

**BUDGET 2022-23 ANNOUNCEMENTS RELATING TO INTERNATIONAL TRADE
MEDIA RELEASE
WEDNESDAY 30 MARCH 2022**

Last night (Tuesday 29 March 2022), the Treasurer, Josh Frydenberg, delivered the Government's 2022-23 Budget.

With sky-rocketing prices across essential goods, including food and petrol, the Budget was billed to address the increasing costs of living.

There were indeed measures to that effect, including a one-off \$420 cost of living tax offset, and a 50 per cent reduction in the fuel excise for 6 months.

Households would welcome these, but these may simply provide short-term relief and potentially exacerbate inflationary pressures.

For businesses, especially for those involved in international trade, there were more initiatives announced than we had expected, including on issues we had strongly advocated for, such as increased funding for the Export Market Development Grants program.

That said, the extent of the Budget's impact on Australian exporters, especially SMEs, is likely to be mixed. Absent are fundamental and strategic investments that might have helped secure Australia's longer-term competitiveness.

The Budget acknowledges that world GDP growth is likely to be lower, global inflation will be much higher, and supply chains will remain constrained. So, the global economic landscape will continue to be tough for Australian exporters.

The top ten international trade related initiatives announced in the Budget are:

1. Adding \$100 million to expand the Export Market Development Grants (EMDG) program
2. Enhancing the Simplified Trade System with a further \$267.1m, including \$127.4 m to the Digital Services to Take Farmers to Markets
3. Sponsoring of large agriculture trade events through a \$12 million investment that promotes export-focused agricultural goods and services
4. \$19.5 million over two years to attract global business investment and talented individuals into Australia, and a one-off 30% increase in the Working Holiday Makers initiative

5. \$7.1 billion over 11 years to turn the Northern Territory, North and Central Queensland, and the Pilbara region as regional export hubs
6. \$200 million over five years for the Critical Minerals Accelerator Initiative to support early to mid-stage projects overcome market barriers
7. Investing a further \$480 million to improve NBN infrastructure in regional and remote areas, as well \$3.7 billion to deliver faster rail projects for Brisbane to the Sunshine Coast, and Sydney to Newcastle
8. Extending the 'patent box' regime to cover certain low emissions technologies and activities in the agricultural sectors, with benefits such as a concessional income tax rate of 17%
9. Investing a further \$2.8 billion to support Australian apprenticeships, and small businesses will receive a bonus 20 per cent deduction for the cost of external training courses from now until 30 June 2024
10. Restarting of indexation of Australia's baseline level of Official Development Assistance, which will increase to \$4.089 billion, up from \$4.0 billion in 2021-22.

For further information please see Government links below:

<https://budget.gov.au/2022-23/content/documents.htm>

<https://www.trademinister.gov.au/minister/dan-tehan/media-release/2022-23-budget-supports-australias-trade-investment-and-visitor-economy-build-stronger-future>

<https://minister.awe.gov.au/littleproud/media-releases/littleproud-budget-2022>

<https://minister.infrastructure.gov.au/joyce/media-release/record-investment-infrastructure-and-regions-deliver-stronger-economy>

<https://www.minister.industry.gov.au/ministers/pitt/media-releases/meeting-global-demand-deliver-jobs-economic-growth>

<https://minister.infrastructure.gov.au/fletcher/media-release/major-budget-boost-nbn-fixed-wireless-network>

<https://www.foreignminister.gov.au/minister/marise-payne/media-release/2022-23-budget-investing-strong-future-advancing-our-national-interests-and-supporting-regional-prosperity>

[Patent Box – extension to the Agricultural and Low Emissions Technologies sectors | Australian Taxation Office \(ato.gov.au\)](#)

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