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R&D Tax Incentive Roundtable Meeting

MEETING RECORD

Meeting Date 31 October 2023

Time 1:00pm-3:00pm AEDT

Co-Chairs

Tara Oliver	General Manager, R&D Tax Incentive Branch, Department of Industry, Science and Resources (DISR)
Kelly Canavan	Assistant Commissioner, Private Wealth, Australian Taxation Office (ATO)

Guests

Clint Collins	Member, R&D Incentives Committee
Murray Hurps	Member, R&D Incentives Committee

Attendees

Damian Smyth	Swanson Reed
David Martin	Australian Industry Group
Donna Bagnall	Chartered Accountants Australia and New Zealand
Emma Westaway	Boeing
Gary Shapiro	Rimon Advisory
Georgia King-Siem	KPMG
Harris De Angelis	FinTech Australia
Jamie Munday	EY
Jane O'Dwyer	Cooperative Research Australia
John Warmington	Technology Incentive Services
Madeleine Houghton	Tech Council of Australia
Mariana von-Lucken	Universities Australia
Matthew Brown	Group of Eight
Nicola Purser	BDO
Paul McMullan	Compliance Group pty ltd
Peter Xi	RSM
Rebecca Roberts	Cochlear Limited
Robyn Tolhurst	Australian Investment Council
Ross Lyons	Minerals Council of Australia
Sarah Lander	Michael Johnson Associates
Siew Lee Seow	Australian Information Industry Association
Sophia Varelas	PwC
Stephen Carroll	Evolv3

AGENDA

Item	Speaker
1. Welcome 1.1. Acknowledgement of country 1.2. Housekeeping 1.3. Introductions	Alfred Chidembo, Assistant Manager, DISR
2. ATO Update 2.1. ATO program update 2.2. The R&DTI program of work 2.3. Current observations 2.4. Litigation update 2.5. ATO expectations	Kelly Canavan, Assistant Commissioner, Private Wealth, ATO
3. DISR Insights 3.1. DISR program update	Tara Oliver, General Manager, R&DTI Branch, DISR
4. Tax Transparency Measure	Laura Bagnato, Client Engagement Director, Private Wealth, ATO
5. Joint Review	Brett Challans, Senior Director, Innovation Taxes, ATO
6. R&D Incentives Committee	Clint Collins, R&D Incentives Committee Member Murray Hurps, R&D Incentives Committee Member
7. The R&DTI User Journey 7.1. Open discussion	Emily Hodges, Manager, Registrations and Early Engagement, DISR
8. Other business and close 8.1. Other business 8.2. Agenda items for next meeting	Alfred Chidembo, Assistant Manager, DISR

Welcome

Alfred Chidembo (DISR) welcomed attendees and introduced guests Clint Collins and Murray Hurps.

Clint and Murray are members of the R&D Incentives Committee which operates under delegation from Industry Innovation and Science Australia (IISA) and is responsible for providing advice to IISA about the operations of the R&D Tax Incentive.

ATO Update

Kelly Canavan, Assistant Commissioner (ATO) noted this was the first meeting of the R&D Tax Incentive Roundtable that she had attended in the role.

The program update included with the agenda papers (**Attachment 1**) were taken as read. Further insights offered during the meeting were:

The ATO are focussed on the tax transparency measure, where data related to the R&DTI will be released from September 2024. Communications have commenced and the ATO is developing an information sheet. This will ensure that all claimants are informed of the measure before it comes into effect and have had the opportunity to correct any errors in applications.

The co-administrators are working together on a joint audit program which will provide valuable information on potential risks that the ATO is currently unaware of.

Taxpayer alerts are planned for December, including payments to associates and foreign entities. These alerts will highlight issues that have been identified to provide clients an opportunity to correct applications. Further information will be released in the future about what the ATO does like to see in applications.

The ATO's public advice and guidance program is in place for the next 12 months which will result in updated guidance being released. Members were encouraged to submit requested for areas in which guidance is required.

Guidance has recently been released clarifying R&D program integrity rules and further communications are planned for the remainder of the 2023-24 financial year.

