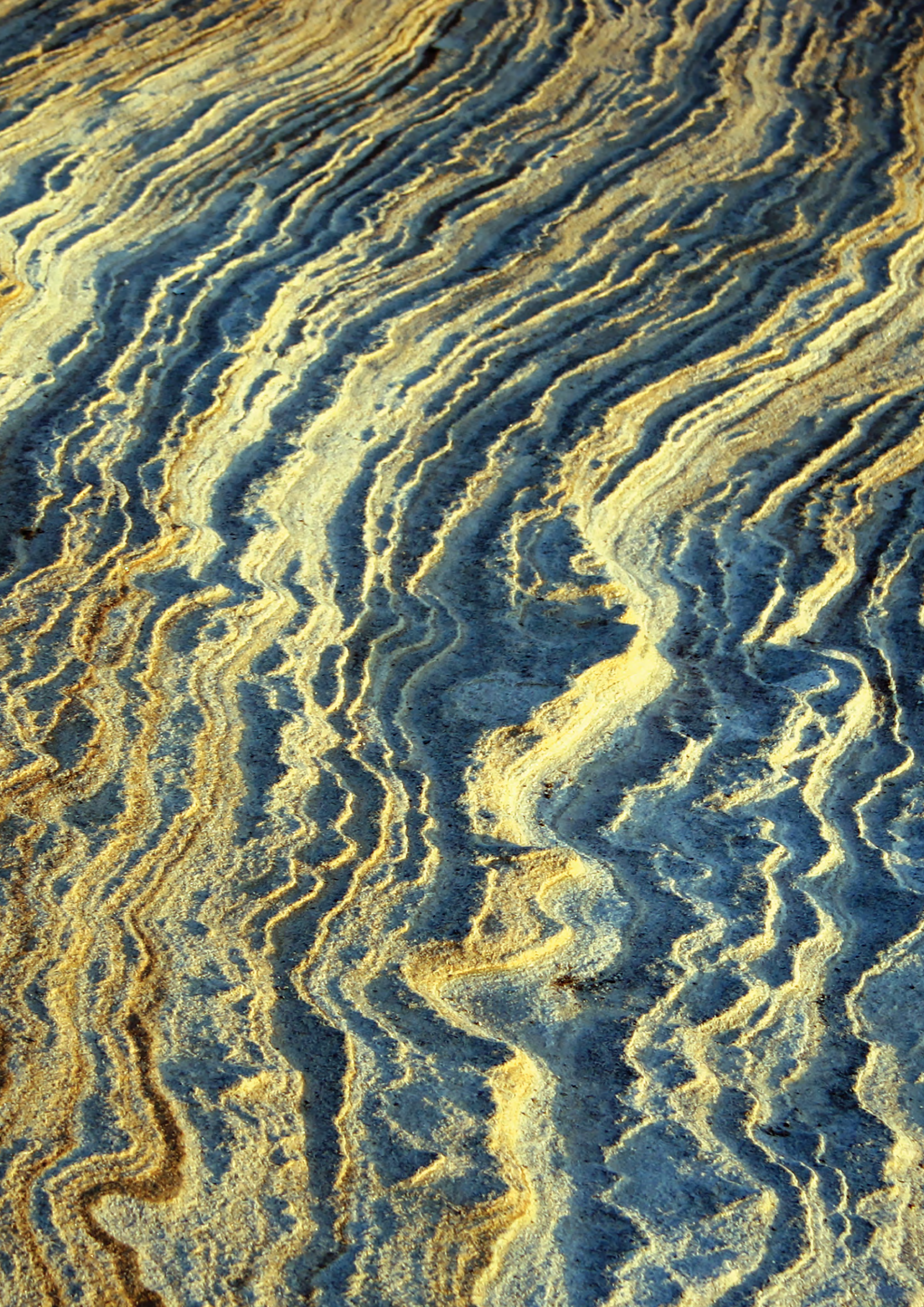


2022 Annual Report

Driving innovation to grow jobs and prosperity





Acknowledgement of Country

We acknowledge the Traditional Custodians of the land and pay respects to Elders past and present. We also acknowledge all Aboriginal and Torres Strait Islander staff working within NSW Government at this time.

Contact

The NSW Innovation and Productivity Council welcomes feedback and inquiries regarding their publications, websites, and media.

To contact the NSW Innovation and Productivity Council:

Phone +61 2 4908 4800
Email ipc.secretariat@investment.nsw.gov.au
Website www.investment.nsw.gov.au/ipc

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Chair's year in review

I am very pleased to present the NSW Innovation and Productivity Council's 2022 Annual Report, in my sixth and final year as Chair of the Council.



Since the IPC was refreshed in 2016, it has published 14 reports that have provided advice to NSW Government and other stakeholders on a broad range of innovation and productivity issues. During this time, we have built our reputation as a trusted and independent thought-leader that informs strategic thinking by the NSW Government.

Our approach has been to undertake forward-looking research, covering emerging trends and international best practice to inform our recommendations. Our reports influence public policy and program development, contribute to the evidence on productivity and innovation issues, and stimulate broader debate about how we can tackle complex economic and societal challenges.

2022 has been another busy year. The Council regularly consults stakeholders across government, industry and academia to inform its work. The IPC's first quarterly meeting was held in Dubbo, providing the opportunity to meet with leaders from across the business, start-up, and education communities to discuss how science and innovation can support regional economies.

