

Submission to the Review of the National Innovation System

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**Organisation
Craft Australia
for
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**Type of organisation
Not-for-profit advocacy group**

Address

**State or Territory:
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**Declaration of interest and affiliations
The author of this submission is General Manager of Craft Australia and
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About Craft Australia and network of Australian Craft Design Centres, ACDC

Craft Australia is the national peak advocacy organisation representing professional Australian craft and design at a national and international level. The organisation has been celebrating the achievements of Australian professional craft practice for over thirty years.

Craft Australia's primary operations focus on the following key objectives.

Research

Support and promote craft specific research in order to define the sector, map changes and trends in practice and determine productivity and returns to the sector.

Advocacy

Promote the achievements of the sector both nationally and internationally and advocate for the industry based on the findings of research data.

Communication and debate

Initiate craft and design specific discussions by and about the sector through forums, publications and lectures. The forums are a national voice for the sector, drawing on representatives from all areas of the craft and design industry including commercial and public galleries, education institutions, industry representatives and practitioners. Through this communication Craft Australia defines issues and scopes the needs of the sector, develops policy and drives new ways forward in the advancement of Australian contemporary craft and design.

Australian Craft and Design Centres (ACDC) is a network of peak organisations from all states and territories of Australia representing the professional craft and design sector. ACDC meet biannually to engage with issues relevant to the promotion and presentation of Australian contemporary craft. Craft Australia is a member of the ACDC network and supports and actively promotes exhibitions, projects and conferences presented by the ACDC network.

- Craft ACT: Craft and Design Centre
- Craft Australia
- Artisan idea-skill-product
- Craftsouth: Centre for Contemporary Craft and Design
- Craft Victoria
- FORM Contemporary Craft and Design Inc.
- JamFactory Contemporary Craft and Design
- Object Australian Centre for Craft and Design
- Design Centre - Tasmania
- Territory Craft
- Central Craft, Alice Springs

Introduction

The contemporary craft-design sector in Australia has, for many years, been leading in the delivery of innovation programs. This has been through the development and commercialisation of designs resulting from research undertaken by crafts people. Craft Australia and the ACDC network have established industry development programs to assist craft-design practitioners to further such ventures. These programs have included establishing cross sector clusters that support broad application outcomes, hence increasing viability for makers creatively and commercially. The Review of the National Innovation System is a timely opportunity to provide feedback to Government based on the outcomes of such programs. In this submission we draw attention to programs that serve as models for growth to the sector and identify barriers to expansion in order to encourage greater competitiveness for Australia's innovative and creative future.

As Professor Ted Snell, the chair of the Australia Council's Visual Arts Board said in the Autumn 2008 issue of *Artery*,

'...one of the greatest challenges is the need to recognise that the modern artist works fluidly across traditional boundaries. For example one day an artist could be working in an architectural context and the next in a digital medium...I also believe that arts sector needs to work to make sure that artists aren't forgotten as innovators in our society... I strongly believe that the arts have a great deal to offer; indeed they are the engine driving the most innovative sectors of our society.'

1. Identify a set of principles to underpin the role of the public sector in innovation.

We suggest the following principle as fundamental to underpin the role of the public sector in innovation.

- That the public sector undertakes to better engage with the role micro and small to medium enterprises, SME, businesses play to Australia's innovation economy.
- That the public sector recognises the role of the arts and design as the leading edge of Australia's culture. That the arts and design embedded in micro and SME businesses are a vital resource for problem solving across many fields.

2. Develop a set of national innovation priorities, complementing the national research priorities.

Research suggests that visual literacy is at the core of sustained innovation thinking. As such we recommend that fundamental to any innovation priority is the need to implement visual literacy in the national curriculum. It supports a program of engaged and interactive education between students (K – 12) and artists and designers working in schools in residency and other targeted programs.

3. Identify regulatory and other barriers to innovation.

Creative entrepreneurs make a vital contribution to the economic and global competitiveness of Australian industry. Such entrepreneurs are mostly operating as micro businesses and the numbers of micro business operators in Australia is increasing rapidly. Micro businesses have the ability to respond quickly to the changes in market driven demand and are flexible in the way they experiment with new systems of manufacture and distribution. As such creative entrepreneurs make a valuable contribution to Australian innovation.

- **Barrier 1**

Government support for new enterprises favours large scale operators and does not recognise the valuable contribution made by micro and small to medium enterprises SMEs.

- **Recommendation 1**

Review criteria that limits access to government support for micro business and SMEs

- **Recommendation 2**

Set a national target to attract SME's in public tender processes.

- **Barrier 2**

Research funding does not favour practice based areas of investigation. This discriminates against studio based practice and undermines these areas of training in a university context.

- **Recommendation 1**

New metrics be applied that recognise practice led research as a viable area of academic research.

- **Recommendation 2**

Peer reviewed Australia Council grants to artists be recognised in the new metrics developed for practice led research.

- **Barrier 3**

Creativity and innovation are not integrated across government programs and policy. This inhibits the potential for cross sector engagement to provide solutions to current national issues.

- **Recommendation 1**

Creativity and innovation to be included across all levels of government policy development and program delivery.

- **Recommendation 2**

Break down the silos of government that restrict access to support for cross disciplinary research and outcomes.

5. Review the R&D Tax Concession Scheme and CRC Program and recommend ways to improve their innovation outcomes.

Craft Australia and the ACDC network make the following suggestions in light of the overall principles presented in this submission.

