



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

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MINISTERIAL STATEMENT

High-tech Industries

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.35 a.m.), by leave: Today I can report to the House that, as a result of a series of recent meetings I had in America— particularly in Texas—my Government has opened the door for developing alliances between Queensland universities and two major developers of high-tech industries in Austin, Texas.

The Austin Technology Incubator and IC² are two organisations which, more than any other, have helped earn Austin the label of "hot new high-tech city" of the United States. Such alliances could help make Queensland the "hot new high-tech State" of Australia. Austin is about the same size as Brisbane and 10 years ago was largely dependent upon traditional jobs based on minerals and farming. In the early 1980s Austin had run into difficulties because of problems involving the oil industry. Now Austin is light years ahead because it has already made high-tech industries the largest employment sector.

Austin is renowned as the breeding ground of a high-technology cluster, creating a total of 26,000 new jobs last year. That will give honourable members a clear indication of how significant it is to the Texas economy. There were 200 high tech start-ups last year. That is why it is important that we form alliances with IC² and the incubator.

IC² stands for "Innovation, Creativity and Capital"—a creation of the University of Texas at Austin. It is part of the trilogy of developing new industries: that is, there is research, followed by an incubator to turn that research into commercial opportunities, followed by the need for venture capital to turn them into prospects which drive jobs.

The University of Texas also sponsors the Austin Technology Incubator which was founded 10 years ago. The incubator is also connected with the City of Austin and the chamber of commerce to provide networking, consulting, laboratories, security, free utilities and other advantages. Last year the incubator companies created 1,500 jobs and reported an income of \$183m. So far the incubator has facilitated the growth of 75 companies and graduated 48 companies. This growth has added to the expanding technology base of the Austin area and fuelled the local economy.

The incubator accepts only companies which are bringing innovative products to the market. Current resident companies are developing robotic technology, digital scanning software, multimedia computing, Internet commerce and electro-optics. The University of Texas also fosters the commercialisation of technology created by its students at the IC² Institute. IC² is an internationally recognised leader in science and technology commercialisation. It has worked with public and private sectors in the United States and in other nations to foster technology-based, regional economic development and job creation.

This is exactly what my Government wants to achieve through these relationships. We are establishing world-class research and development in our key universities. We will establish incubators to take the outcomes of research to a commercial stage, a process which will be included in the new \$13m facility at Griffith University. \$8m of that money is being provided by the State Government through the Department of State Development and \$5m is being provided by Griffith University itself.

In discussions with both of these institutes as well as the Governor of Texas, Governor G. W. Bush, we indicated that we would obviously like to seek the assistance on a consultancy basis of some

of the expertise that has been developed in Austin and in other parts of Texas to develop the commercial opportunities from research and development. That is particularly relevant to the Griffith University Gold Coast campus to develop these opportunities.

We will be chasing venture capital to develop these commercial opportunities. I should mention that, in the early 1980s, Texas and in particular Austin had no venture capital companies located there at all. When they started this process of developing high-tech knowledge, they did not have venture capital. Since that time, because of this incubator process, because of what research and development has done, because of the progressive and aggressive way in which they adopted the commercial realisation of research, they have, in fact, attracted venture capital companies to Texas and, in particular, to Austin. They are now one of the leading areas of venture capital in the United States.

We also want to attract those venture capital companies to Queensland to partner in joint ventures into Asia. That is why later this year the Deputy Premier and I will be organising a venture capital conference in Queensland to attract those companies here so that they can see the opportunities for research or developing our research to a commercial stage.
