitting on this medical research or other not-for-profit entity, and how does that dynamic grow and change over time? Being able to map and identify where the hotspots are, then identify where the gaps are and have local conversations in a particular geographic area about how we can lift activity here that is going to create more employment and use a more innovative approach in different sectors—what role can we play? So the relationship is sitting side by side or standing side by side as opposed to providing messages from on high.

[11.50 am]

Mr T.K. WALDRON: So what you are saying is that government could play a role in helping to facilitate that collaboration. Is that what you are saying?

Mr Farrant: Absolutely.

Mr Bansemer: An ongoing Western Australian focus for innovation would be a good thing, whatever form it took.

Mr T.K. WALDRON: We went to Queensland in the mid-1990s, and they came up with a program call Smart State and invested in it and attracted really good people. Is that something we should consider?

Mr Bansemer: Yes, that is something that I think we should consider. All of those things, in my experience, have a life, so whatever you do, at some point you will need to renew it and refocus it and start it again.

Mr T.K. WALDRON: I think that is what they have done over there; I think that ran a term and they are now trying to regenerate it.

Mr Bansemer: What happened there, and it was very effective, is that the focus became the Premier, but then it all ran out of steam. If you want it to be ongoing—there was insufficient renewal. If you look around Australia, you will find that time and time again right back from the mid-1970s.

Mr T.K. WALDRON: A bit like a football coach!

Mr Bansemer: Yes.

The CHAIR: One the recommendations in your submission is that legislation to enable venture capital limited partnerships be enacted. Why has it taken so long for Western Australia to get to this point of addressing that issue?

Mr Bansemer: I wish I knew the answer to that, and I am afraid I do not. It has been on the books for a long time, and it has taken a long time, but we are getting there.

The CHAIR: So, it is state law.

Mr Bansemer: Yes.

The CHAIR: I would have thought it is corporate; therefore, it would be federal.

Mr Bansemer: No; it is state legislation.

The CHAIR: Do you know—you might know better than me, obviously—has the legislation been done? Is it around or has it got to be drafted still?

Mr Bansemer: To the best of my knowledge, the drafting is almost complete. I would have to take that on advice.

The CHAIR: Can you just quickly outline to me what the implications or what that legislation is intended to do?

Mr Bansemer: Make investment in that area more secure.

Mr T.K. WALDRON: You talked about, in that Smart State in Queensland—because we went and saw it and I found it quite impressive, even if it might not go forever, but it certainly fired things up there and changed the culture there. You mentioned how it became very much focused on the Premier, and here we have our Premier as our science minister as well. Do you think if government was to send a real message that we are really in this game and re-firing up, you should have a standalone minister for science and innovation? Would that help, as part of a suite, to send a signal?

Mr Bansemer: There is a lot of crossover between science and innovation; therefore, it is difficult to have a minister who is science and another one who is innovation. Equally, if you have one person doing both, one becomes science or innovation and it is hard to actually focus, to deal with that. We have had this discussion, which was often an argument, about which way we think it should go. The thing that we are very clear about is that there needs to be a focus around innovation. How do you actually bring that focus into play? I think there are a number of ways it might be done which would be more or less equally out there. I think the fact that the current Premier took on science has actually stimulated the discussion about science, but I do not see that in itself it is going to stimulate a discussion about innovation. Innovation needs to be very much bringing knowledge from the universities and other places to industry, and bringing industry into the equation. It is the mini crossovers that become important.

The CHAIR: You have recommended establishment of the substantial five-year technology and innovation fund by the state government and you made reference to a \$180 million package recently announced in Queensland and a \$60 million package announced in Victoria. So, if WA were to establish a fund like this, have you got an idea of what would be the appropriate amount of funds and any ideas about how it would be administered? Would it be matching funds with the private sector? Do you think the state government should take an equity stake in some of the things that are funded and should we just limit it to Western Australian companies? Sorry, there were a number of questions there.

Mr Bansemer: I think on the question about how much should it be, I would answer by saying as much as you can get.

The CHAIR: That's probably not much at the moment.

Mr Bansemer: That is why I phrase it that way. It has to be a process which is non-bureaucratic. I say that at the moment because Professor Collin has just been telling us tales of woe about making applications for research grants. Bureaucracy does not actually improve the effectiveness of those processes. We need to find a way which is freer than that. I do not think such a fund should be established, to answer one of your other questions, without the government having some equity or influence over benefit from the outcome. My personal view—this is not something that council has decided or agreed on—is that the money should go back into the fund. Hopefully, it becomes self-perpetuating.

