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'IDEAS BOOM' BOON FOR CANBERRA

As one of Australia's leading innovation and knowledge hubs, the ACT will be a major beneficiary of the National Innovation and Science Agenda announced by the Commonwealth Government on Monday.

Over a billion dollars will be invested over four years to drive smart ideas that create business growth, local jobs and global success.

"The ACT has already been pursuing an agenda of research and development that leads to innovation," Canberra Business Chamber CEO, Robyn Hendry said. "The Federal policy unveiled this week complements the work being undertaken here, such as the CBR Innovation Network."

"Businesses have, and are, developing innovative products and services based on the excellent R&D and science institutions and networks that exist in the Territory. New opportunities will be created by the programs and funding unveiled this week."

In particular, tax breaks for early stage investors in innovative startups could see more businesses established in the ACT and help those with great ideas turn them into a commercial reality. By helping businesses navigate the 'valley of death' – the period between initial funding to when a startup begins generating revenue – more local businesses will be able to survive the early tough years and employ Canberrans as they grow and succeed in the future.

Concessional tax treatments will be made available for investors who support innovative startups, including:

- A 20 per cent non-refundable tax offset on investment capped at \$200,000 per investor, per year.
- A 10 year capital gains tax exemption for investments held for three years.

"Our local innovators have been very successful, with a number progressing from startup to major international player in just a few short years. This initiative will support more businesses to make that same transition," Ms Hendry said.

With the CSIRO head office located in the ACT, Canberra businesses will be well placed to partner with it through the new \$200 million CSIRO Innovation Fund.

"The ACT is home to nationally and internationally ranked universities, the CSIRO and other research agencies. New spin-off companies and existing startups that develop technology from these will be eligible for assistance."

"We recently held the inaugural Canberra Industry Health Trade Engagement Day and it demonstrated how many local businesses are innovating to improve health care. There is potential for them to access funds through the \$250 million Biomedical Translation Fund which is designed to increase the capital available for commercialising medical research."

Partnerships between universities and business is not new in the ACT and this will receive a boost following the Federal Government's decision to refocus a greater proportion of research block funding toward collaboration.

"Funding and support for developing and attracting world-class talent and preparing our workforce for the jobs of the future is also very welcome," Ms Hendry said. "A more agile Federal Government that encourages innovation will also play an important role.

"Overall this agenda is very exciting for the ACT and we expect local businesses to explore those initiatives that can assist with their future success.

"The Chamber, through its networks, will help ensure all opportunities, such as potential collaborations between business, researchers and universities, are not missed and are fully utilised."

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