A key area of discussion included the opportunities and challenges to increase technology adoption and build more adaptive workforces across the State, ensuring benefits are shared widely.

This subject is explored in our most recent report, *Adaptive NSW*, published in partnership with the NSW Productivity Commission.

The Council also launched the first report in a new Place-Based Innovation Series, *The Role of Anchors: lessons from international innovation precincts*. The report discusses the important role that anchor businesses and institutions play in the success of innovation precincts. It is a practical guide drawing on experiences from more than 30 precincts around the world. This research follows on from the IPC's 2018 report *NSW Innovation Precincts*, which continues to be a 'go-to' guide for local and international policymakers and practitioners working in this space.

Earlier this year we published our third edition of the *NSW Innovation and Productivity Scorecard*. I am particularly proud that through the Scorecard, NSW is the first Australian state to provide internationally comparable data at the state level. It provides policymakers a snapshot of our performance on key metrics and has been an impetus for government action, such as the NSW Government's 20-Year R&D Roadmap.

I am also proud of the IPC's work to inform government's approaches to building our 'human capital'. In March we published *Global Talent Wars: learning from locations that attract the best* which provides the evidence on how to successfully attract valuable global talent to help boost the State's economy. Sydney and NSW perform well in rankings for liveability, cultural diversity, and educational opportunities, but there is more we can do to compete with the top locations to attract the best and brightest from around the world. I commend the NSW Government for releasing a *Global Talent Action Plan* in response to the IPC's recommendations.

Global Talent Wars builds on previous IPC reports including the *Remote Working Insights Series* — focusing on NSW workers' experience and attitudes of remote work and challenges in a new hybrid world of work; and *Let's Collaborate* — providing best practice guidance to overcome challenges for SMEs collaborating with research organisations to drive productivity and innovation.

It has been a privilege to lead the Council for two terms. I thank all current and past Members and Special Advisors for their strategic guidance and significant contributions over the last six years. I also thank those from across government, industry and academia that supported our work, including through Expert Advisory Groups and Subcommittees, as well as the countless people that participated in our meetings, workshops, and consultations.

Last, but by no means least, I thank the current and past Secretariat staff in the Department of Enterprise, Investment and Trade who are the driving force of the IPC's research program. Without their commitment to high-quality research, analysis, consultation and reporting, the IPC would not provide such robust advice.

I wish the new Council and Chair all the best for their future work in driving innovation, competitiveness, and productivity for the state's ongoing economic prosperity.

Neville Stevens AO

Chair, NSW Innovation and Productivity Council



Message from the CEO Investment NSW

There is a strong connection between the work of the NSW Innovation and Productivity Council and the priorities of Investment NSW. We are both focused on how we can drive innovation in our industries to grow investment, talent and jobs in New South Wales.



This year, as we faced unprecedented external challenges, Investment NSW has, more than ever, utilised the IPC's expertise and its robust, evidenced-based reports to inform government policies and programs.

Investment NSW released its Global Talent Action Plan in response to the IPC's *Global Talent Wars* report and recommendations. The Plan sets out our actions to attract and retain talent in NSW to grow our key industries.

The IPC's *2022 NSW Innovation and Productivity Scorecard* provided important insights on how we are tracking against our competitors, and where we can do better. Investment NSW has used these insights to continue fostering startups and innovators through bricks and mortar precincts and initiatives.

Investment NSW is also working closely with the Greater Cities Commission to support the development of our precincts. *The Role of Anchors: lessons from international experience* report provides a valuable guide to inform how we attract anchor tenants that can supercharge our precincts and priority sectors.

Last but not least, *Adaptive NSW—how embracing tech could recharge our prosperity*, offered us valuable, future-focussed information and advice on the raw potential of emerging technology, which is already informing policy and helping to lift innovation and productivity in NSW.

I'd like to thank outgoing IPC Chair, Neville Stevens AO for his commitment and leadership since 2016. Neville has been a great champion of the IPC, and under his stewardship the Council has become a highly regarded think tank on innovation and productivity issues. I'd also like to thank those IPC Members whose current three-year term is concluding, acknowledging that for some members this marks the end of six years of significant contribution.

I look forward to working with the new Council in 2023 and continuing to find ways that government can work in partnership with industry and academia to fast-track innovation across the state.

Katie Knight
Chief Executive Officer, Investment NSW

Our role

The NSW Innovation and Productivity Council is a group of leaders from across industry, science, government, and academia who come together to advise the NSW Government on innovation-led economic development and productivity to ensure our ongoing prosperity.

Our advice is backed by leading-edge research on innovation and productivity. Our publications cover emerging trends and international best practice. Publications include the New South Wales' Innovation and Productivity Scorecard, and our reports on NSW Innovation Precincts, an adaptive NSW workforce, global talent, and SME-research collaboration, among others.

The Council reports to The Hon. Alister Henskens, SC MP, Minister for Enterprise, Investment and Trade, Minister for Science, Innovation and Technology, Minister for Sport, and Minister for Skills and Training.

The Council is supported by the Department of Enterprise, Investment and Trade, operating at the heart of government and ensuring the NSW economy prospers into the future.



Our members

NSW Innovation and Productivity Council members are eminent experts from across industry, academia, and government. Members are appointed by the Governor of New South Wales for a three-year term. The current Council was appointed in December 2019. A new Council will be appointed in 2023.



Neville Stevens AO
Chair

Mr Stevens has extensive experience chairing panels and reviews in the private and public sectors and is a distinguished former public servant who headed two major Australian Government departments. He was made an Officer of the Order of Australia in 2003 for service in the field of public sector administration.



