Future of manufacturing

Incubator Support –
Internationalisation policy measure
(Australia)

Born globals and their value chains
Author: Aleksandr Michelson (Praxis Centre for Policy Studies)
Research managers: Irene Mandl and Valentina Patrini (Eurofound)
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European Foundation for the Improvement of Living and Working Conditions
Telephone: (+353 1) 204 31 00
Email: information@eurofound.europa.eu
Web: www.eurofound.europa.eu

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http://eurofound.link/fome

Contact details
Donald Storrie (Project Manager) Donald.Storrie@eurofound.europa.eu
Alessandra Massaro (Project Administrator) Alessandra.Massaro@eurofound.europa.eu
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1. Context

1.1. Circumstances in which the measure was introduced, rationale, and relevance

As one of the interviewees pointed out, starting from around 2012 and especially from 2014 to 2016, in Australia there has been a rapid increase in the number of business support organisations that are similar to business incubators in terms of their objectives; that is, to nurture, grow and develop young, globally focused innovative businesses. The Australian government officers observed a gap in the market in terms of the ability of business incubators to provide the required level of assistance to support the success and growth of start-ups in international markets. Hence, there was a need to develop the skills and capabilities of new or existing incubators and their international connections. Supporting incubators was seen as an opportunity for the Australian government to complement and multiply the effect of a further scaling up and expansion of incubators and accelerators. Incubators were regarded by the government as a means to assist Australian globally focused start-ups to develop the skills and capabilities required to succeed in international markets. One of the reasons why such activities are important is that Australia is a relatively isolated economy located far from other major world markets and there is a limited degree to which Australian start-ups can scale up to face such a constraint on the domestic market.

It has been acknowledged that over the decade from 2001 to 2011, SMEs younger than five years employed only around 15% of the Australian workforce, but made the highest contribution (40%) to net job creation in Australia (Commonwealth of Australia, 2015).

As a result, the Incubator Support initiative was launched as a new element of the Australian government's Entrepreneur Programme (henceforth EP), which is one of the measures funded under the National Innovation and Science Agenda (henceforth NISA) with a general budget of AUD 1.1 billion (about €725 million as of 2 June 2017) for four years (2015/2016–2018/2019) (NISA is a package of measures released by the Australian government on 7 December 2015 that aims to transform Australia into an innovation nation). Incubator Support will contribute to the government’s priorities by supporting incubators, accelerators and related business support organisations that can foster the development and growth of high-potential start-ups (Australian Government, Department of Industry, Innovation and Science, 2016a; Department of Industry, Innovation and Science, 2016).

1.2. The process of developing the measure

According to one of the interviews conducted for this case study, NISA is a cross-government initiative of the Australian government. The Department of Industry, Innovation and Science (henceforth the Department) had a strong leading role in the development of NISA as well as in the creation of Incubator Support.

As one of the interviewees pointed out, the ideas were gathered from visits to similar programmes in Israel, the USA and the UK, where some members of the Department observed and talked to local stakeholders in those regions (public administration, incubators and enterprises). It was realised that the measure needs to focus on the skills that are required in an international context, that the measure should be flexible, and that it is important to have people with private sector experience in the whole assessment process to select the beneficiaries.

In March 2016, the Department issued a paper that described the draft programme parameters of Incubator Support to obtain written feedback from stakeholders, mainly from potential beneficiaries and enterprises. Additionally, stakeholders were consulted in a series of meetings in March and April 2016. The feedback received from potential applicants, stakeholders and organisations contributed to the finalisation of the programme guidelines. According to one of the interviewees, there were some valuable insights and suggestions for how the programme should be designed, particularly around the amounts of the grants and ways to reduce the potential administrative burden on applicants and to increase the flexibility of the programme to enable adaptation to the changing and emerging needs of
companies, and thus also of incubators and accelerators. The Incubator Support initiative opened for applications on 20 September 2016 (Australian Government, Department of Industry, Innovation and Science, 2016a; Australian Government, Department of Industry, Innovation and Science, 2016b).

