HOUSE OF REPRESENTATIVES

Standing Committee on Science and Innovation

Public Hearing, Monday, 14 October 2002, Canberra

Industry Department to appear at inquiry into business commitment to R&D

The Commonwealth Department of Industry, Tourism and Resources will this afternoon appear before the House of Representatives Science and Innovation Committee as it conducts its fifth public hearing of the inquiry into business commitment to research and development (R&D) spending in Australia.

The inquiry is looking at the economic benefits for Australia of a greater private sector investment in R&D, the impediments to business investment in R&D, and the steps that need to be taken to better demonstrate to business the benefits of higher private sector investment in R&D.

Public hearings have already been held in Canberra and Melbourne and the Committee has heard from a range of individuals, companies and institutions including the Tax Institute of Australia, the Australian Industry Group, Deloitte Touche Tohmatsu, and the Australian Research Council.

The submission from the Department of Industry, Tourism and Resources (DITR) notes that, over the 20 years to 2000-01, Business Expenditure on Research and Development (BERD) has grown from 0.25% to 0.72% of GDP. DITR suggests that despite the decline in reported BERD following changes to R&D policy in 1996, the quality of R&D conducted in Australia has improved. Expenditure in 2000-01 largely restores the pattern of growth in BERD established over the 12-year period leading up to 1994-95.

It points out that a striking trend in BERD over the period since 1992-93 has been the growth in R&D expenditure in services, particularly in computer and communications services. In 2000-01 R&D expenditure in services and construction exceeded that in manufacturing for the first time.

WHO: House of Representatives Science and Innovation CommitteeWHAT: Public hearing on the inquiry into business commitment to R&DWHEN: Monday, 14 October 2002, 5.45pm to 6.30pmWHERE: Committee Room 2R2, Parliament House, Canberra

For media comment please contact the Chair of the Science and Innovation Committee, Gary Nairn on (02) 6277 4939

For further information on the hearings, please contact Shelley McInnis, Inquiry Secretary on (02) 6277 2324 or via email at <u>Shelley.McInnis.Reps@aph.gov.au</u> For further information on the inquiry, including copies of submissions, please visit the inquiry website at www.aph.gov.au/house/committee/scin/randd/index.htm

Issued by: Geoff Dodd Assistant Director (Media/Communications) Liaison & Projects Office, House of Representatives Tel: w (02) 6277 2063, m 0401 143 724