Professor Attila Brungs

Professor Attila Brungs is Vice-Chancellor and President of UNSW Sydney and former Vice-Chancellor and President of UTS. As Vice-Chancellor of UTS, Professor Brungs was instrumental in the university's rise as a top university globally, and championed collaboration with industry to tackle real-world research problems.



Peter Freedman AM

Peter Freedman is a member of the Order of Australia in recognition for significant service to business, manufacturing and export, and his philanthropic support of cultural events. He is the Founder and Chairman of RØDE Microphones – a leading Australian audio company and multiple Australian Export Awards winner.



Professor Barney Glover AO

Professor Barney Glover is Vice-Chancellor and President of Western Sydney University, an Officer of the Order of Australia (AO) in recognition for distinguished service to tertiary education, and a distinguished academic leader. Professor Glover is currently the Australian Government representative on the University of the South Pacific Grants Committee. Convenor of the NSW Vice-Chancellor's Committee.



Jillian Kilby

Jillian is a Civil Engineer with a Master of Business and a Master of Public Policy from Stanford University, and Australian Sir John Monash Scholar and 2018 Agrifutures NSW/ACT Rural Woman of the Year. Jillian established the Infrastructure Collaborative, an advisory business and in 2018, 'The Exchange', an innovation hub and coworking space serving Regional NSW.



Dr Tony Rumble

Dr Rumble is a leading practitioner and innovator in the financial services sector. He is a leading academic contributor, and Director of The Wealth Partnership Pty Ltd. Dr Rumble has held numerous roles including: Senior Partner, PWC, consultant for and member of Australian Government taxation review panels.



Steve Sammartino

Mr Sammartino is a futurist, author and entrepreneur holding multiple advisory board positions in start-ups involved in a variety of disruptive technologies. Steve authored two tech strategy books, *The Great Fragmentation* and *The Lessons School Forgot: How to Hack your Way Through the Technology Revolution* and is a media commentator on technology and the future on the ABC.



Dr Richard Sheldrake AM

Dr Sheldrake had a 38-year career in the NSW Public Service, and was Director-General of four Departments between 2002 and 2013, when he retired. Richard has had a long-term commitment to rural Australia and is currently a member of the Board of the Academy of Technological Sciences and Engineering, and The Crawford Fund.



Professor Alex Zelinsky AO

Professor Zelinsky is Vice-Chancellor and President of the University of Newcastle and an Officer in the Order of Australia (AO) for distinguished service to defence science and technology, systems engineering, and education as an academic and researcher. Prior to joining the University, Professor Zelinsky was Chief Defence Scientist within the Department of Defence.



Professor Hugh Durrant-Whyte Special Advisor to Council

Hugh Durrant-Whyte is the NSW Chief Scientist & Engineer and Natural Resources Commissioner. Prior to his appointment, Hugh was Chief Scientific Advisor to the UK Ministry of Defence. Hugh is a world-leading authority on machine learning and robotics.

IPC 2022 publications

Our publications examine international emerging trends, provide in-depth case studies, present new data and modelling, and provide best practice guidance, to ensure policymakers are informed with the best available research and evidence.

Our recommendations inform the development of government policies and programs across a broad range of innovation and productivity issues. Previous reports have explored remote and hybrid working, innovation precincts, SME-research collaboration, easier access to government business services, and opportunities for NSW's clean economy, among other subjects.

In 2022 the IPC released four new reports. Here's a snapshot of their policy impact to date.

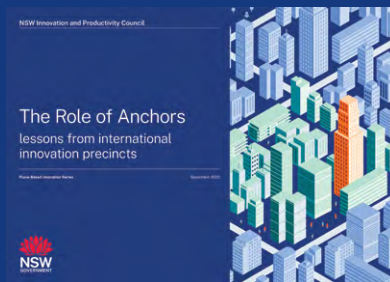


Adaptive NSW: how embracing tech could recharge our prosperity

Adaptive NSW, delivered in partnership with the NSW Productivity Commission, provides a framework for policymakers to think about technology adoption, workforce adaptation and the future of work in NSW.

During its development, the report and its findings informed Investment NSW's *NSW Emerging Digital Technology Strategy*, and the work of the NSW Skills Board.

The report's 15-year projections of the state's future industries, workforce composition, and skills needs, was published in the future of work chapter of the *2021-22 NSW Intergenerational Report*.

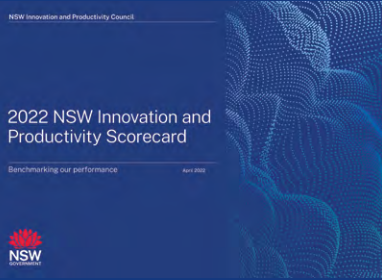


The Role of Anchors: learning from international innovation precincts

The Role of Anchors is a cutting-edge guide that looks at the important role that anchor tenants play in global innovation precincts and what it means for NSW. The report makes four overarching recommendations for NSW Government to help innovation precincts and anchors further succeed.

There was significant interest in the report, with presentations on the key findings provided to stakeholders including the NSW Whole-of-Government Housing and Precincts Collaboration Group, NSW Telco Authority, and South Australian Government.

The recommendations will inform NSW Government's investment and support for innovation precincts through Investment NSW, the Greater Cities Commission, and government-wide initiatives such as the *Greater Sydney and Central Coast Precincts Strategy*, and Special Activation Precincts.