Some expenditure claims being made lack the required substantiation, resulting in a high number of voluntary disclosures when claims are reviewed.

R&D entities may be under the impression that registering activities with DISR means they are automatically entitled to an R&D offset refund. However, claiming is a two-step process and evidence is also required to support the expenditure. The ATO will monitor expenditure and request to see this evidence if risk criteria are met.

DISR Insights

Tara Oliver, General Manager (DISR) noted that the two co-administrators continue working closely on program delivery, focusing on modernising administration, and strengthening the program's integrity.

The Australian Bureau of Statistics (ABS) released data on Business Expenditure on R&D (BERD) as part of its *Research and Experimental Development, Businesses, Australia (2021-22)* publication. The data showed BERD was rebounding significantly, and this translates into the R&DTI which is forecast to grow by 6.1 per cent to \$3.2 billion in 2022-23, as described in DISR's Science Research and Innovation Budget Tables.

Roundtable survey

Members were thanked for participating in a recent survey conducted to determine which areas of Roundtable meetings provide the greatest value and how this can be maximised.

Over 90% of respondents indicated the Roundtable is a valuable forum for bringing together a diverse range of stakeholders and providing a greater understanding of the program.

Opportunities for improvements identified included replacing the rolling panel invitation approach with inviting all members to each meeting, and engaging members in more open discussion and consultation.

Advance finding software pilot

The advance finding software pilot has now concluded. Its objective was to demonstrate the benefits of advance findings for software companies and to determine the effectiveness of small group consultation sessions for companies looking to apply for an advance finding.

Seven¹ applications were assessed following the pilot, with all deemed eligible, assuring eligibility for three years.

Participants reported the pilot provided clarity on the application process and how advance findings can be used to provide certainty.

The findings from this pilot will inform the next steps for a new cross sector advance finding project which recently commenced, exploring the barriers to accessing this certainty measure.

ANAO and Board of Taxation recommendations

The 2021 Board of Taxation Review of the R&D Tax Incentive Dual Agency Administration Model recommended the two agencies publish a joint charter setting out the expectations and roles of all parties that participate in the R&DTI program.

This charter will complement rather than replace existing Charters, including the ATO's recently published 'Our Charter'.

The charter is due for release by the end of 2023² and will be a regularly reviewed and updated, living document.

Members were asked to provide feedback on a draft charter out of session.

The 2021 ANAO audit made recommendations relating to improving processes for advance findings and examinations.

DISR developed a streamlined approach to process applications, which was applied to all advance and overseas finding applications received in 2023 after a successful pilot.

Processing timeframes for advance and overseas findings have decreased from more than 200 days on average at the time of the audit, to under 90 days.

Tax Transparency Measure

The ATO is required to publish publicly in relation to entities who claim the research and development tax incentive (RDTI). The first year to be published is the 2022 income year where the income year starts at or after 1 July 2021. The first release of the data is planned for September 2024.

ATO is undertaking a communication strategy to increase the awareness about the measure and seeking entities claiming the R&DTI to review the labels to be published to ensure they are correct and to lodge an amendment to correct any errors. The first outbound email communication to tax agents was issued in October 2023. There will be another email communication to tax agents in February 2024 to remind entities to review the labels and lodge amendments prior to 31 March 2024. The third email communication is planned to issue in July 2024 confirming when the data will be released and other information to help understand the data.

Joint Review

DISR and the ATO are conducting a joint review of around 170 R&DTI applications and claims that were made during the 2021-2022 income year.

The review will assess the eligibility of R&DTI activities and/or expenditure and identify any potential issues with R&DTI registrations and claims.

¹ Information provided in meeting was incorrect, six applications were assessed following the pilot

² The program charter is now due for publication in early 2024

DISR and the ATO will work together to limit the impact on companies included in the review. No specific areas of concern have been targeted. All companies have been randomly selected and the review will include refundable and non-refundable claims industry wide.

This new process will help to ensure program integrity and identify any gaps in current guidance products.

The review will commence in November 2023 and conclude mid-2024.

R&D Incentives Committee

R&D Incentives Committee member Clint Collins provided an overview of the Committee's functions.