Mr Farrant: Can I just add to Alan's point, Mr Chairman? One of the recommendations in our submission 2 was that any research report that comes from a WA government has some quarantined

funds for industry engagement. It is all very well to have people pursuing particular technologies and applications that could be across any field of endeavour, but there is a strong view that innovation without application is not innovation. It needs to be able to lead back to a benefit for the community, a benefit for the economy or a benefit for a broader society and wellbeing if that link is not there. So the first thing—I have a solution that is going to solve this problem—needs to actually be embedded with the people working in that area rather than isolated from. In that way, too, it goes back to Mr Waldron's earlier question about collaboration in the sector, where you in the front end structure set the expectation and quarantine some of those funds allocated into collaboration from the research with industry or the broader community, and that then creates a much stronger opportunity for success.

[12 noon]

Prof. Collin: Could I also just add to that? My perspective certainly comes from the academic research side, the impacts that researchers can have but are not necessarily having within the WA government, coming back to your original question about government not knowing what is happening. I think on a larger scale the pathway to innovation is not recognised by many. That might include the academics. That might include some of the industry partners who are not as entrepreneurial as others. I think one role that the government could play would be making a translational pathway more obvious to more of the innovators, whoever they might be. That then will hopefully reduce the risk of failure, reduce the uncertainty of coming to government just for advice. I think a lot of great ideas may—of course, ideas are quite cheap, but a lot of them will never see the light of day because of the lack of education of many of the people involved in those, certainly from the academic point of view.

I think another role of government could be in business development—trying to link the researchers, their ideas et cetera with the industry and the industry's priorities. The TIAC has talked a lot about this pathway—how to make sure it is useable. It is identifying the major priorities of certain industries—how the government can step in for business development and identifying that pathway, but also bringing the public along to make sure that they understand that these funds are going to be invested for all the right reasons. I think there is some work to do, but I think it really could stem from a fund such as this where the government is “open for business”, they are providing lots of positive examples of what WA has achieved, and then I think a lot of the academics will jump on board—they will see the opportunity. They are under a lot of pressure right now from more basic research sectors. The ERA exercise for Australia is dictating the impact; they must show impact. They want to show impact, and in a very depressed environment, they are actually very keen to engage with government, but I just do not think there is that clear pathway. There is a big void that many of them have difficulty jumping over.

Mr T.K. WALDRON: That has come up a bit, that same sort of thing—that pathway. How does government do that? If you were in government, how would you do that? What do you think are the first couple of things we could do?

Prof. Collin: Just to provide an example, I have been sitting on the Premier's round table for the implementation of the marine science blueprint through the Western Australian Marine Science Institution, which has been very much supported by the Premier. We actually have industry, academics, non-government organisations and consultants all sitting around the same table, which I think does not happen very often.

Mr T.K. WALDRON: That is exactly what we are talking about.

Prof. Collin: Yes. We have been putting together a three-phase process underneath the marine science banner, but this template could be used for agriculture and across other sectors. Effectively, those three paths, if you like, have been number one for industry to put on the table a prioritised list of what their needs are. That has been done. The next one is, I have been involved personally in this, trying to bring together industry and academics, understanding the atmosphere in

which they survive. What are the drivers of an academic boost? What are the drivers of an industry organisation? They are extremely different. If we can start changing those drivers, we have a much better chance of establishing a pathway, having hubs that could be established in particular priority areas. The third pathway is looking at what we call the licence to operate. This is getting community support that the priorities that have been identified by the industry are the right things to do—they can see that there is going to be an output. The community puts their backing behind that, possibly even investing in those ideas and those priorities. Government obviously has to integrate and agree with those. If they do, you have a chance of a very innovative atmosphere for that sector, and that could be applied possibly across the board.

Mr T.K. WALDRON: That is good. Thank you for that.

The CHAIR: Talking about STEM education, if you were going to give us a snapshot, how would you see that currently in Western Australia? When we are talking about encouraging and pursuing it, do you think it is important to go wider or to go deeper? You are probably going to say both! Speaking as a father whose son insisted on giving up physics in year 12 yesterday, which has caused a fair bit of family dissension, what do you think is the more important thing? What are we doing right and what do you think we could do better?

Mr Bansemer: We are on the cusp of getting it right, I think. I think we actually are almost there in getting enough momentum to get our education processes changing. My personal view—and, again, we would have some different views about this—is you maintain focus and you go deep. You do not spread and add more things in because it stops actually achieving if you actually broaden it. That is a personal view.

Mr Farrant: Can I also refer the committee, and I am sure this is mentioned in our submission, to the work led by TIAC member Dr Jim Ross on STEM education, which is on the TIAC website and is readily available. That is a deep and rich not so much a snapshot of where things are, but where the opportunities are for STEM education. Out of that work led by Jim and a reference group, an organisation called STEM WA has been created, which is an independent, standalone organisation that involves the Science Teachers' Association and a range of other interested bodies. I think the committee would find that a useful reference in this particular line of inquiry.

The CHAIR: Thanks for that.

Mr T.K. WALDRON: Earlier on today we were talking about SMEs in Western Australia, and I know one of the points that you guys made was that they often lack capacity to develop their products to the standard that is required by major industry et cetera. Can the government play a role there with those SMEs to assist them so that they do have the expertise to do that?