1.3. Any changes in policy context over time
According to one of the interviewees, given the recent implementation of the measure (September 2016), no change in the policy context has happened since. However, an update to the programme guidelines is scheduled for late 2017 and some of the specific details of the programme outlined below are likely to change at this time.

1.4. Evidence of complementarity and/or overlap between the measure and other policy measures
According to one of the interviews conducted for this case study and other sources (Australian Government, Department of Industry, Innovation and Science, 2016a), the Incubator Support measure complements other measures under EP, namely:

1. **Accelerating Commercialisation**. This measure helps small and medium-sized businesses, entrepreneurs and researchers to commercialise novel products, services and processes.

2. **Business Management**. Experienced business advisers and facilitators review business operations, including business direction, strategy, growth opportunities and the supply chain of an applicant. They provide a report with strategies for business improvement and work with the grantee to implement these strategies.

3. **Innovation Connections**. Experienced innovation facilitators work with businesses to identify a business’ research needs. Innovation facilitators also connect businesses to sources of expertise in publicly funded research organisations.

2. Content

2.1. Objectives of the measure
The objective of the initiative (Australian Government, Department of Industry, Innovation and Science, 2016b; Department of Industry, Innovation and Science, 2016; McLean, 2016; Redrup, 2016) is to assist new and existing incubators in:

1. delivering a range of activities to Australian start-ups to develop the capabilities required to realise their economic potential in international markets faster than they otherwise would (such as, by helping start-up companies access advice, capital and valuable connections);

2. developing Australia’s innovation ecosystem including in Australian regions by bringing communities of entrepreneurs together.

2.2. General description of the measure
For the purposes of Incubator Support, the Programme Guidelines define an incubator as a business support organisation that fosters innovative start-ups focused on international trade through the provision of services such as seed funding, mentoring, professional services and access to networks. It can include accelerators and germinators¹. As one of the interviewees pointed out, innovative start-ups refer to start-ups with a global focus and significant growth ambition. The initiative provides funding through two components.

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¹ According to Hannon (2004), germinators aim is to maximise opportunities for creating new ventures through market intelligence and developing strategic awareness.
According to the Programme Guidelines, the first component is support for new and existing incubators:

1. to help develop new incubators in regions or sectors with high potential for success in international trade, and
2. to boost the effectiveness of high performing incubators, including funding support to expand their services and/or develop the innovation ecosystem.

The second is support for Expert-in-Residence: to organise and provide access to top quality research, managerial and technical talent through secondments of national or international expert advisers in and to Australia. As one of the interviewees pointed out, Experts-in-Residence should work with the incubators to help them deliver their services to start-up companies.

The limits for grants are as follows:

1. The Incubator Support grants can be up to a maximum of 50% of the total project value.
2. The cash contribution from the grantee must be a minimum of 30% of the total project value.
3. The in-kind contribution from the grantee or other government sources can be up to 10% of the total project value. The grantee will need to provide details of how he/she calculated the dollar value of any in-kind contributions.
4. Other government sources can be up to 10% of the total project value. Government sources include Commonwealth, state, territory or local government contributions either in cash or in-kind. Where a contribution from another government source is in-kind it counts as both a contribution from another government source and an in-kind contribution.

The limits for grant amounts are set as follows:

1. a minimum grant amount of AUD 10,000 (about €6,600) and a maximum grant amount of AUD 500,000 (about €330,000) for new and existing incubators per project with a maximum grant period of 24 months;
2. a minimum grant amount of AUD 1,000 (about €660) and a maximum grant amount of AUD 25,000 (about €16,500) for Expert-in-Residence per project with a maximum grant period of 12 months.