The Committee provides oversight of the R&D Tax Incentive operations. It is exploring ways to ensure easy access to the program by taxpayers undertaking genuine R&D and that program administration incentivises Australian companies to undertake ground-breaking and innovative R&D activities.

The Committee members bring corporate experience to the program and understand the challenges associated with substantiating claims from the administrative side and also the requirements for companies to do so, especially startups that do not have significant resources or personnel available.

Having program integrity is fundamentally important to ensuring that the R&DTI is successful. Ongoing priorities such as the software pilot and advance findings project are key to this.

In the last decade, new and emerging industries have come to the forefront in the Australian economy. This includes software development, cybersecurity, and fintech industries which are innovative and affluent industries. The Committee is eager to engage with companies within these sectors that are completing eligible R&D to ensure that they get absolute ease in terms of getting funding and tax offsets or refundable tax offsets that can help benefit their company for the R&D that they're doing.

Murray Hurps, Member of the R&D Incentives Committee shared the 2023 Startup Muster Survey Report (**Attachment 2**) with members.

One of the insights from the report, which is a survey of startups and supports across Australia, was that federal government grants had increased from 6% of total funding supporting in 2018 to 17% in 2023.

The R&DTI had the most applications, accounting for 14%.

Murray was interested to note that those planning to apply to the R&DTI had decreased from 12% in 2018 to 8% in 2023 and asked members to reach out if they had insights into potential reasons for this.

The R&DTI User Journey

DISR is undertaking a user journey mapping and optimisation exercise to identify opportunities for program improvements for the benefit of businesses undertaking R&D.

Members were invited to provide feedback during the forum on several 'pain points' that have been identified and explore the impact these issues have on companies.

Attachments

[Attachment 1 – R&D Tax Incentive program update](#)

[Attachment 2 - 2023 Startup Muster Survey Report](#)

The R&D Tax Incentive is jointly administered by:



Australian Government
Department of Industry,
Science and Resources

AusIndustry



Australian Government
Australian Taxation Office

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R&D Tax Incentive Program Update

1. Joint review of R&DTI claims
2. Tax transparency measure
3. Tax Determination 2023/5
4. Advance and Overseas Finding form
5. Joint Program Charter
6. Business expenditure on R&D
7. Service level agreements
8. R&D notional deductions updates
9. DISR Registration update
 - Application insights
 - Registration trends
 - Registration and claims data

The Department of Industry, Science and Resources (DISR) and the Australian Taxation Office (ATO) wish to provide the following Research and Development Tax Incentive (R&DTI) program updates:

1. Joint review of R&DTI claims

DISR and the ATO are conducting a joint compliance review of a random selection of R&DTI registrations and claims made for the 2021-2022 income year.

The purpose of this review is to assess the eligibility of registered R&D activities and expenditure, to provide vital information on the integrity of the program, and inform the development of updated, contemporary risk indicators for use in future integrity assurance activities.

This will allow us to better direct education and guidance activities towards companies that would benefit from greater assistance in meeting the program's obligations.

The review commenced in October and is occurring alongside other integrity and compliance activities. It is expected to be complete by mid-2024.

2. Tax transparency measure

The ATO will soon be required to publish information about R&D entities and the R&D expenditure claimed by those entities, 2 years after the end of the financial year of the claim. The first publication of this information is for R&D entities that lodged a

2022 company tax return with a R&D Tax Offset and their income year began on or after 1 July 2021. The ATO expects to publish this information in September 2024 and will then be publishing this information on an annual basis.

The ATO is publishing this information to improve public accountability for R&D claimants and to encourage voluntary compliance with the R&D program. More information about this new requirement is available on our website ato.gov.au by searching for 'QC 70867'.

The information published from the forms lodged will be the:

- name of the entity claiming the R&D tax incentive
- Australian business number (ABN) or Australian company number (ACN)
- the entity's total expenditure on R&D (known as total notional deductions claimed – label Z in Part A of the R&D tax incentive schedule) less any feedstock adjustments (label B in Part B of the R&D tax incentive schedule).

This will be based on what you provided in your company tax return or, if you amended your company tax return, your amended return.

