




Speech By
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MATTERS OF PUBLIC INTEREST

Innovation

 **Mr WHITING** (Murrumba—ALP) (11.37 am): I rise today to talk of the economic importance of fostering innovation and start-up companies in Queensland and how the Advance Queensland policy of the Palaszczuk Labor government will do that. There is an increasing recognition that innovation will be the key to the growth of the Queensland economy in the future. We have to build our economy based on knowledge and innovation. We need innovation based businesses if we are going to thrive in a world that is increasingly driven by technology.

The OECD estimates that innovation will account for at least 62 per cent of the productivity growth in Australia in the long term and a significant part of this innovation and growth will be from businesses operating on digital platforms. Three of the five top US firms by capitalisation run digital business platforms. Facebook and Google are examples of digital platforms. These platforms offer great opportunity as they are low-cost shared infrastructure. Platforms are at the centre of an ecosystem surrounded by apps and app developers. Your innovative business can rest on a platform such as these or, ideally, you create your own platform. Adrian Turner, the CEO of Data61, a CSIRO entity, says more and more value in companies is being built from data, not physical assets or products. He further states that we must aim to own and build our own digital platforms, not just participate on them. Nevertheless, the first stage is for local Queensland start-ups to get onto that digital platform.

I can inform the House that businesses based on digital innovation and platform economics are starting up in Queensland. I was able to see examples of this innovation—using digital platforms—when I attended two pitch nights in Brisbane on behalf of the Minister for Science and Innovation, and I thank her for that opportunity.

Pitch nights are where start-up companies have five minutes to make a sales pitch to investors in the room and answer their questions. Last week I was at the pitch night for iLab, a Brisbane incubator and accelerator institute. iLab start-ups pitched to a range of investors in the room. We heard from companies such as Skyborne, which is developing a new type of drone, and genomicOS, an online genome sequencing company. On Sunday night it was pitch night for the start-up weekend for Brisbane women run by River City Labs and hosted by blue sky private equity. Over the weekend teams developed their ideas and pitched them to a panel on Sunday night.

The overall winner was a company called AirSponge, which matches people who want their cars washed with car washers. Started on Friday night, this company had paying customers by Sunday afternoon. It was exciting to see a total of 16 innovative Queensland start-up companies. I wish I could talk about all of them, but I can say that it is critical to nurture them and keep them here in Queensland. My message to them was that Advance Queensland will help keep that innovation here and develop it.

Advance Queensland is a policy of the Palaszczuk Labor government that creates the economic environment to keep this local talent here. It provides a comprehensive suite of interventions and

programs that will create jobs, boost productivity and spur the commercialisation of companies such as these start-ups. The same models in New Zealand have generated \$3 of private investment for every \$1 invested by government, and I can tell you that local start-ups know about Advance Queensland and they love it. They are excited by the \$76 million Advance Queensland Business Investment Attraction package, which is designed to support innovative start-ups by matching their investment-ready deals with investors.

The package also includes a \$12 million commercialisation program which will support the start-ups we saw on these pitch nights with their proof-of-concept projects, and the start-ups are very keen on the \$24 million Startup Queensland program. We will work with incubators and accelerator institutes like iLab and River City Labs to provide a suite of seed funding, co-working space and monitoring. I know many are keenly awaiting the \$48 million Business Development Fund, which will provide co-investment to match angel and venture capital investments in these start-ups.

This is an amazing time in the start-up and innovation sphere. As we know, this is at the forefront of political conversations right now. Others may be talking about fostering innovation but with Advance Queensland, at a time when platform economics has just emerged, the Queensland government is first out of the blocks to foster innovation and Queensland start-up companies.