



MEDIA RELEASE

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INNOVATION POLICY: MORE COOPERATION REQUIRED

While the Government's "inner revolutionary" approach shows positive signs to drive economic growth and productivity, cooperation across government, business and academic sectors will be critical, according to the Institute of Public Accountants (IPA).

"Our research tells us there is insufficient cooperative behaviour between Australian businesses, creating a barrier to the spread of existing innovations to a wider cross-section of firms; this represents a significant lost opportunity to the economy," said IPA chief executive officer, Andrew Conway.

"Australia needs action to promote increased innovation across the Australian SME sector including more government support for research and development by small and medium-sized firms; and government support for firms to adopt existing technologies and innovation.

"We also believe there needs to be better linkages between cutting-edge research universities and industry.

"Firms should also be encouraged to adopt continuous improvement methodology to embed incremental innovation as this will generate large productivity improvements more quickly.

"To help facilitate this, the Government could provide tax breaks for companies acquiring new technologies not developed in-house, along with a tax allowance for companies investing in intellectual property protection in-house, and a tax allowance for companies that generate licensing income from in-house new technologies," said Mr. Conway.

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About the Institute of Public Accountants

The IPA, formed in 1923, is one of Australia's three legally recognised professional accounting bodies. In late 2014, the IPA acquired the Institute of Financial Accountants in the UK and formed the IPA Group, with more than with more than 35,000 members and students in over 65 countries. The IPA is a member of the International Federation of Accountants, the Accounting Professional and Ethical Standards Board and the Confederation of Asian and Pacific Accountants. The IPA was recognised in 2012 as Australia's most innovative accounting organisation and listed in the top 20 in the 2012 *BRW* Most Innovative Companies List.

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