If the Commissioner amended the labels, we're required to publish, the total expenditure on R&D based on the company return lodged prior to the Commissioner-initiated amendment.

3. Tax Determination 2023/5

In September 2023, the ATO issued a public ruling Taxation Determination TD 2023/5 *Income tax: aggregated turnover and connected entities – Commissioner's discretion that an entity does not 'control' another entity*.

Aggregated turnover is an entity's turnover, plus the annual turnovers of any business entities that are affiliated or connected. Aggregated turnover is used to determine if an R&D entity is entitled to a refundable offset (less than \$20m of aggregated turnover) or non-refundable offset (in excess of \$20m of aggregated turnover).

This determination addresses issues that arise when the ATO considers whether to exercise the Commissioner's discretion to determine that one entity (the first entity) doesn't 'control' another entity (the test entity).

The question of 'control' is central to determining who is connected with an entity. These connected or affiliated entities may be based in Australia or overseas. More information on TD 2023/5 can be found at ato.gov.au.

4. Advance and Overseas Finding form

DISR is currently reviewing the Advance and Overseas (AOF) application form to be more user friendly while also reducing application processing times. This review has been informed by recommendations of the 2021 ANAO Administration of the R&D Tax Incentive Audit, the 2022 Board of Taxation's Review of the R&D Tax Incentive Dual Agency Administration Model Report, and feedback received from program users.

The revised application form will include questions from the existing R&DTI Registration Application form, offering greater consistency across the program.

Existing questions will be updated to provide a better user experience and additional questions have been included to reduce the need to request further information from the applicant. This is anticipated to improve assessment processing times for applications.

It's anticipated that companies will be able to access the new form in the R&DTI Customer Portal from 1 July 2024.

5. Joint Program Charter

In March 2022, the Government published the Board of Taxation's Review of the R&D Tax Incentive Dual Agency Administration Model Report. The Review considered issues relating to potential improvements to the governance of the R&DTI program and recommended a Joint Program Charter be developed.

The purpose of the Joint Program Charter is to provide clarity and consistency to companies participating in the R&DTI program and set out expectations and roles of DISR and the ATO. We are currently developing the Program Charter with a view to publication in November 2023.

6. Business expenditure on R&D

On 25 August 2023, the Australian Bureau of Statistics (ABS) released data on Business Expenditure on R&D (BERD) as part of its Research and Experimental Development, Businesses, Australia, 2021-22 publication. The publication draws from biennial surveys and represents the latest available expenditure data on research and experimental development.

BERD grew significantly to \$20.6 billion in 2021-22, up 14 per cent from 2019-20 in the previous publication reference period. In chain volume terms, a measure that better accounts for changes to price relativities from one year to the next, BERD grew by 8 per cent. This increase is supported by an increase in human resources devoted to R&D in the business sector to 91,414 in 2021 (measured in person years of effort), up 18 per cent from 2019-20.

In terms of R&D expenditure as a share of GDP, BERD has broadly kept pace with overall economic growth, maintaining its share of GDP at 0.9 per cent (since 2017-18). This result indicates BERD is now stabilising following a trend of decline since 2008-09, when BERD as a share of GDP peaked at 1.37 per cent.

The positive signs of growth in business R&D are also reflected through the R&DTI. It is forecast to grow by 6.1 per cent to \$3.2 billion in 2022-23, as described in DISR's Science Research and Innovation Budget Tables published 28 April 2023.

7. Service level agreements

DISR's Corporate Plan 2022-23 outlines a performance measure for the delivery of the R&DTI program. It outlines that 95% of applications for registration of R&D activities are processed within: 40 days³ for first-time registrants, 20 business days for registrants that have applied within 6 months after the end of the income period, and 80 business days for registrations submitted from 6 to 10 months after the end of the income period.

These target performance standards were met for 2021-22 financial year applications, with more than 95% of applications being processed within the target timeframes. By processing registrations within these timeframes, the flow-on effects for companies from the R&DTI can flow quicker into the economy.

8. R&D notional deductions updates

The ATO has identified a number of ongoing issues with a number of the integrity rules of the R&D program. The ATO is seeking voluntary compliance with these and other integrity rules of the program. Where there is doubt, please contact the ATO for certainty.

