

INDUSTRY

INNOVATION

COUNCILS

FRAMEWORK

February 2011

Industry Innovation Councils

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Why Industry Innovation Councils?

The Government recognises that innovation is a key driver of productivity, competitiveness, skills and sustainability. Innovation stimulates the creation of new industries and the revitalisation of mature industries. Innovation can strengthen the economy and society.

The Minister for Innovation, Industry, Science and Research (the Minister) has established Industry Innovation Councils (Councils) covering a number of industry groups. Membership draws on the knowledge and expertise of innovation leaders from business, unions and professional organisations, science and research agencies, and government.

The Commonwealth Government's aim is to create sustainable conditions for innovation to flourish to support its economic, environmental and social priorities.

The Councils are one of the mechanisms through which the Government is engaging with its stakeholders to strengthen innovation systems. The Government and its stakeholders will partner to:

- improve productivity, global competitiveness and market access for Australian industry;
- build a highly skilled and flexible workforce for the 21st century through best practice in employment and training;
- ensure the sustainable development of industry; and
- respond to challenges including climate change and social inclusion.

The Councils provide stakeholders with the opportunity to exchange ideas, consider best practice and identify priorities that enable Australian businesses to keep pace with change and be leaders in innovation. By building supply chain partnerships, the Councils will provide an environment in which stakeholders can identify common goals and build productive relationships of trust and cooperation.

What they will achieve

In assisting to strengthen Australia's innovation systems, Councils will contribute to:

- strengthening the innovation culture in an industry group by recognising that innovation, as a key driver of productivity and competitiveness, is critical to the future;
- encouraging industry to take leadership in driving innovation to transform industry to ensure sustained economic growth;
- increasing an industry group's ability to articulate its innovation priorities, and develop and implement strategies to help itself, and build its capability to respond to the challenges of the 21st century;
- building linkages and collaboration among innovation stakeholders to bridge gaps between business and research; and
- developing advice on well targeted policies and accessible programs that improve the innovation performance of their industry group and its supply chains, and is in the national interest.

Their scope and authority

The Minister will establish Councils to cover specific industry sectors, issues, themes or opportunities. The Minister will determine the number of Councils and appoint the members.

The purpose of the Councils is to advance industry innovation by facilitating the exchange of information with the Minister and with stakeholder groups. They will achieve this by providing strategic advice on innovation priorities to the Minister, championing innovation in industry, and building connections and collaborating across Councils and with other innovation initiatives and organisations. From time to time, the Minister may seek advice from a Council on a particular issue.

What they will do

Councils will have a leadership role in transforming industry. By achieving sustainable development industry will be better able to respond to the challenges of the 21st century.

The Councils may:

- give advice to the Minister on the priority issues for specific industry sectors, issues, themes or opportunities;
- communicate innovative ideas and emerging developments to its stakeholders to strengthen innovation systems;
- provide leadership for its stakeholders by championing innovation;
- identify strategies that increase stakeholder innovation capability;
- identify areas in which governments can improve their support so industry can become more innovative;
- build strong productive relationships and linkages with other bodies, such as the Enterprise Connect network, and assist to bridge any divide between business and research; and
- identify the need for, and where funds are available, advise on analysis that will help industry become more innovative.

Building a culture of innovation

For Australia to succeed in the 21st century, a culture of innovation needs to be developed if industry is to assist in delivering a stronger economy and society.

Significant elements may include:

- connections and collaborations;
- skilling and tooling;
- regulation;
- business structure and governance;
- investment;
- market knowledge;
- global competitiveness;
- infrastructure; and
- responsiveness and flexibility.

How they will operate

1 Establishment

- i) Each Industry Innovation Council (a Council) is established by the Minister for Innovation, Industry, Science and Research (the Minister).
- ii) The Minister will establish Councils to cover specific industry sectors, issues, themes or opportunities.
- iii) The Minister will establish Councils for a specified period of time. Councils will be reviewed and may change to ensure they are responsive to changing priorities.
- iv) The number of Councils that the Minister establishes will depend on the needs and commitment of industry and the Government's economic, environmental and social priorities.
- v) In deciding to establish and/or extend a Council, the Minister will have regard to:
 - a) whether innovation is likely to generate significant productivity gains in the stakeholder group;
 - b) whether the stakeholder group needs a boost to innovation in order to meet upcoming challenges, such as climate change, sustainability, global markets and social inclusion;
 - c) the extent of coverage of the stakeholder group by existing initiatives;
 - d) the significance of the stakeholder group in terms of value-add, employment, exports, innovation investment, and research and development;
 - e) whether there is potential leadership and strong synergies across the stakeholder group; and
 - f) the willingness of people to commit to a collaborative effort with government and all members of the stakeholder group.