Mr Bansemer: Yes, but it is a question, I think, of providing some of the expertise or the connections to it. That is what I think Shaun was trying to —

Mr T.K. WALDRON: Is that what you get through that process you were talking about?

Prof. Collin: Yes, I do, I guess with the caveat that I have been in Western Australia for now just over six years, and when I got here, one thing that struck me with a lot of the large entities for putting a lot of effort into a particular research area was that there was a satisfaction that you would just use the players you have at hand rather than trying to access possibly even better academics or leaders or innovators not only outside of Australia, but in other parts of the world—that we should be able to, in a non-competitive atmosphere, draw on the best in the world and get the best playlist for solving the particular problem that you are looking at. I guess this is maybe counter to the WA focus, but I think it still can help the WA focus if we are not seen to be just constrained by who is here and that we can in fact be attracting the best in the world in certain areas. There are a number of schemes, and I have actually taken advantage of one of those through the WA Premier's fellowships. That is why I am sitting here, really. Things like those can attract certain types of people based on the priorities of the state. That collaborative atmosphere is important, but it has to

also be built into it that we are striving for excellence, and from that collaborative of that investment and also atmosphere, more innovative ways of solving that product of having the best and developing it could come out of that. The government could play a role in giving a signal that that is possible. Some of that funding potentially could even be directed towards attracting those types of people. It might even be concentrated in research industry links. There are ways of getting a lot of momentum going as long as you know what you want.

[12.10 pm]

Mr T.K. WALDRON: Is interesting you are saying that because that is one of the things Queensland's "Smart State" did.

Prof. Collin: It was, and maybe I am recounting that because I was in Queensland at the time. I was there for 10 years at the University of Queensland —

Mr T.K. WALDRON: And we got you!

Prof. Collin: In that time, four institutes went up—bricks and mortar. Beattie invested heavily in technology and innovation. I can tell you that most of those institutes are leading the grant success rates in Australia now where they were not before. Alan is correct in relation to they may have a life and that you do need to continue investing because they got a lot of support, but over 10 years it got harder and harder to keep reinvesting and the government had to be committed for the long term.

Mr Farrant: Can I just pick up on that? Echoing what Shaun has just said in answering an earlier question of yours, Mr Waldron, about —

Mr T.K. WALDRON: Tuck's fine, or Terry.

Mr Farrant: Thank you. The innovation sector, like no other, is where the one-size-fits-all approach will not work. You asked a question about the "Smart State". We need to have a Western Australia version of that that suits us. We are one geographical third of this country. We do not have a city regional population dynamic like Queensland has. There are many things that they have got that we have not and vice versa. I think that there needs to be careful thinking about how that will work in Western Australia so that we are able to take best advantage of the assets that we do have, but also know where the potholes are so we do not step in them, particularly in the innovation area. Look, it may or may not be of interest to the committee: I happen to have in my portfolio a document I used the other day at a meeting I had, which is from 6 July 2015 in *The Australian*, called a "Blueprint for Brisbane". It is actually about some of the innovative thinking that is driving Brisbane as a city forward. This is innovation, but it is innovation about infrastructure and about people as well as enterprise. I have just given you that reference. I am sure you will be able to get it from *The Australian's* website, by a gentleman called Shane Rodgers, who was involved in this. This is largely economically focused, but it provides a strong overview for the way of thinking that demonstrates full engagement in an innovative process.

Mr Bansermer: I think one of the things that I am very conscious of is back in the 70s, right around Australia we had a big push around economic development, and it is actually the same thing we are talking about now when we talk about innovation. The pay-off has to be in better economic growth, jobs, and all the other things we regard as important in that field. The objectives remain the same, but there needs to be continuous renewal, and that is where I think, around this country, we fail. We do not do the renewal. We do things that start to leave a bad taste in your mouth and we just live with the bad taste. There is a need for renewal. Chair, the question you asked and I did not answer was: should funds be available from the venture fund to people outside of WA? I think Andy and Shaun have answered that question: you use the money to get the best focus on the best team you can that can actually complement each other and create the whole, and if that includes people outside of Western Australia, so be it. But there has to be a pay-off for WA as well.

Mr Farrant: There is also the Australian Constitution which guarantees free trade across state borders. That needs to be kept in mind.

The CHAIR: I doubt if someone you refused to fund was going to take you to the High Court though.

Mr Bansemer: This is true!

Mr Farrant: You never can tell!

The CHAIR: I would like to thank you for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence. The committee may have some other questions that they might like to send to you down the track. Are you okay with us doing that?

Mr Bansemer: We are very happy to do that.

The CHAIR: Thank you very much for your time.

Mr Bansemer: Thank you; and if your son gives up physics, do not let him give up maths!

Hearing concluded at 12.16 pm