Eligible activities can include, but are not limited to, the following (Australian Government, Department of Industry, Innovation and Science, 2016b; Trucksess, 2017):

1. For new and existing incubators:
   a. expanding mentor networks to new mentors with national or international expertise;
   b. providing or facilitating access for innovative start-ups to new resources (such as purchases of technical equipment) to promote or facilitate international trade;
   c. providing or facilitating access for innovative start-ups to new knowledge (such as training on customer acquisition and/or business development methods, mentoring programmes for local entrepreneurs in the ‘ideas stage’ and supporting collaboration between business, government and R&I institutions) to promote or facilitate international trade; and
   d. facilitating access for innovative start-ups to new international networks (including events to find investors, customers, peer firms; for example, international conferences and trade fairs).
2. For Expert-in-Residence:
   a. a workshop where an expert gives advice on developing business activities; for example, in a particular international market; and
   b. longer-term engagement of a national or international expert (with knowledge in start-up related technology and international experience) to assist start-ups in addressing key challenges during their stay in the incubator.

According to the Programme Guidelines, the incubator project should describe which of the following outcomes it contributes to and how:

1. improving commercial prospects of innovative start-ups in international markets;

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2. developing Australia’s innovation ecosystem so that innovative start-ups can thrive and flourish in international markets by supporting incubators, including the development of clusters focused on new regions, sectors or linked with universities;
3. developing the capability of incubators to facilitate and foster innovative start-ups with the potential to operate in international markets;
4. developing the capabilities of new incubators in regional Australian communities to support innovative, internationally focused start-ups.

To be eligible for funding, the project must:
1. include eligible activities and expenditure;
2. have a total project value of at least AUD 20,000 (about €13,200) for new and existing incubators grants;
3. have a total project value of at least AUD 2,000 (about €1,300) for Expert-in-Residence grants.

According to one of the interviews conducted for this case study, although the initial launch announcement was for four years, it is expected that it will continue as an ongoing initiative.

To sum up, the content of the measure across policy measure categories is provided in Table 1 below.

Table 1. Content of the measure across policy measure categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Tailored) advice</td>
<td>Through the various services of incubators (for example, mentoring) and the ‘Expert-in-Residence’ component.</td>
</tr>
<tr>
<td>Partnerships, networks, alliances and clusters</td>
<td>Through the various services of incubators (for example, access to networks, mentor networks, new international networks, investors, customers, peer firms).</td>
</tr>
<tr>
<td>Provision of education and training for entrepreneurs, managers or staff</td>
<td>Incubators could provide or facilitate access for innovative start-ups to new knowledge (such as customer acquisition and/or business development methods) to promote or facilitate international trade.</td>
</tr>
<tr>
<td>Trade fairs and missions</td>
<td>This could be done by incubators within the eligible activities if this activity supports the internationalisation of start-ups.</td>
</tr>
<tr>
<td>One-stop shops for internationalisation</td>
<td>The information about the measure is integrated into a one-stop shop of the whole-of-government service (website <a href="https://www.business.gov.au/">https://www.business.gov.au/</a>) that provides essential information on planning, starting and growing business.</td>
</tr>
<tr>
<td>Access to finance (for example, credits, loans, subsidies, guarantees)</td>
<td>Through the various services of incubators (for example, seed funding, funding support to expand start-ups’ services).</td>
</tr>
<tr>
<td>R&amp;D, innovation and sectoral programmes</td>
<td>Through advice from mentors or experts.</td>
</tr>
<tr>
<td>International business incubators</td>
<td>The measure provides direct financial support to business incubators that help start-ups to internationalise.</td>
</tr>
<tr>
<td>Business environment and inter-country cooperation support</td>
<td>Incubators might specifically develop the innovation ecosystem; however, by supporting various activities targeted at start-ups, incubators contribute to developing the innovation ecosystem.</td>
</tr>
<tr>
<td>IPR protection</td>
<td>Through advice from mentors or experts.</td>
</tr>
</tbody>
</table>

Source: author, compiled from variety of sources that are cited in the present report
According to the interviews conducted for this case study, the policy measure under observation is innovative in terms of targeting incubators that focus on international start-ups, comprising the Expert-in-Residence element and having a continuous application process (because most grant programmes in Australia have rounds). The intention behind this is to provide increased flexibility for potential applicants so that they can apply for the grant when and as opportunities arise rather than waiting for a specific round. Additionally, the flexibility of this purely financial policy measure means that applicants design the package of their activities by themselves that would be competitively assessed during the assessment process.