- **CRC Program**

- We support the need for sustained, user-driven, cooperative public-private research centres that achieve high levels of outcomes in adoption and commercialisation. In achieving this we suggest a capacity for CRCs to be delivered as small scale operating centres that seed larger projects.

- **R&D Tax Concession Scheme**
- The R&D tax Concession Scheme can be modified to encourage greater uptake of new ideas, and design and manufacturing systems through incentives that make it attractive for risk adverse companies to take up these new directions.
- Incentives for micro businesses to invest in research by attracting benefits from the R&D tax Concession Scheme where their designs fall within the relevant guidelines.

6. Consider ways to improve the governance of the national innovation system.

- Review the composition of boards, committees, review panels across Government, to ensure they have appropriate representation of Humanities, Arts, and Social Sciences, HASS, disciplines
- Encourage venture capital investors to support micro businesses by providing tax incentives similar to those offered for film investors.
- Government to be an exemplar to innovation across all departments through procurement policies that favour Australian innovation.
- The government can lead by setting a goal for small and medium enterprises SMEs and micro businesses to win a higher percentage of the tenders in the next five years.
- Boost the ability for small firms to exploit their intellectual property by making design and patent registrations more accessible to micro businesses.

NATIONAL PROGRAMS

Examples of programs that have been initiated by the ACDC network and other agencies and demonstrate the application of innovation and cross disciplinary problem solving in the field of craft-design.

Craft-design linking with industry and providing innovative product development and new methodologies for manufacture and distribution.

- **Maker to Manufacturer to Market**, MMM program was established in 2005 as a strategic initiative by the Australia Council's visual arts board. The program encourages Australian designers to commercialise a prototype product, take it to market and earn income.
http://www.australiacouncil.gov.au/the_arts/features/maker_to_manufacturer_to_market
- **Springboard** is a mentoring program that enables 100 of Australia's most promising furniture, textiles, accessories and homewares designers to develop their professional careers in local and international markets. Springboard has grown from the MMM program and is funded through the Ausindustry Building Entrepreneurship in Small Business, BESB program. It is an initiative of the Australia Council aimed at assisting and developing the careers of Australian designers.
<http://www.craftaustralia.com.au/articles/20080330.php>

- **Designing Futures** developed by Form in Western Australia began in 2001 as a fine wood and studio furniture industry development program, and has since evolved to embrace all sectors of the design and craft industry. It comprises professional development workshops run by international and Australian designers, provides intensive mentorships for emerging practitioners, and mounts exhibitions showcasing the best of contemporary design. http://www.form.net.au/designing_futures/
- **Design Island** is a Tasmanian government initiative supporting best professional practice and exposure of Tasmanian design and craft through annual exhibitions, forums and workshops. <http://www.arts.tas.gov.au/flash.aspx>

Craft-design linking with scientific research and providing solutions to current health issues through product design.

- **Leah Heiss, Artist in Residence at Nanotechnology Victoria.** Leah Heiss is a designer who recently completed an ANAT/Craft Australia wearable technology laboratory at the Australian National University. Through this lab she has undertaken the residency at Nanovic and has developed work that humanise nanotechnology, closing the gap between technology and public perception. <http://heiss.anat.org.au/wp-content/uploads/2008/04/rd-review.pdf>

Craft-design in urban planning

- **Creative Capital** developed by FORM combines lectures, workshops, publishing and research to engage Western Australians in an important dialogue on the future of Perth. The project explores how to make Perth an even more attractive city in which to live, work and play by featuring experts in diverse fields of policy and research, and exploring case studies of development projects and innovation from around the world. At the heart of Creative Capital is a long-term vision of Perth as a prosperous city with a vibrant culture, a diverse and thriving economy, a healthy environment and world-class public services. http://www.form.net.au/creative_capital/about/

Craft-design as drivers for major events

- **Designing a Capital: Crafting a City** developed by Craft ACT: Craft and Design Centre a program that is driving local engagement in a dialogue about Canberra in the lead up to and during Canberra's Centenary 2013. The project held annually paves the way for exploration of the role of the arts, contemporary craft and design in shaping the nations capital into a vibrant and contemporary city.

Craft-design for social cohesion

- **The South Project** is uncovering interesting new possibilities for engaging artists from remote nations. The 'skill deficit' of the consumer world increases the value of unique techniques that are found in more traditional societies. And the shared circumstances of living at the bottom of the world provide opportunities for exchange and collaboration. <http://www.craftculture.org/World/kmurray1.htm>

Craft-design for global export

- **Australian Contemporary** develops international exhibitions of Australian craft and design as part of the Australia Council for the Arts and the

JamFactory's International Craft Initiative (ICI). Established in 2003, ICI showcases the strength and diversity of Australian craft and design at key international craft events. Managed by JamFactory Contemporary Craft and Design, ICI presents Australian practitioners at Talente (Germany), Collect (UK) and SOFA (USA).

http://www.jamfactory.com.au/html/index.php?option=com_content&task=view&id=176&Itemid=401

- **Freestyle: new Australian design for living** brings together the work and stories of 40 outstanding Australian designers from the fields of furniture, lighting, textiles, homewares, fashion, jewellery and accessories. This exhibition reflects the character, vibrancy and maturity of contemporary design in Australia. The show has toured extensively in Australia and will be presented at the Triennale Design Museum in Milan in May 2008.

<http://www.freestyledesign.info/>