

QB26-000012

INDUSTRY GROWTH PROGRAM

Issue

Why has the Government cut the Industry Growth Program and paused it to new applications?

Key Talking Points

- The Government is supporting start-ups and small and medium enterprises to expand and innovate through the Industry Growth Program (IGP).
- Through the IGP, the Albanese Government has delivered more than \$200 million in matched grants for firms undertaking innovative commercialisation and/or growth projects within the priority areas of the National Reconstruction Fund (NRF), growing Australia's manufacturing capability.
- The IGP is paused for new applications to enable consideration of changes that would allow for better targeted grant rounds and a more predictable grant application process for businesses.
- Existing IGP Advisory Service participants will continue to receive advice, and existing grant agreements remain in effect.

QB26-000012

- The Government made the fiscally responsible decision in Budget to redirect savings from the IGP to other priorities in the Industry, Science and Resources portfolio.
- While IGP's budget over the forward estimates is reduced, the program has ongoing funding.
- The Government remains committed to supporting innovative Australian businesses to commercialise and scale, ensuring Australian ideas become Australian industries, in Future Made in Australia priority sectors.

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Background

Savings measures

- The 2026-27 May Budget savings measure of \$47.4 million follows a savings measure from the 2025-26 Mid-Year Economic Fiscal Outlook (MYEFO) of \$102 million from uncommitted funding from the IGP.
- The IGP supports firms to commercialise and scale innovative products, processes or services in the priority areas of the National Reconstruction Fund (NRF), through Advisory Services and matched grant funding.

IGP key statistics (as at 31 March 2026):

- Over 2,070 businesses have received or are receiving IGP Advisory Services. Of these, over 1,480 have received a Commercialisation and Growth Report making them eligible to apply for an IGP Grant.
- The **Program Delegate has approved 134 grants worth \$201.5 million.**
- 116 grants worth \$177 million have been executed and are published on business.gov.au.



Australian Government
Department of Industry,
Science and Resources

Ministerial Submission

MS26-000566

FOR ACTION – Industry Growth Program (IGP) - post-2026-27 Budget design**TO:** Minister for Industry and Innovation; Minister for Science**TIMING**

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Recommendations

- That you **note** that, following 2026-27 Budget decisions. s 47C

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Noted / Please discuss

- That you **agree** to s 47C one of the following IGP redesign options:
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Option 1 / Option 2 / Option 3 / Not agreed,

- If you select option 2 s 47C you **agree** to pause the IGP to new grant applications at or soon after Budget to enable the program to be redesigned without increasing the number of applicants waiting for grants.

Agreed / Not agreed

s 47C

Noted / Please discuss

s 22(1)(a)(ii)

Date: 6/5/2026



KEY POINTS

- Following savings from the IGP agreed at both the 2025-26 MYEFO (\$102 million) and the 2026-27 Budget (\$47.4 million), the department recommends you redesign the IGP

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- Industry Partner Organisations (IPOs) will be discontinued when their current grant agreements expire in the next 6 months. The IPOs is a third element to the IGP, which provides sector specific capability that complements the Advisory Service.

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Currently, grant applications
can be submitted at any time but with no certainty when they will be assessed.

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Program funding

- Following the 2026-27 Budget savings of a further \$47.4 million from IGP, s 47C

	2026-27 (\$m)	2027-28 (\$m)	2028-29 (\$m)	2029-30 (\$m)
Revised funding profile	87.460	44.994	s 47C	26.124

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BACKGROUND

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- To date the IGP is supporting over 2,070 innovative startups and SMEs through the Advisory Service, with 134 grants worth \$201.5 million.

RISK AND SENSITIVITIES

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TIMING AND NEXT STEPS

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- Subject to your agreement to an IGP redesign option, the department will brief you again to implement your chosen approach.
 - You can pause IGP as an interim step s 47C This will ensure applicants are not wasting their time applying for a program that may change.
- The department will develop a communications strategy to inform IGP participants and stakeholders of the changes when agreed.

