



**THE HON CHRISTOPHER PYNE MP  
MINISTER FOR INDUSTRY, INNOVATION AND SCIENCE  
LEADER OF THE HOUSE  
MEMBER FOR STURT**

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Mr Gregory Robinson  
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MC15-006408

Dear Gregory

Thank you for your email of 11 December 2015 concerning your report on the Challenges of Attaining Growth.

I read your report with interest and congratulate Blenheim Partners and Macquarie Graduate School of Management on this excellent work. The results of your study confirm the findings of other studies that show that a culture of risk aversion begins at the top in the business. We need to change the culture to one that views failure not as defeat, but as learning.

The National Innovation and Science Agenda (NISA) - released by the Australian Government in December - promotes a vision for Australian businesses where risk taking and learning from mistakes in pursuit of new ideas is cherished rather than feared. Proposed insolvency law reforms aim to address this problem. The reforms aim to reduce the current default bankruptcy period and introduce a 'safe harbour' for directors from personal liability for insolvent trading.

Your report identified a lack of entrepreneurial capital. The NISA enhances support for new entrepreneurial ideas, particularly at the early stage. Modifications to the Venture Capital Limited Partnerships programme will make these partnerships more internationally competitive and attract additional venture capital investment. Crowd-sourced equity funding legislation will also provide a more a diverse range of funding options for small innovative firms.

Your report points out that 'digital disruption' should be embraced as an opportunity and not feared as a threat. This is why the NISA has been explicit about the need to come to terms with the extraordinary technological changes that are transforming the way we do business.

You raise issues about the composition of company boards. The notion of diversity when looking for talented directors must certainly become a topic for serious discussion and action in the business community. We certainly need talented people of wider professional backgrounds than law and accountancy on company boards to enrich the decisions in company boardrooms.

I have shared your report with my colleagues and with my department to promote a broader discussion about the challenges and opportunities for sustainable growth in Australia. You may also be interested in reading the Australian Innovation System report, available at [www.industry.gov.au/innovationreport](http://www.industry.gov.au/innovationreport).

Yours sincerely

A handwritten signature in blue ink, appearing to be 'C. Pyne', written over the typed name.

**Christopher Pyne MP**