2.3. Available budget
The budget of the programme is AUD 23 million (about €15.2 million) for 2016–2019 (Department of Industry, Innovation and Science, 2016). As one of the interviewees confirmed, the breakdown for financial years is not public.

2.4. Target groups of the measure
According to the Programme Guidelines, to be eligible for Incubator Support, applicants must:

1. be an existing incubator or establishing a new incubator that can foster and facilitate the development of innovative start-ups focused on international trade;
2. have an Australian Business Number (ABN);
3. be one of the following: an entity incorporated in Australia; an incorporated trustee on behalf of a trust; a not for profit organisation; a publicly funded research organisation (PFRO); excluding government departments or agencies which undertake publicly funded research; or local government.

In terms of applications, the lead applicant must be an Australian organisation but applications from consortia are encouraged and there are no limitations on the engagement of international organisations into the consortia (strong international incubators are encouraged). According to the interviews conducted for this case study, it is expected that Australian incubators would look to source expertise from international organisations. Various international actors could be involved through the eligible activities of incubators and the Expert-in-Residence support scheme.

3. Relevance of the measure to SMEs/born globals and internationalisation

3.1. Relevance in relation to different types and stages of internationalisation
Eligible activities of the measures and the policy measure itself focus on the process of internationalisation of start-ups, and there are no limitations to or focus on any specific type or stage of start-up internationalisation. Nevertheless, by focusing on start-ups the measure targets the processes of preparation, launch and initial expansion of international activities.

3.2. Support for cooperation between SMEs/born globals and wider international collaboration (if any)
The policy measure supports cooperation and collaboration between different partners in an innovation ecosystem at national and international levels. According to one of the interviews conducted for this case study, cooperation and activities supported by the measure involve various international actors (for example, organisations with whom incubators cooperate; mentors; experts).
3.3. Contribution of the measure to tackle SMEs’/born globals’ internationalisation support needs

In general, the measure aims to fill a gap on the market in terms of the ability of business incubators to provide assistance for start-up success and growth in international markets. It provides funding to incubators that are meant to help innovative start-ups to rapidly transform their ideas into globally competitive businesses by offering them mentorship, funding, resources, knowledge and access to business networks.

According to one of the interviews conducted for this case study, when organisations are applying for Incubator Support, they should describe the gap on the market that they are trying to address and that would then be assessed as part of the competitive assessment process.

4. The operation of the measure

4.1. Promotion of the measure to internationalising businesses

The communication of the measure is the responsibility of AusIndustry (see section 4.4), whose website includes information about all measures for businesses, including Incubator Support.

The information about all measures of the Department is also disseminated through articles in business magazines; there is also a contact centre and, in terms of assisting applicants to apply for Incubator Support, there are some YouTube clips to help promote the programme and assist applicants to prepare their applications. In addition, there is a mailing list for all business initiatives promoted through AusIndustry with about 10,000 subscribers. When Incubator Support was launched, there was also a public campaign promoting the initiative (including adverts in the media and using social media channels).

4.2. The process of application and assessment of applications

According to one of the interviewees and the Programme Guidelines, the application would detail how the incubator’s project would assist start-ups; for example, what services will be delivered, what is the market gap to be addressed, what is the experience of the applicants and what value the project is expected to deliver.

The applicant must be able to provide evidence that the project has support from the applicant’s management board, and that the applicant can complete the project and meet the costs of the project not covered by grant funding (for new and existing incubators applications), and resumes outlining the experience and capabilities of the experts (in the case of Expert-in-Residence applications).

The applicant can apply and receive funding for up to two grants at the same time. The applicant can apply for more than two grants only after the applicant has finished one of the funded projects and has provided the final report (Australian Government, Department of Industry, Innovation and Science, 2016b).

