

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

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY AND SCIENCE

TOPIC: R&D Tax Incentive Programme

REFERENCE: Question on Notice (Hansard, 4 June 2015, page 51)

QUESTION No.: BI-48

Senator KIM CARR: Can you give an update on how the R&D tax incentive program is working.

Mr D Wilson: Certainly. In terms of registrations, for the 2013-14 income year at 30 April we had had 11,362 registrations. That is an incomplete year for 2013-14. We would expect registrations through to the end of October for late balances.

Senator KIM CARR: Are you able to provide me with the terms of the claims—not the detail of individual claims but, in terms of your analysis of claims, the breakdown of each sector? My memory is that manufacturing was about 35 per cent and that scientific and other services were much smaller. There was a list provided that I have seen in the past. Do you have one of those contemporary lists that you could provide on notice?

Mr D Wilson: Certainly. I can give you some of those figures now.

Senator KIM CARR: I want a document on those things. Have there been any significant changes in recent years?

Mr D Wilson: Not that I—

Senator KIM CARR: The proportions have remained static. Is that right?

Mr D Wilson: We will take it on notice, but there is always some slight adjustment up and down between sectors.

ANSWER

As at 31 May 2015, 13,628 companies (1,866 of which were part of a consolidated group for tax purposes) had registered for the R&D Tax Incentive for the (incomplete) income year 2013-14. R&D expenditure for this income year was \$18.35 billion.

The distribution of R&D-performing companies by industry sector for income year 2013-14 was:

Agriculture, Forestry and Fishing	3.7%
Mining	8.8%
Manufacturing	31.9%
Electricity, Gas, Water and Waste Services	2.6%
Construction	3.2%
Wholesale Trade	1.5%
Retail Trade	1.4%
Accommodation and Food Services	0.2%
Transport, Postal and Warehousing	1.3%
Information Media and Telecommunications	17.1%
Financial and Insurance Services	2.3%
Rental, Hiring and Real Estate Services	0.5%
Professional, Scientific and Technical Services	20.1%
Administrative and Support Services	1.0%
Public Administration and Safety	0.2%

Education and Training	0.9%
Health Care and Social Assistance	2.1%
Arts and Recreation Services	0.5%
Other Services	1.0%