2022 NSW Innovation and Productivity Scorecard

The IPC's *2022 NSW Innovation and Productivity Scorecard* provides policymakers a unique snapshot of NSW's innovation and productivity performance in comparison to other states and selected international economies.

Building on Scorecards released in 2018 and 2019, the insights are frequently used to inform NSW Government policies and programs. Recent examples include the NSW Government's *20-Year R&D Roadmap and the Emerging Digital Technology Strategy*. The 2022 Scorecard was also well received by the Australian Academy of Science and Technology and Knowledge Commercialisation Australasia, and received interest from the Victorian Department of Jobs, Precincts and Regions.



Global Talent Wars: learning from locations that attract the best

As the world navigates the COVID-19 pandemic and increasing uncertainty, the global fight for talent is intensifying. *Global Talent Wars* provides the evidence on how to successfully attract global talent to help boost the State's economy.

The report makes three recommendations for NSW Government to attract and retain highly skilled talent.

Investment NSW released a *Global Talent Action Plan* in response to the IPC's report and is working to implement the recommendations. The Action Plan outlines initiatives that are planned or have already been implemented that address each of the IPC's recommendations.



13,455

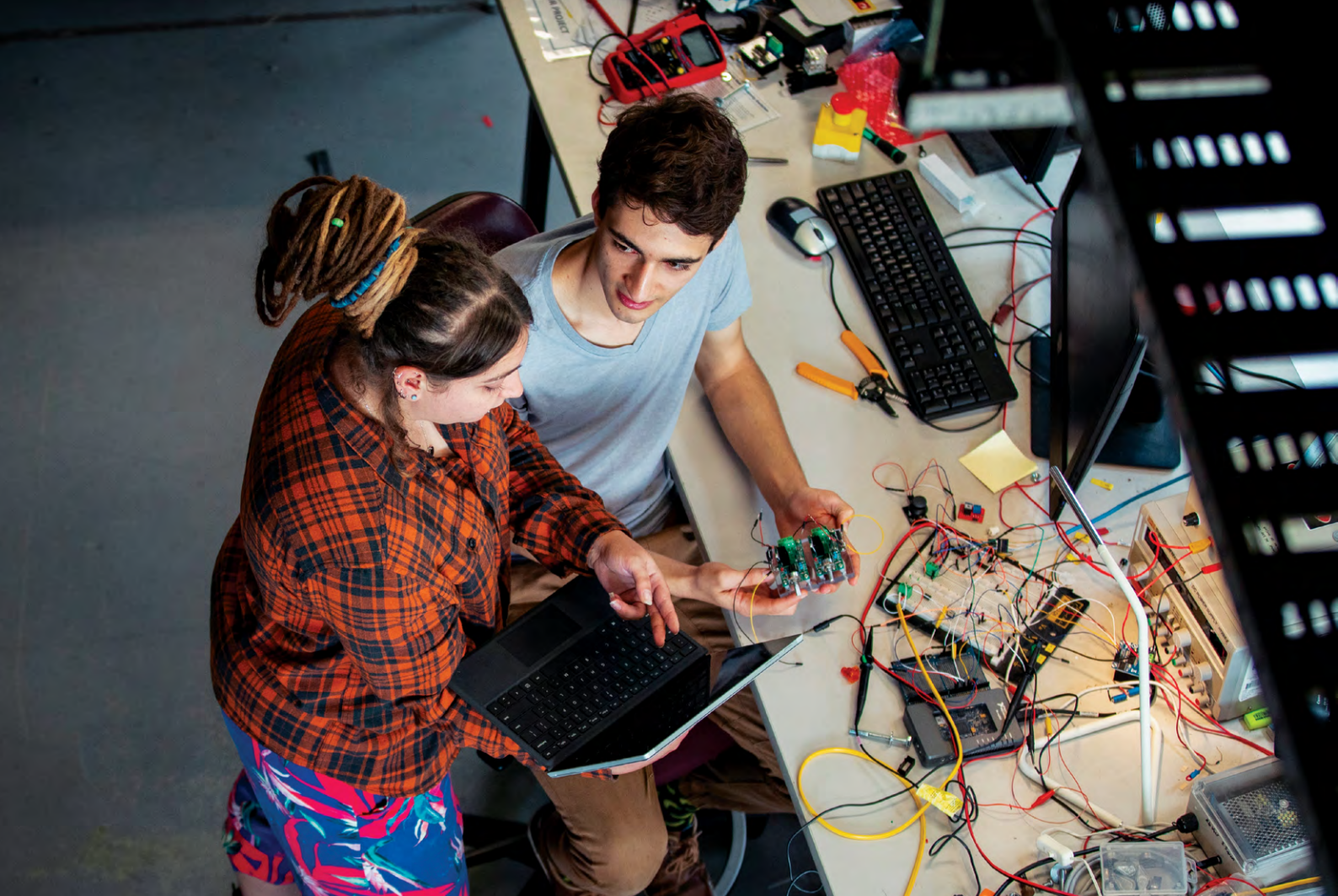
Website
page views



2,293

IPC report
downloads

Website traffic for the period 1 January to 31 October 2022



Adaptive NSW: how embracing tech could recharge our prosperity



Adaptive NSW: how embracing tech could recharge our prosperity, delivered in partnership with the NSW Productivity Commission, is a framework for policymakers thinking about technology adoption, workforce adaptation and the future of work in NSW.