Applications for the Incubator Support initiative can be lodged at any time during the life of the initiative. Joint applications from consortia are acceptable, provided there is a lead applicant who is the main driver of the project. To apply, the applicant must complete the online Incubator Support initiative application form on business.gov.au (Australian Government, Department of Industry, Innovation and Science, 2016b).

As one of the interviewees stated, the preliminary assessment of projects is undertaken by customer service managers at AusIndustry (see section 4.4) against the eligibility criteria. The assessment process commences on receipt of each application and is undertaken continuously. Only eligible applications proceed to the merit assessment stage. The committee of Innovation and Science Australia (see section 4.4), who meets approximately every six weeks, assesses applications against merit criteria, compares them to other eligible applications and may seek input from external advisers.
to inform their assessment process. According to one of the interviewees, external advisers are those who have operated in start-ups or incubators or activities alike. While all applications are assessed against the same merit criteria, Innovation and Science Australia will score the application relative to the project size, complexity and grant amount requested. Larger and more complex projects should include more detailed evidence. The application is assessed against each merit criterion using the following weighting: management and business capability (40 points), expected impact and benefits of the project (50 points), value for money (10 points). After considering the application, Innovation and Science Australia proposes a list of applications for funding to the minister. The minister decides which grants to approve, taking into account Innovation and Science Australia’s recommendations and the availability of grant funds. The minister’s decision is final and cannot be revised (Australian Government, Department of Industry, Innovation and Science, 2016b).

AusIndustry assesses Expert-in-Residence applications against the eligibility criteria and refers applications to the Programme Delegate (see section 4.4) to make the final decision. The Programme Delegate decides which grants to approve, taking into account the availability of grant funds (Australian Government, Department of Industry, Innovation and Science, 2016b).

If the application is successful, the applicant receives a written offer. If the application is not successful, the applicant is notified in writing and given the chance to discuss the reasons for the rejection with AusIndustry (Australian Government, Department of Industry, Innovation and Science, 2016b).

Successful applicants must enter into a grant agreement with the Department. The grant agreement specifies the reporting requirements, payment schedule and milestones necessary to receive payments (Australian Government, Department of Industry, Innovation and Science, 2016b).

For new and existing incubators, the grants are paid in the following way (Australian Government, Department of Industry, Innovation and Science, 2016b):

1. for projects that are shorter than 12 months, 80% of the grant is paid on execution of the grant agreement (that is, when signed by both parties);
2. for projects that are longer than 12 months, 50% of the grant is paid on execution of the grant agreement and 30% on achievement of milestones;
3. the remaining 20% of the total grant is paid after the final report is approved.

In the case of an Expert-in-Residence, 100% of the grant is paid after the grant agreement is signed. A final report will be due after project completion (Australian Government, Department of Industry, Innovation and Science, 2016b).

4.3. Delivery mechanism of the measure

As the measure under observation is exclusively a financial instrument, the delivery mechanism is a transfer of funds to the beneficiary incubator.

According to the document ‘Guide to Managing Your Grant’, the grantees should submit progress and final reports. Progress reporting means submitting a milestone report in four weeks after the milestone end date. According to the Programme Guidelines, final reports should be submitted within four weeks after the project completion date. No progress reporting is required for the Expert-in-Residence component, only a final report. At the end of projects that received a grant above AUD 50,000 (about €13,200), the incubator may be required to provide an independent financial audit of all eligible expenditure from the project. In addition, the incubators must provide ad-hoc reports if the implementing body of the measure requires them in relation to any significant developments concerning the project or any significant delays or difficulties encountered in undertaking the project.

4.4. Administration of the measure

According to one of the interviews conducted for this case study and the Programme Guidelines, the Department is both the initiator of Incubator Support and through its division AusIndustry also the implementing and administrating body. The general aim of AusIndustry is to simplify and streamline
access to information and advice based on the principle of a one-stop shop (that is, one website, one contact centre and a national outreach network of highly qualified staff that both deliver Australian government programmes and provide expert support).

