INDUSTRIAL RESEARCH AND DEVELOPMENT INCENTIVES
AMENDMENT BILL 1983

Date Introduced: 9 November 1983
House: House of Representatives
Presented by: Hon. B. Jones, M.P., Minister for Science and Technology

Short Digest of Bill

Purpose

To encourage industrial research and development leading to new products and processes.

Background

This Bill amends the Industrial Research and Development Incentives Act 1976. Total outlays under the three categories of assistance - commencement grants, project grants and public interest projects - have generally risen in real terms since 1976:

<table>
<thead>
<tr>
<th>Year</th>
<th>Million</th>
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</thead>
<tbody>
<tr>
<td>1977-78</td>
<td>13.6</td>
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<tr>
<td>1978-79</td>
<td>23.7</td>
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<tr>
<td>1979-80</td>
<td>33.9</td>
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<tr>
<td>1980-81</td>
<td>50.7</td>
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<tr>
<td>1981-82</td>
<td>24.2</td>
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<tr>
<td>1982-83</td>
<td>52.8</td>
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<tr>
<td>1983-84</td>
<td>71.6</td>
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</tbody>
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As can be seen the amounts involved are substantial.

From time to time, various changes have been made to the Industrial Research and Development Incentives Scheme. This Bill proposes further modifications. Stated reasons for the Bill include (i) the present restrictions on assistance to certain software research and development, (ii) a need to specify the particular expertise of approved research staff and research organisations, and (iii) assistance required to be extended to companies which specialise in research and development services.
Main Provisions

Clause 3 is intended to highlight the Government's intention to widen the scope of software research and development eligible for project grants, yet retain limitations on commencement grants. While this may be regarded as important, Clause 3 does not amend the Act substantially.

Clause 4 allows the Industrial Research and Development Incentives Assistance Board to specify more accurately an approved research organisation according to its field of expertise.

Clause 5 allows the Board to specify more accurately an approved research employee according to field of expertise.

Clause 6 allows the Board to give technical advice to persons or companies interested in financial transactions with an applicant, given the applicant's consent. This clause is intended to assist the entrepreneurial process without further Government expenditure.

Clause 8 extends eligibility for grants to companies specialising in research and development as a service.

For further information, if required, contact:

Science, Technology and Environment Group
LEGISLATIVE RESEARCH SERVICE

15 November 1983