The report identifies the key long-term trends and challenges we face and their implications for government, the economy and society. The report also presents the vast potential of emerging technology to make the future better for NSW residents.

It argues that if we are prepared, technology could revive our productivity and power a new era of green economic growth, higher living standards, and resilience. To do this, we will need to embrace technology and build an adaptive workforce. We will also need to make sure that the benefits of technology are felt widely across the community, and that the ‘future of work’ really is a better one for everyone.

Key report findings

- > **NSW faces a productivity challenge** — a decline in workforce participation — due to an ageing population, lower birth rates, and interrupted migration during the COVID-19 pandemic border closures — together pose significant long-term risks to the living standards of our state’s people.
- > **But tech could revive our productivity** — using advanced economic modelling, the report argues emerging tech could recharge the state’s productivity growth to 2 per cent a year and lift economic growth to a robust 3 per cent a year to 2035.
- > **Tech will make work more flexible, cognitive, and social** — the diffusion of emerging technologies will accelerate the trend away from physically-demanding work and make work more cognitive and social, and more flexible and hybrid. We will use digital labour platforms more, the gig economy will grow, and remote working will further change how we work.
- > **Unemployment will not rise overall, but some workers will need support** — while technology is unlikely to raise unemployment overall, some individuals and groups will be vulnerable to losing their jobs to automation. This risk should not be downplayed. Government, industry and our education and skilling systems need to create smooth pathways for these workers to access new skills and employment. Policymakers need to actively manage technology-driven industry transitions so that no one is left behind.



“Adaptive NSW is for policymakers, but it will no doubt provide practical insights to industry and the public about the changes we need to make to prepare for a technological transition that is green, sustainable, fair, and inclusive for the people of NSW. The key will be acting on these insights.”

— Peter Achterstraat AM
NSW Productivity Commissioner



NSW faces a productivity challenge



Emerging tech could revive productivity



It would make work more flexible, cognitive, and social



Unemployment won’t rise, but some workers need support

Policy impact

Adaptive NSW provides a flexible framework of guiding principles for policymakers who are thinking about technology, automation, and the future of work to arrive at the right programs and policies for the future.

During its development, the report and its findings informed Investment NSW's *NSW Emerging Digital Technology Strategy*, and the work of the NSW Skills Board. The report's 15-year projections of the state's future industries, workforce composition, and skills needs, was published in the future of work chapter of the *2021-22 NSW Intergenerational Report*.



“Our goal is that *Adaptive NSW* will provide the framework and impetus for policymakers and stakeholders across government and in industry, education, workforce development and training, to understand how NSW can build a more adaptive workforce and economy.”

— **Neville Stevens AO, Chair NSW Innovation and Productivity Council and IPC Project Champion**





Media coverage

Joint **media release** from the NSW Treasurer and the Minister for Science, Innovation and Technology.

The Canberra Times article – *Robots could bring in \$4.5bn for NSW*. 22 November 2022.

The National Tribune article – *New tech adoption to turbocharge NSW productivity growth*. 22 November 2022.

The NSW Productivity Commissioner featured in a Sky Business television interview with Ross Greenwood about *Adaptive NSW* following the launch.

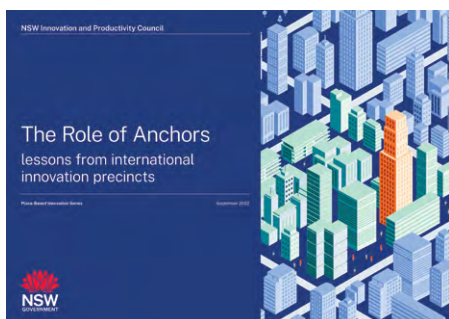
Social media posts from Minister Henskens, Investment NSW, NSW Treasury and the NSW Productivity Commissioner resulting in over 13,000 social media impressions.

Launch event

The *Adaptive NSW* report was launched at an event at NSW Parliament House on 22 November 2022 by The Hon. Alister Henskens, SC MP, Minister for Enterprise, Investment and Trade, Minister for Science, Innovation and Technology, Minister for Sport, and Minister for Skills and Training. An expert panel discussion moderated by Peter Achterstraat AM, NSW Productivity Commissioner, included Lisa Gropp from the Commonwealth Productivity Commission, futurist Steve Sammartino, and Investment NSW Interim CEO Katie Knight.



The Role of Anchors: lessons from international innovation precincts



Despite the boom in remote working since COVID-19, precincts remain important places for innovation. Anchor businesses and institutions play an important role in the success of innovation precincts.

The right anchors can:

- > create new jobs
- > encourage suppliers to innovate
- > attract capital and talent
- > connect small businesses to global markets
- > accelerate investment in R&D, infrastructure, public space, and shared amenities.

The Role of Anchors is the first report in the IPC's Place-Based Innovation Series, building on the IPC's previous report, *NSW Innovation Precincts: Lessons from International Experience* which explored the factors that contribute to successful innovation precincts.

This new report is a cutting-edge guide to learn from more than 30 precincts around the world. The IPC partnered with Dr Tim Moonen from The Business of Cities, a UK-based expert and adviser to innovation precincts who undertook 60 interviews. The report shares lessons from international experience for all those involved in developing our precincts: place leaders, existing and prospective anchor businesses and institutions, precinct participants, and governments at all levels.



“Across the state, there is clear appetite among many anchor businesses and institutions to build a stronger local talent pipeline and share common infrastructure for the benefit of the wider precincts, but more needs to be done.”