Specifically, the division of the Department ‘Science and Commercialisation Policy’ is responsible for the general development and establishment of the conditions for the provision of the support. The Minister for Industry, Innovation and Science appoints a Programme Delegate to administer the Incubator Support programme. A Programme Delegate is a general manager of AusIndustry (Australian Government, Department of Industry, Innovation and Science, 2016b).

The Programme Delegate is responsible for ensuring overall efficient and effective administration of the measure, and heads the programme management team responsible for assisting applicants, designing the forms of the programme, and managing the budget of the programme (Australian Government, Department of Industry, Innovation and Science, 2016b). According to one of the interviews, the programme management team consists of 5–6 people, excluding programme delivery staff (for example, customer service managers) and policy staff. The programme management team, programme delivery staff and policy officers do not work exclusively on the programme under observation. A network of regional customer service managers comprises over 20 state and regional locations around Australia.

Innovation and Science Australia, which is an independent statutory board with responsibility for providing strategic advice to the government on all science, research and innovation matters, provides strategic oversight of Incubator Support and merit assessments of new and existing incubator applications to the minister (Australian Government, Department of Industry, Innovation and Science, 2016b).

5. Monitoring and Evaluation

Monitoring and evaluation are foreseen from the start of the implementation of the measure, according to one of the interviews conducted for this case study, and are based on the evaluation strategy, which is not public (Commonwealth of Australia, Department of Industry and Science, 2015).

Additionally, AusIndustry conducts customer satisfaction surveys among EP grantees through which the feedback is used to improve AusIndustry’s business operations and service. According to one interviewee, surveys are conducted annually and are outsourced by AusIndustry. According to the survey results in 2016 conducted during the design phase of the Incubator Support programme, it is important to have a clear evidence base and clear objectives when designing a programme similar to Incubator Support. The reasons of initiating the Incubator Support programme were not communicated to the public. Moreover, the policy measure under observation has specific objectives (see sections 2.1 and 2.2) but they are not quantified.

5.1. Monitoring of the implementation and take-up of the measure: method and contents

The projects are monitored by assessing submitted reports annually (Australian Government, Department of Industry, Innovation and Science, 2016b).

The data feeding the indicators that are used to monitor the measure are not public, except the Business Longitudinal Analytical Database Environment (BLADE).

According to one of the interviews conducted for this case study, BLADE is a methodology for linking business datasets that collect business-related information from all the firms in Australia and is one of the key monitoring and evaluation mechanisms within the Department. According to the interviewee, BLADE allows the Department to carry out systematic and specific analyses of the changes and financial characteristics of different types of businesses over time, including counterfactual analysis based on control groups. BLADE will be used for monitoring in order to assess
the degree to which the programme is progressing towards the expected outcomes. BLADE is used for both monitoring and evaluation.

5.2. Evaluation of the measure: methods and contents
As the measure was launched only recently in September 2016, there has been no evaluation yet. The first evaluation is planned to be carried out after the initial four years (Australian Government, Department of Industry, Innovation and Science, 2016b).

According to the above-mentioned document ‘Guide to Managing Your Grant’, incubators may be required to provide base line information during their grant agreement finalisation process and may be contacted up to three years after the completion of the projects to provide any other relevant information to assist with the evaluation.

5.3. Any changes to the content or delivery of the measure following monitoring and evaluation
According to one of the interviewees, as the measure was launched only recently in September 2016 and no evaluation has been carried out, it is not possible to report on changes to the content or delivery of the measure.

6. Evidence of outcomes and impact

6.1. Evolution of the measure’s spending
According to one of the interviewees, as the measure was launched only recently in September 2016, it is not possible to report on the evolution of the measure’s spending.

6.2. The quantitative and qualitative outcomes of the measure
According to one of the interviewees, as Incubator Support was launched only recently in September 2016, it is not possible to report on the outcomes of the measure.