Payments to Associates

For Payments to Associates to be claimed in the year it is incurred it must also be paid in the current year (paragraph 355-205(1)(b) of the *Income Tax Assessment Act 1997* (ITAA 1997). Section 355-480 of the ITAA 1997 provides for the company being able to claim the amount paid to associates in later years when payment occurs, unless the company has made an irrevocable election to claim a general or other specific provision deduction in the year of the expenditure, which **precludes** a future R&D notional deduction.

The ATO has identified arrangements where it has been argued that payment has been made. The ATO has reviewed these arrangements and regard the arrangements as not resulting in payments made to the associate.

- **Arrangement 1 – Converting the amount owing to an associate as a loan:**
Converting an amount owed to associate to a loan, usually for a term of a number of years, is not payment to the associate. All that is occurring is converting a current liability to a deferred liability. The amount remains unpaid, and therefore a liability, but with a longer period to repay.

³ Error in original, 40 business days

- **Arrangement 2 – Offsetting the amount owed to an associate for a fee that the associate owes for the use of the intellectual property being developed that is the R&D project:**

The R&D entity and the associate have entered into a licencing agreement so the associate can exploit the R&D being developed. The licence fee payable by the associate is offset against the amount that the R&D entity owes the associate for R&D services. The concern we have with these arrangements is that the R&D is still under development, resulting in the question of what is being exploited commercially. In other non-arm's length arrangements, the amount being transacted is often more than market value.

- **Arrangement 3 – Round robin transactions:**

The associate lends money at the end of the financial year to the R&D entity to pay the amounts owed to the associate. Usually, the amounts lent are small amounts and occur over several repeated transactions. These transactions are repeated until the whole amount to the associate has been 'paid'. The circular transactions are considered artificial in nature and contrived to receive a taxation benefit. These arrangements are being closely scrutinised and may attract a greater penalty by the ATO.

“Conducted For”

An R&D entity is only entitled to the R&D tax offset if the R&D activities are conducted for their benefit under s 355-210 of ITAA 1997, otherwise known as the 'on own behalf' rule. Expenditure on R&D activities cannot be notionally deducted if they are not conducted for the R&D entity or are conducted 'to a significant extent' for another entity.

To determine if the 'conducted for' rule is satisfied, an 'on balance' assessment is made of which entity benefits from the R&D activities and requires consideration of who bears the financial risk, has effective ownership of the results of the R&D activities and has control over the conduct of the R&D activities.

Aggregated Turnover

An R&D entity's entitlement to the refundable R&D tax offset is dependent on their 'aggregated turnover' being less than AUD\$20 million. Section 355-100 of the ITAA 1997 deals with the entitlement to the refundable or non-refundable R&D tax offset for a particular income year. Aggregated turnovers of \$20 million or more are not entitled to a refundable tax offset and will be entitled to the non-refundable R&D tax offset. Entities that are 50% controlled by exempt entities, regardless of their aggregated turnover are entitled to the non-refundable R&D tax offset.

Turnover is defined in ss 328-120 (1) as "ordinary income derived in the course of ordinary course of carrying on a business".

The aggregated turnover is calculated from the perspective of the R&D entity and includes its turnover and the turnover of any entities that are 'connected' and/or 'affiliated' with it, on a worldwide group basis, at any time during the income year. It is based on ordinary income and not assessable income so it does not matter if the turnover of connected or affiliated entities would be subject to taxation in Australia.

Overseas Expenditure

An R&D entity can only claim expenditure for activities conducted overseas where the entity has obtained an overseas finding from the Department Industry, Science and Resources and meet the following conditions:

- the overseas activity must be an eligible R&D activity
- there must be a significant scientific link to an Australian core R&D activity
- the overseas activity must not be able to be conducted in Australia
- the costs for overseas R&D activities must be less than the costs of related R&D activities undertaken solely in Australia.

In the absence of an Overseas Finding, claimants must be able to demonstrate the work was carried out in Australia and not subcontracted out or otherwise performed overseas. The physical location of where the work is being conducted is relevant and needs to be considered.