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- Continuing with the IGP grant element will require new appointments to the IGP Committee.

DATA REFERENCED

- Nil

CONSULTATION

- Business Grants Hub, Science Division.

Clearance Officer

Matt Crawshaw

A/g Head of Division

Commercialisation Division

s 22(1)(a)(ii)

Clearance Date: 30/4/2026

Contact Officer

Brett Yeomans

A/g General Manager, Industry Growth

Program and CRC Policy

s 22(1)(a)(ii)

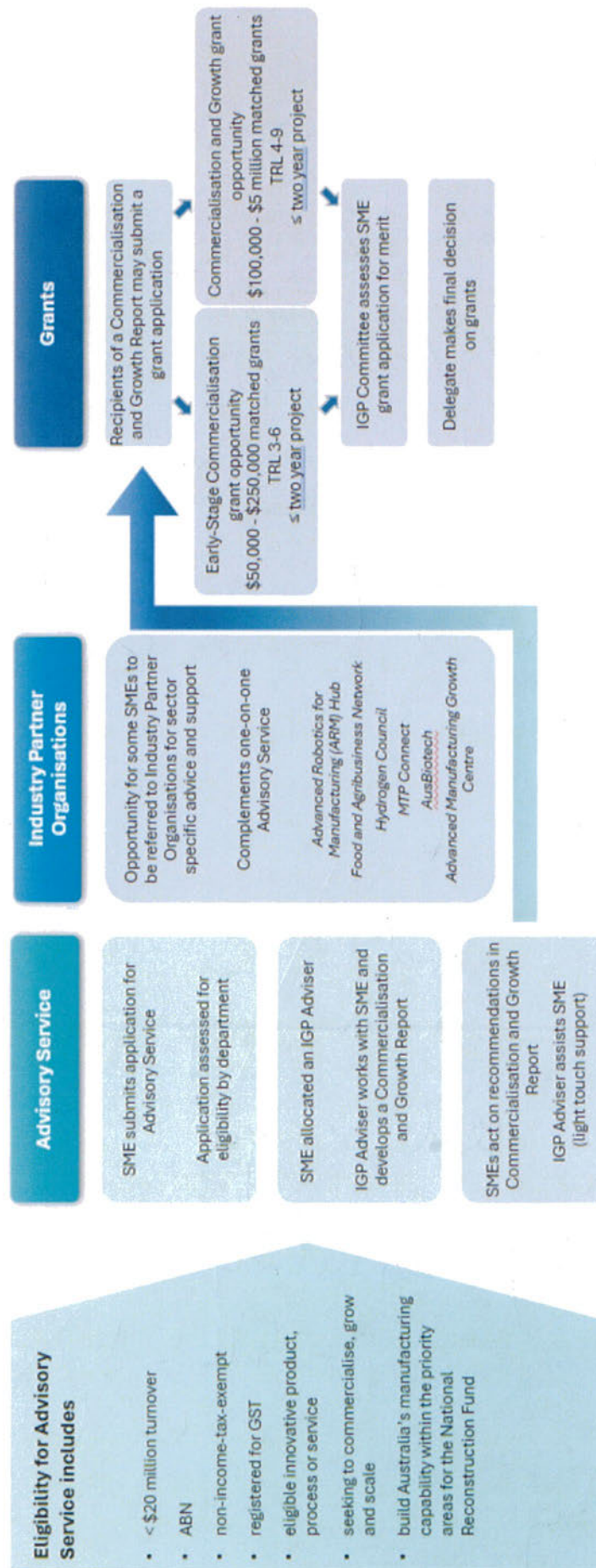
ATTACHMENTS

A: IGP customer journey

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Attachment A

Industry Growth Program (IGP) customer journey map



Note: Industry Partner Organisations will discontinue when current grant agreements expire in mid-late 2026.