The number of applicants is not public. However, one of the interviewees stated that there have been fewer than 50 applicants as of the end of April 2017. As of 29 May 2017, five Australian innovation incubators are supported by the measure with AUD 1.9 million (about €1.25 million) in grants. Supported incubators will assist start-ups developing new products and services in advanced manufacturing, media and creative technologies and technology hardware, amongst other sectors (Department of Industry, Innovation and Science, 2017; McFadden, 2017).

6.3. Impact of the measure on its beneficiaries and other actors
One of the interviewees stated that, as the Incubator Support initiative is in the early stages of its implementation, no impact of the measure on beneficiaries and other actors could be observed.

6.4 Evidence of economic and employment impact
According to one of the interviewees, as the Incubator Support initiative is in the early stages of its implementation, no information about its economic and employment impact could be reported.
7. Strengths and weaknesses of the measure

7.1. Strengths of the measure
According to the interviewees, the strengths of the measure are its flexibility (see section 2.2), its focus on developing international capabilities of start-ups, and being a well-grounded initiative because of the incorporation of stakeholders’ feedback into the design and content of the measure. Moreover, by supporting incubators and applying the above-mentioned eligibility criteria, the measure significantly contributes to supporting and assisting start-ups, developing innovation activities and processes and in general converting the oil, gas and mining based Australian economy into a technologically advanced one.
The policy measure under observation is perceived to be easily transferable to other countries when there is a governmental focus on supporting start-ups and the existing incubators are not effective in terms of supporting the internationalisation processes of born globals.

7.2. Weaknesses of the measure
A possible weakness pertains to the amount of funding. The initial budget of the programme (AUD 8 million, that is about €5.3 million) and an increase by AUD 15 million (about €9.9 million) in June 2016 before the programme was launched in September 2016 (based on the feedback from stakeholders during the design phase) were subject to criticism from the start-up community. The members of the start-up community expressed concern about the small amount of funding for the Incubator Support programme from the total NISA budget and subsequently expected little effect on supporting internationalisation activities of start-ups through incubators (Department of Industry, Innovation and Science, 2016; Leigh, 2016; Redrup, 2016; Sadler, 2016).
Moreover, as one interviewee pointed out, there is no incubator model that proved to be self-sufficient in the Australian context in terms of sustainability and profitability. Therefore, it will take time to work out a model that would create profit for incubators, the region and in general for the whole country.

7.3. Evidence of policy learning over time
According to one of the interviewees, as Incubator Support is in the early stages of its implementation, it is too early to report on evidence of policy learning over time.

8. Recommendations

8.1. Overall recommendations regarding the measure
As one of the interviewees pointed out, no specific recommendations could be given at the moment as the Incubator Support initiative is in the early stages of its implementation.

8.2. Recommendations on the national support system for SME/BG internationalisation
In December 2015 the Australian government launched new (like Incubator Support) and modified existing measures within NISA, with the aim of transforming Australia into an innovation nation (Australian Government, Department of Industry, Innovation and Science, 2016a; Commonwealth of Australia, 2015). According to one of the interviews conducted for this case study, it is too early to make any specific recommendations on the national support system for SME/born global internationalisation.
As one interviewee pointed out, the government should consider a more structured approach towards supporting innovation and create more policy measures in addition to purely financial support schemes like the Incubator Support measure.

One of the means to make the Australian economy technologically advanced is to support migration to Australia from other countries. However, strict visa requirements, high costs associated with foreigners coming to live and do business in Australia (high labour cost, high cost of living and high tax levels) and restrictions on foreign shareholders impede the migration of newcomers to Australia. According to one of the interviewees, there are no means available in order to prevent the relocation and transfer of start-ups to other jurisdictions for market reasons, capital raising reasons or where they may obtain better tax treatment or other considerations.

8.3. Any gaps in the provision of policy support and suggestions

No gaps have been perceived by the interviewees in the provision of policy support.
References

All Eurofound publications are available at www.eurofound.europa.eu

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All accessed on 20 November 2018.
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