If R&D activities are conducted for a related foreign entity, expenses incurred on overseas R&D activities cannot be claimed irrespective of whether a positive overseas finding is obtained. Australian supporting R&D activities also cannot be claimed if the corresponding core R&D activity was conducted overseas.

Expenditure Not At Risk

An R&D entity cannot notionally deduct expenditure under the R&D tax incentive if the expenditure is not at risk pursuant to section 355-405 of the ITAA 1997. Expenditure is not at risk to the extent that when it is incurred the R&D entity could reasonably be expected to receive an amount of consideration:

- As a direct or indirect result of the expenditure being incurred (the nexus to expenditure test), and
- Regardless of the results of the activities on which you incur the expenditure (regardless of the results test).

TR 2021/5: *Income tax: Research and development tax offsets – the ‘at risk’ rule*, provides guidance on the tests in determining whether your expenditure is at risk under section 355-405 of the ITAA 1997. If the R&D entity has received a grant to undertake the activities, the expenditure is not at risk. Similarly, if the R&D entity has a contract to undertake the activities, the expenditure is not at risk.

9. Registration updates

Application insights

The following insights are based on DISR observations of recent applicant experience, including over the 2023 peak registrations period.

Time extension requests

Time extension requests can be approved for up to 92 days after the statutory deadline. Requests can only be submitted and processed through the R&DTI customer portal; any requests submitted via email cannot be approved.

Many companies submitted time extension requests because insufficient time was assigned to establish access to the R&DTI customer portal. It is important that companies are aware that setting up a portal account for the first time can take longer than expected. This process should commence well ahead of the deadline to avoid any issues with lodgement.

Unless otherwise requested, a 14-day extension is granted to all applicants who submit an extension of time request. If companies require a longer extension this information should be included within the request to prevent the need for multiple time extension requests.

Completing the application form

Pre-filled registration application forms in the R&DTI customer portal do not pre-fill all the fields for multi-year activities. The tasks performed and outcomes achieved in each activity need to be updated each year.

All details in the application form should be checked to ensure they are correct before submission. Contact details and estimated R&D expenditure amounts are fields that are often incorrectly entered. Any amendments made after submission will require a variation to be completed before the application can be registered.

The primary contact must be a company representative with their correct email address and not the email for a tax agent or R&D consultant. Contact details for advisors are accommodated elsewhere in the application form. Correct entry of the primary R&D contact field is important for our registration workflows.

As outlined in DISR's service level standards, application processing times increase during peak period (April-June). Companies should be aware of these processing times and consider the due date of their tax return when submitting their application form.

Application support is available by contacting rdtaxincentive@industry.gov.au or calling 13 28 46

Registration trends

Although the number of registrations has remained broadly comparable in recent years, there has been a gradual change in industry sector participation:

- The Professional, Scientific and Technical Services industry has now topped R&DTI registrations for the second year running. Registrations in this sector for the 2021-22 period were 12% higher than the last, accounting for around one-third of all registrations in the program.
- Closely behind was the Manufacturing industry with the second highest number of registrations in the most recent period, followed by the Information, Media and Telecommunications industry.
- Manufacturing, Mining, and Finance have continued to decline as a share of the program. Expenditure has declined dramatically for these three sectors since 2012-13 – Manufacturing (-35%), Mining (-71%) and Finance (-70%)

Registration and claims data

The below figures demonstrate R&D Tax Incentive registrations for the 2021-2022 income period. This dataset is almost complete as at 31 August 2023 (with late balancing applications closing 31 October), due to the application period closing 10 months after the end of the financial year.

Please note that where the count of registrations for a metric is less than 5, or expenditure is below 1 million dollars, the information is not presented.

