

**Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Innovation and Science Portfolio  
2015-16 Additional Budget Estimates  
11 February 2016

---

**DEPARTMENT:** DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

**TOPIC:** R&D tax incentive

**REFERENCE:** Question on Notice (Hansard, 10 February 2016, page 5-6 )

**QUESTION No.:** AI-1

Senator KIM CARR: So, this is the preliminary meeting. The review had not already commenced prior to your—

Dr Finkel : It was not a delivery meeting; it was the first meeting of the actual co-chairs with the task force. The task force had of course been doing some preliminary work, trying to anticipate what we would see as the issues. We had a deep discussion about the issues, process and consultation. We had a second meeting this week to seek to finalise that issues paper so that we can start with the more engaged process, and so far it has been going, I would say, with appropriately good haste.

Senator KIM CARR: When do you think the issues paper will be released?

Dr Finkel : We are in the process of finalising it. I am not ducking the question, but I cannot say exactly when it will be, but it will not be terribly long from now.

Senator KIM CARR: So you expect it soon?

Dr Finkel : Yes.

Senator KIM CARR: Fair enough. You say that a task force was established prior to your commencing in the role, but you are not certain when that occurred?

Dr Finkel : I am not. These are members of the departments of industry, Treasury and finance and representatives from the ATO. They are helping us as chairs in our role.

Senator KIM CARR: Madam Secretary, can you assist us here? When was that task force established?

Ms Beauchamp : These questions, Chair, are probably best directed under the portfolio. In terms of background: there have been a number of reviews of the R&D tax incentive, as you may be aware, particularly, from our point of view, looking at the administrative arrangements as part of the administration of the R&D tax incentive. As part of the National Innovation and Science Agenda, the government announced that it wants to have a closer look at the R&D tax incentive to make sure that it is effective, that it is well targeted and that we are getting the return out of the R&D dollar that we require.

Senator KIM CARR: So what was the date on which the task force was established?

Ms Beauchamp : The task force was established soon after the release of the National Innovation and Science Agenda.

Senator KIM CARR: This is the one that was announced in December?

Ms Beauchamp : Yes.

Senator KIM CARR: So, if the task force was established in December—I think it was the second week that the announcement was made?

Ms Beauchamp : That is correct, but what I am saying is that we already had a group of people working on a review.

Senator KIM CARR: I understand that you have had a group of people working on R&D for some years. I would like to know when this particular task force was established.

Ms Beauchamp : I will take that on notice, on the exact establishment—

## **ANSWER**

The taskforce to support the Review of the R&D tax incentive, chaired by Mr Ferris, Dr Finkel and Mr Fraser, was established on 14 December 2016.