

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry and Science Portfolio
Budget Estimates Hearing 2015-16
3 and 4 June 2015

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: Innovation Board – R&D Supply Chain

REFERENCE: Question on Notice (Hansard, 4 June 2015, pages 54-55)

QUESTION No.: BI-51

Senator KIM CARR: At the last hearing, I asked whether the innovation board had asked about the effects of the measures on the R&D supply chain. In response to AI-20, it says: Yes, the Board ... has considered the impact on the supply chain of proposed changes to the R&D Tax incentive.

Another response to question A1-19 says:

... the measures were discussed at many meetings—
of the innovation board—
... during 2014 and 2015.

Would you be able to outline to the committee the findings of the innovation board's consideration and the R&D Incentives Committee's with regard to the changes to the R&D tax incentive and the impact on the supply chain.

Mr Hoffman: I think the best answer would be, as you mentioned before, that they had put a submission in to the public processes, and that is the record of their considerations and views.

Senator KIM CARR: So you have got nothing further to add from their submission?

Mr Hoffman: I think their submission stands on its own.

Senator KIM CARR: When did the innovation board consider the \$100 million cap?

Mr Hoffman: That is one that we will have to take on notice.

Senator KIM CARR: What was the result of their deliberations? I do not recall there was a submission on that.

Mr Hoffman: I do not recall it either. I can check but from memory—and you may well know better than I—it was a matter that was being worked on within the parliamentary process itself.

ANSWER

Innovation Australia considered proposed legislative changes to the R&D Tax Incentive at a number of meetings during 2014 and 2015. The board's position was outlined in a public submission to the Senate Economics Legislation Committee's inquiry into Tax and Superannuation Laws Amendment (2014 Measures No. 5) Bill 2014.