— Jillian Kilby, IPC Project Champion

Key report findings

- > NSW has many world-leading companies and institutions that already have an ‘anchor mindset’. They are becoming more ‘precinct conscious’ and doing more to raise the effectiveness of the precincts where they live. They are starting to:
 - build stronger local talent pipelines
 - share common infrastructure
 - use their connections, global networks and purchasing power to help their precinct thrive.
- > Not all anchors are the same, however, effective anchors share common traits:
 - they engage in R&D, and connect to and learn from international networks of knowledge and innovation
 - they aspire to co-locate with other knowledge-rich organisations and activities
 - they desire to create business opportunities, and human and social capital advantages.
- > More can be done in NSW to attract new anchors to grow the existing ecosystem, and to support anchors that are already here.



“*The Role of Anchors* report is equally applicable to both metro and regional contexts. It really highlights the long journey that our Special Activation Precincts will take over time and the role for ongoing leadership in carefully crafting and nurturing our precinct ecosystem. Great master planning and enabling infrastructure are the essential foundations for our anchor tenants, but our next focus needs to be on governance, collaboration, and partnerships, and ensuring we bring strong partners from government, industry and academia to work towards a shared vision.”

— Azaria Dobson, Regional Growth NSW Development Corporation, Department of Regional NSW



Policy impact

The IPC makes four overarching recommendations for NSW Government to help innovation precincts and anchors further succeed. The report and recommendations will inform NSW Government’s investment and support for innovation precincts through Investment NSW, the Greater Cities Commission, and government-wide initiatives such as the *Greater Sydney and Central Coast Precincts Strategy*, and Special Activation Precincts led by the Regional Growth NSW Development Corporation.

Presentations were delivered to stakeholders including:

- > NSW Whole-of-Government Housing and Precincts Collaboration Group
- > NSW Telco Authority to inform development of the Tech Central Digital Connectivity Strategy
- > Special Activation Precincts and Partnerships team in the Regional Growth NSW Development Corporation, Department of Regional NSW
- > South Australian Government to inform precinct development in South Australia

Media coverage

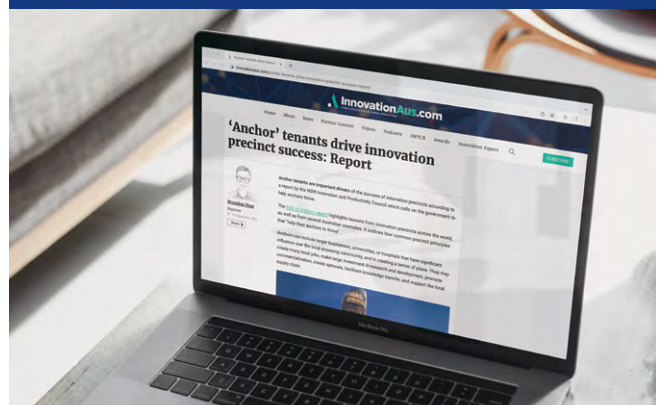
Investment NSW **media release**.

InnovationAus.com article — ‘Anchor’ tenants drive innovation precinct success: Report. 16 September 2022.

Social media posts from Minister Henskens, Investment NSW, Greater Cities Commission, Department of Regional NSW, Afterpay, University of Technology Sydney, Cicada Innovations, Liverpool Innovation Precinct, and The Business of Cities.

Website traffic

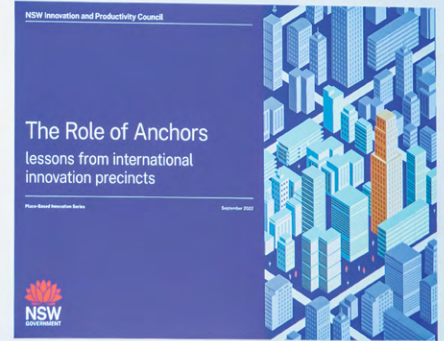
Website page views: 1,237
Report downloads: 574





Anchors and Innovation Precincts

Dr Tim Moonen



Launch event

The Role of Anchors report was launched at an event at NSW Parliament House on 15 September 2022 by The Hon. Alister Henskens, SC MP, Minister for Enterprise, Investment and Trade, Minister for Science, Innovation and Technology, Minister for Sport, and Minister for Skills and Training. An expert panel discussion moderated by IPC Project Champion Jillian Kilby, included Dr Tim Moonen from The Business of Cities, Petra Andren from the Greater Cities Commission, Lance Chia from the Liverpool Innovation Precinct, Professor Mark Hoffman, from the University of Newcastle, Katrina Konstas from Afterpay and Katie Knight, Interim Chief Executive Officer of Investment NSW.

“We have had tremendous success in enticing leading local and international companies and institutions such as Atlassian, the Children’s Medical Research Institute and Lockheed Martin to anchor our innovation precincts. From Tech Central, to the Westmead Health and Innovation District and the Western Sydney Aerotropolis, our precincts are places where ideas can be turned into commercial realities.”

— **Katie Knight, CEO, Investment NSW**





2022 NSW Innovation and Productivity Scorecard



The IPC's *NSW Innovation and Productivity Scorecard* provides a unique snapshot of the State's innovation and productivity performance.

Building on Scorecards released in 2018 and 2019, the insights help us to understand the State's performance relative to competitors and support government decision making to develop the right strategies to grow the NSW economy.