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Industry Innovation and Science Australia

TEMPLATE

Program Areas - Input to Secretary's Meeting Brief

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Australian Government

**PROGRAM AREAS - Input to Secretary's Meeting Brief**

IISA Board Meeting Date 12 June 2026
Program Industry Growth Program
Program Contact Officer Brett Yeomans, Acting General Manager, Industry Growth Program and CRC Policy Branch, Commercialisation Division

Additional input for the Secretary's awareness only - that is not included in the IISA Board papers and presentations

- On 6 May 2026 the Minister agreed to pause the Industry Growth Program (IGP) on Budget night and seek authority to change the design of the program so that it can be delivered sustainably under a reduced funding envelope.

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Sensitivities *[limit to a few dot points, or NIL]***RISKS / ISSUES****POTENTIAL QUESTIONS THAT MAY BE ASKED OF THE SECRETARY** *[limit to a few dot points, or NIL]*

PROTECTED//CABINET

From: Crawshaw, Matthew s 22 @industry.gov.au>
Sent: Monday, 11 May 2026 2:23 PM
To: s 22 @industry.gov.au>
Cc: Pickworth, Julia s 22 @industry.gov.au>; s 47E(d)
@industry.gov.au>; Yeomans, Brett s 22 @industry.gov.au>; Stiller, Derek
s 22 @industry.gov.au>; s 22 @industry.gov.au>; Wallensky,
Louise s 22 @industry.gov.au>; Chang, Carl s 22 @industry.gov.au>
Subject: FOR INFORMATION: Implementing Minister Ayres' IGP pause and redesign decision
(MS26-000566) [SEC=PROTECTED, CAVEAT=SH:CABINET]

PROTECTED//CABINET

Hey s 22

Thanks for the chat last week. Ahead of Budget night, I just wanted to give MO a heads up on how the department is implementing the Minister's decision (**MS26-000566**) to pause and redesign the Industry Growth Program (IGP):

- The IGP landing page (business.gov.au/IGP) will be updated to include a call out box saying that the program is currently paused to new applications. We're aiming for the update to go live on Budget night, though there's a chance it may happen soon after.
- There's no mentioning of the IGP pause in the proactive comms/media releases. But general messaging (for use *if asked*) is that IGP is paused to new applications for both Advisory Service and grant opportunities with implementation of savings measures under consideration.

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s 47E(d), s 47C

Matt Crawshaw

Head of Division (A/g)

Commercialisation Division

s 22

PROTECTED//CABINET

From: Crawshaw, Matthew s 22 @industry.gov.au>
Sent: Friday, 8 May 2026 11:37 AM
To: Yeomans, Brett s 22 @industry.gov.au>
Subject: FW: FOR INFORMATION: Minister agreed to IGP redesign with Budget night pause [SEC=PROTECTED, CAVEAT=SH:CABINET]

PROTECTED//CABINET

FYI

Matt Crawshaw
Head of Division (A/g)
Commercialisation Division
Phone s 22

PROTECTED//CABINET

From: Crawshaw, Matthew
Sent: Friday, 8 May 2026 10:55 AM
To: Quinn, Meghan s 22 @industry.gov.au>; Pickworth, Julia s 22 @industry.gov.au>
Cc: Chang, Carl <s 22 @industry.gov.au>; English, Dom s 22 @industry.gov.au>; Wallensky, Louise s 22 @industry.gov.au>; Shrives, Kimberley s 22 @industry.gov.au>; Gannon, Bridget s 22 @industry.gov.au>
Subject: FOR INFORMATION: Minister agreed to IGP redesign with Budget night pause

Meghan, Julia,

Minister Ayres has signed **MS26-000566** agreeing to redesign the Industry Growth Program (IGP) and pause the program on Budget night for the redesign work to occur.

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We'll update Budget comms/TPs now to reflect the pause, and we'll regroup on the substantive redesign ask next week. We'll also provide advice after Budget night s 47C

Matt Crawshaw

Head of Division (A/g)

Commercialisation Division

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