Table 1: Overall registrations

R&D TAX INCENTIVE PROGRAM REGISTRATIONS	
Number of Registrations	12,943
R&D Expenditure (billion)	\$15.47

Table 2: Comparison of registrations and expenditure by organisation size

REGISTRATIONS/EXPENDITURE	SMES	LARGE COMPANIES
Number of Registrations	11,340	1,603
R&D Expenditure (billion)	\$8.70	\$6.77

Table 3: Overall claims for the full 2021-22 financial year (ATO)

CLAIMS	REFUNDABLE	NON-REFUNDABLE
Number of Claims	10,309	1,432
Offset paid or applied (billion)	\$2.8	\$2.2

Table 4: Comparison by sector – Australia-wide

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
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Number of Registrations	8,230	3,489	510	416	298
R&D Expenditure (million)	\$8,718	\$4,178	\$772	\$1,318	\$480

Image 1: Comparison of registrations by States and Territories

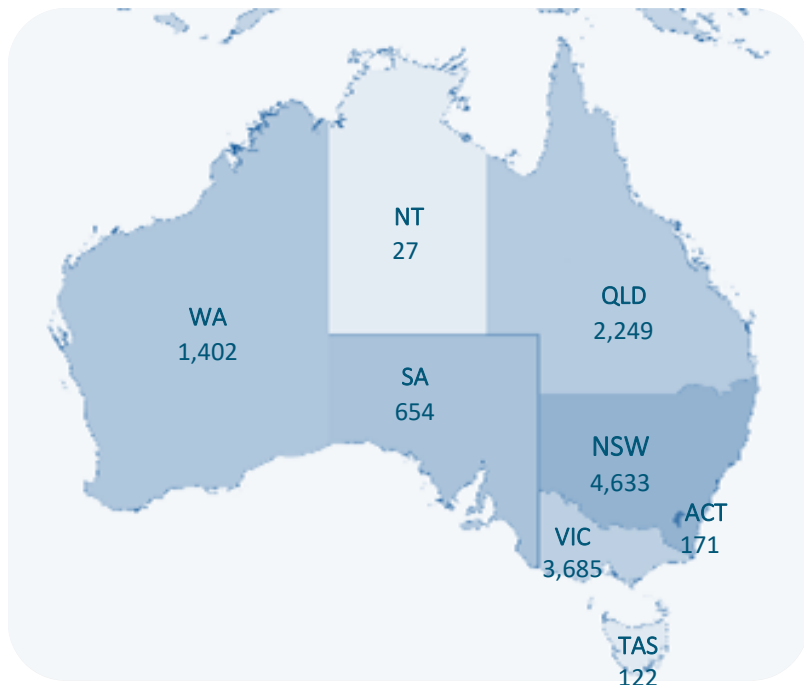


Table 5: Comparison by sector – NSW

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
Number of Registrations	3,304	1,051	122	56	100
R&D Expenditure (million)	\$4,117	\$1,555	\$337	\$268	\$214

Table 6: Comparison by sector – VIC

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
Number of Registrations	2,409	1,094	86	28	68
R&D Expenditure (million)	\$2,812	\$1,345	\$98	\$138	\$168

Table 7: Comparison by sector – QLD

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
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Number of Registrations	1,283	710	129	85	42
R&D Expenditure (million)	\$920	\$706	\$107	\$149	\$29

Table 8: Comparison by sector – WA

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
Number of Registrations	684	351	83	219	65
R&D Expenditure (million)	\$584	\$307	\$64	\$658	\$48

Table 9: Comparison by sector – SA & NT**

	SERVICES	MANUFACTURING	AGRICULTURE	MINING	E,G,W & WS*
Number of Registrations	367	222	55	22	15
R&D Expenditure (million)	\$330	\$202	\$81	\$103	\$13

Table 10: Comparison by sector – ACT

	SERVICES	MANUFACTURING	AGRICULTURE, MINING** AND E,G,W & WS*
Number of Registrations	143	20	8
R&D Expenditure (million)	\$147	\$34	\$6

Table 11: Comparison by sector – TAS

	SERVICES	MANUFACTURING	AGRICULTURE	MINING** AND E,G,W & WS*
Number of Registrations	41	41	32	8
R&D Expenditure (million)	\$19	\$30	\$84	\$6

* Electricity, Gas, Water & Waste Services

** Combined for confidentiality reasons.

Attachment 2

This full report is also available at - <https://www.startupmuster.com/>



StartUp Muster
2023.pdf