The report compares NSW's performance against international jurisdictions including Canada, Germany, New Zealand, Singapore, the United States, the United Kingdom, Australia and the Australian states of Victoria and Queensland. NSW is also compared with the OECD average and the US states of Georgia and California where such data exists.

The Scorecard measures NSW's performance in four thematic areas: research and collaboration, skills and enterprise, growth and productivity, and for the first time in 2022, the net zero economy.

Key report findings

- › NSW GSP declined less than all the international benchmarks except New Zealand following the COVID-19 pandemic.
- › NSW has widened its lead over the Australian benchmarks on the Multi-Factor Productivity Index since the 2019 Scorecard.
- › NSW has moved to the top spot in the world for the number of global top 200 universities on a population adjusted basis. NSW also outperforms other international economies on the percentage of researchers in the top 10 of their field.
- › NSW has the largest share (30%) of startups and spinouts from Australian universities and research institutions.
- › Over half (51.5%) of NSW workers are tertiary-qualified, an increase of 3 percentage points since the 2019 Scorecard.
- › NSW universities and research institutes outperform the Australian benchmarks in 2020 on Invention Disclosures and Licensing and related deals.
- › Our growing venture capital investor presence is indicative of a globally competitive economy.
- › NSW leads the Australian benchmarks on annual EV sales.



NSW ranks first for the number of top 200 ranked universities. Six of NSW's 11 public universities rank in the global top 200, twice as many as in 2019.



Over half (51.5%) of NSW workers are tertiary-qualified, an increase of 3 percentage points since the 2019 Scorecard.



NSW universities and research institutes outperform the Australian benchmarks in 2020 on Invention Disclosures and Licensing and related deals.

Media coverage

Media release from Minister Henskens and a media release from NSW Vice Chancellor's Committee.

Social media posts from the Australian Academy of Technology and Engineering, Knowledge Commercialisation Australasia, Clarivate Analytics, and Investment NSW's Head of Net Zero Economy.

Website traffic

Website page views: 1,835
Report downloads: 259



“The growing attraction of the ecosystem to investors is clear, with more than 300 additional venture capital firms choosing to operate in NSW since 2019.”

— **Dr Richard Sheldrake AM, IPC Project Champion, and Board Member, Australian Academy of Science and Technology**

Policy impact

The Scorecard is frequently used to inform NSW Government policies and programs. Recent examples include the NSW Government's *20-Year R&D Roadmap and the Emerging Digital Technology Strategy*. The 2022 Scorecard was also well received by the Australian Academy of Science and Technology and Knowledge Commercialisation Australasia, and received interest from the Victorian Department of Jobs, Precincts and Regions.

Launch event

The report was launched at Western Sydney University's Launch Pad incubator in the Parramatta Engineering Innovation Hub on 27 April 2022 by The Hon. Alister Henskens, SC MP, Minister for Enterprise, Investment and Trade, Minister for Science, Innovation and Technology, Minister for Sport, and Minister for Skills and Training. An expert panel discussion moderated by Professor Kate Stevens from The MARCS Institute at Western Sydney University, included Minister Henskens; Professor Barney Glover AO, Vice Chancellor Western Sydney University, IPC Member, and Co-Champion of 2022 Scorecard; Sally-Ann Williams, CEO Cicada Innovations; and from Western Sydney University's Launch Pad incubator, Priya Das, Founder, OkayMate and Dr Belinda Chapman, Founder, Quantal Bioscience.



“The landmark innovation partnership between the NSW Government and NSW’s 11 universities offers enormous opportunity for future R&D collaboration, with a pipeline of over 100 strategic opportunities across the state.”

— **Professor Glover, IPC Project Champion, and Vice-Chancellor and President of Western Sydney University**





Global Talent Wars: learning from locations that attract the best



As the world navigates the COVID-19 pandemic and increasing uncertainty, the global fight for talent is intensifying as countries compete to attract the best people to help accelerate economic recovery.

Global Talent Wars provides the evidence on how to successfully attract global talent to help boost the State's economy. Sydney and NSW perform well in rankings for liveability, cultural diversity, and educational opportunities, but there is more we can do to compete with the top locations to attract the best and brightest from around the world.

In this report, the IPC:

- › explores why talent matters for economic growth
- › analyses how NSW compares internationally on the movement of talent and global workers' experiences, and motivations for entering and leaving Australia and NSW
- › highlights areas where NSW performs well in attracting and retaining highly skilled talent and identifies areas where we can improve
- › provides information on international strategies used to attract and retain exceptional talent to inform effective local policies and programs

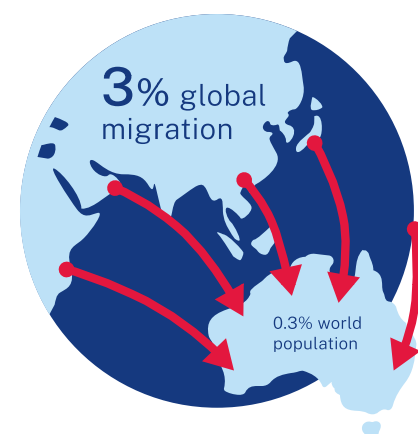
Key report findings

- › One in five people who graduate from an NSW university move overseas, particularly those in marketing, business, finance, and economics.
- › Nearly half of these people return within five years, bringing with them valuable overseas experience and international connections which benefits business and that can open the door for exporters or international collaboration.
- › Australia is already a top performer when it comes to attracting skilled migrants, receiving 3 per cent of global migration every year despite making up just 0.3 per cent of the world's population.
- › Australia and NSW, however, still need to attract global talent despite having a highly educated workforce and being a popular destination for skilled migrants.
- › While many skill shortages are in low and mid-skill jobs, there are also skill shortages in highly skilled professions, such as software engineering, developer programming, data science, cyber security, bio-medical research and development, and engineering and construction management.
- › NSW also has identified industries, research, and emerging areas with competitive specialities where we compete globally such as quantum computing, or food production and agricultural technology. It is these key growth industries where we can and should be attracting talented individuals with the right skills, experience, and international connections needed to help stimulate these industries to grow.