2 Membership and appointment

- i) The Minister will appoint high level decision makers to the Councils from business, unions and professional organisations, science and research agencies, and government.
- ii) Members of a Council are appointed for their leadership, knowledge and expertise. The Minister will consult before making appointments and seek to have members who are:
 - a) recognised for their knowledge, expertise and leadership abilities;
 - b) able to influence and communicate a vision for the future;
 - c) able to provide a broad view, including national and global perspectives;
 - d) able to take on a leadership role in energetically championing innovation; and
 - e) willing to work collaboratively with all groups that have a stake in building and promoting improved innovation systems.

3 Terms of membership

- i) Members will be appointed by the Minister for a term of up to three years.
- ii) Members normally will not be appointed for more than two consecutive terms or more than five consecutive years.
- iii) Non-government members may not delegate their attendance.
- iv) Members may receive reimbursement for reasonable direct transport costs.
- v) Members of a Council normally will be deemed to have vacated the office if they are absent from two consecutive ordinary meetings.
- vi) Members of a Council are deemed to have vacated the office if:
 - a) they resign in writing to the Manager of their Council secretariat; or
 - b) the Minister withdraws their appointment.

4 Meetings

- i) Ordinary meetings of a Council normally will be held three times a year.
- ii) The procedure for calling and conducting business at meetings will be determined by the Council.
- iii) The Minister or the Chair of the Council may convene an extraordinary meeting.
- iv) With the agreement of the Chair, the Council may invite experts to meetings.
- v) The Minister may attend meetings.
- vi) The Minister may convene an annual meeting of Councils and may invite Chairs of Boards in Enterprise Connect and other participants.

5 Chair

- i) The Minister will appoint a person as the Chair of the Council.
- ii) The Chair may receive a fee and reimbursement for reasonable costs for each meeting chaired.
- iii) If a Chair is absent from a meeting, the members at the meeting shall nominate and agree to an Acting Chair to preside for the meeting, or part of the meeting. The Acting Chair has the same powers as an incumbent Chair.
- iv) If a Chair resigns the appointment or the Minister withdraws the appointment, then the Minister shall appoint a replacement.

6 Records and reporting

- i) Minutes of Council meetings will be kept by the secretariat.
- ii) The Council will develop and implement strategies for communicating with its stakeholders.
- iii) The Council will report to the Minister annually on the key innovation priorities for their industry group, and the actions, resolutions and achievements of the Council.

7 Authority and responsibility of the Minister

- i) The Council is subject to the direction and authority of the Minister.
- ii) The Minister will respond to Council reports on its innovation priorities and resolutions.

8 Members' responsibility

- i) All members are required to act in an ethical manner in the consideration of issues and the provision of advice.
- ii) Members are expected to promote the goals, work and activities of the Council. Council deliberations are confidential.
- iii) If a member has a conflict of interest, or a perceived conflict of interest, in relation to a particular issue, the member will advise the Chair and/or Council and may be excused from deliberations in respect of the issue.

9 Departmental support

- i) The Department of Innovation, Industry, Science and Research (the department) will support Councils. Decisions relating to the management and administration of the support teams shall be determined by the department.
- ii) Officers of the department will attend the meetings to support Councils.
- iii) Departmental support may include:
 - a) assisting a Council in its provision of strategic advice to the Minister and other organisations, including Enterprise Connect network;
 - b) facilitating stakeholder linkages by supporting the building of productive partnerships and reducing any divide between industry and research;
 - c) liaising with leaders in industry groups for the benefit of a Council;
 - d) consulting with the Chair and Council members;
 - e) minute taking;
 - f) providing the notice of meeting, and preparing and distributing agenda papers;
 - g) organising meetings and associated tasks as reasonably requested;
 - h) supporting Council events and activities;
 - i) assisting in the promotion of the work of a Council, including creating websites, newsletters and other materials prepared for the Minister and/or a Council; and
 - j) managing analysis, research and activities, including contract management.

10 Contacts

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