

What Aussie tech wants from the budget



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Further changes to the R&D tax incentive and more targeted support for commercialised innovation are on tech start-up's wishlist, ahead of the federal budget tonight.

Grant Custance, CEO and founder of Australian workforce management software company, nimbus, said he welcomes the prospect of the budget funding digital innovation, particularly around technologies which could create new sources of export income and skills growth.

"This issue must be addressed urgently, if Australia is to take advantage of its global reputation for managing COVID-19 – and become a leader in technology led economic growth," he said.

"If Australia wants to become a digital economy and create the next generation of innovation, we need more focused, targeted government support for real, commercial innovation and that's not the case yet. We have developed a global software patent, which is at the heart of our solutions used by companies in Australia and all over the world, to ensure their staff don't breach workplace compliance rules. While the patent has been a commercial success, particularly with surge in the work from home workforce, the fact remains we took the risk and invested capital over a number of years to create and commercialise that patent without government support.

"That's not the landscape our competitors have to face in places such as Israel, which boasts of a long and successful history of the government partnering with start-ups and helping to take them global. This is the kind of approach our government should be at least considering, to supercharge our digital economy.

"Additionally, the government should be considering programs to make sure that Australian ideas stay in Australia once they are commercialised. Research rebates aren't enough. Too many Australian innovations in the digital economy go offshore once they reach scale, because tax incentives are more favourable in competing economies, such as Singapore. It is this kind of long term, whole of industry planning we need to see from the Budget if we want to become a leading global digital economic power. We believe there should be incentive schemes linked to research and development rebates which make it compelling for Australian innovation to be commercialised, and taxed, in Australia, at globally competitive rates."

Brodie Haupt, CEO of digital lending and payments platform WLTH, said this year it would be great to see the government continue to build on the changes to the Research and Development Tax Incentive (RDTI) from last year and support the technology industry post-COVID-19 economy.

"There is a significant opportunity for the government to provide support for early-stage technology companies. Not only will this assist them to further develop products to help with the transition of businesses in Australia towards greater adoption of technology, but it will also support businesses' ability to streamline their business processes, and scale after what has been a tough time for SMEs," he said.

"I expect to see a lot of spending to drive employment, as we transition out of the past year and all the effects the global pandemic had on businesses. It will be interesting to see how the Government looks to bring down the unemployment rate, and if they will revisit any of the subsidies like JobKeeper. We have already seen Josh Frydenberg announce the \$1.7b package on out-of-pocket expenses for working families, so I expect the follow-on from this to be more parents getting back into the workforce."