“Our universities play a critical role in developing home-grown talent as well as attracting and retaining global talent. International students are a significant source of skills, so we should take steps to ensure that we realise the full potential of international graduates.”

— Professor Alex Zelinsky AO,
Vice-Chancellor and President
of the University of Newcastle





“Despite our highly educated workforce and being a popular destination for skilled migrants, we still need to attract global talent to drive innovation and support the creation of local jobs.”

— Professor Hugh Durrant-Whyte, NSW Chief Scientist & Engineer

Policy impact

The *Global Talent Wars* report makes three recommendations for NSW Government to attract and retain highly skilled talent:

1. Embed attracting and retaining talent in Investment NSW.
2. Better promote and support Sydney and New South Wales as a destination for global talent.
3. Work with and advocate to the Australian Government on ways to attract talent to Australia and New South Wales on policy areas that are a deterrent to global talent.

Investment NSW released a *Global Talent Action Plan* in response to the IPC’s report and is working to implement the recommendations. The Action Plan outlines initiatives that are planned or have already been implemented that address each of the IPC’s recommendations.

Media coverage

Media release from Minister Henskens.

InnovationAus.com opinion piece from Minister Henskens. ‘The battle to attract the best and brightest minds from abroad’, 14 March 2022.

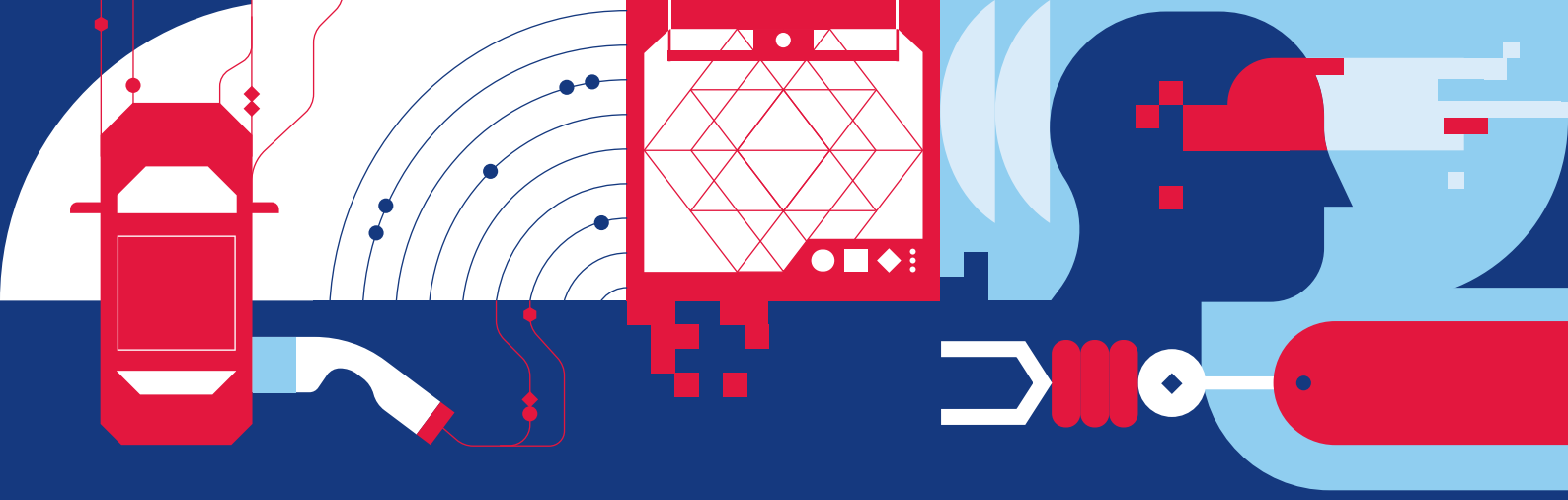
Social media posts from Minister Henskens and Investment NSW.

Website traffic

Website page views: 1,018

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Looking ahead

The new term of the IPC will commence from 1 January 2023. The new Chair and Council members will determine research areas for prioritisation in the IPC's 2023-25 workplan in consultation with the Department of Enterprise, Investment and Trade.

New IPC projects will be in addition to work already underway in the IPC's Place-Based Innovation Series, and flagship publications such as the *NSW Innovation and Productivity Scorecard*.

The IPC will also continue to be sought for advice and consultation on specific government policies and programs.

Strategic objectives



1. Quality of research

Deliver unique, forward looking research related to innovation, productivity and efficiency to inform strategic thinking by the NSW Government.



2. Independent and trusted

Recognised by the NSW Government as a trusted, thought-leader in innovation by investigating critical issues to boost innovation across private and public sectors.



3. Influencing action

Inform, advise and champion policies, programs and strategies that drive innovation, competitiveness and productivity for NSW's ongoing economic prosperity.

NSW Innovation and Productivity Council

Quality, Independent, Influential

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