

SCIENCE & TECHNOLOGY AUSTRALIA

POLICY SUBMISSION

19 JANUARY 2024

AUSTRALIAN RESEARCH COUNCIL AMENDMENT (REVIEW RESPONSE) BILL 2023

Science & Technology Australia thanks the Senate Committee on Education and Employment for this opportunity to give feedback on the proposed changes to *the Australian Research Council Act 2001* through the inquiry into the [Australian Research Council Amendment \(Review Response\) Bill 2023](#).

Science & Technology Australia is the peak body for the nation's science and technology sectors, representing 139 member organisations and more than 115,000 scientists and technologists.

SCIENCE & TECHNOLOGY AUSTRALIA RECOMMENDATIONS

1. The Australian Parliament should pass the Australian Research Council Amendment (Review Response) Bill 2023.
2. To secure Australia's discovery research capability and ability to generate a strong pipeline of Australian research breakthroughs, amend the bill to legislate that a minimum 70% of National Competitive Grant Program funding be allocated to the Discovery Program.
3. Strengthen the bill's requirement that all Australian Research Council Board members have deep expertise in both research and/or research administration by replacing the words 'a majority of the' in 12(4)(a) with 'all' so it reads:
 - a) *ensure that all Board members are persons whom the Minister is satisfied have substantial experience or expertise in one or more fields of research or in the management of research;*
4. Strengthen the bill's commitment to ensure diversity of Board members by including the word 'demographic' in 12(4)(d) so it reads:
 - (d) *have regard to the desirability of the membership of the Board reflecting the demographic diversity of the general community.*
5. The bill should include an amendment that the ARC is required to notify successful grant applicants under embargo within 21 days of Board approval.
6. To ensure certainty for researchers and avoid any undue consequences on research careers, Parliamentary oversight of ARC scheme funding rules must not cause undue delays to opening grant schemes to applications.

Science & Technology Australia commends Education Minister Jason Clare and the Australian Government for accepting all the Expert Panel's recommendations in [Trusting Australia's Ability: Review of the Australian Research Council Act 2001](#) and acting swiftly to develop this bill.

The bill will amend the Australian Research Council Act 2001 in line with the Expert Panel's recommendations and Science & Technology Australia supports this legislation's passage through the Parliament.

The Expert Panel's report and recommendations were developed after extensive consultation with the sector and strongly reflect the sector's perspective and goals for the future of Australian research. These changes – particularly if the bill is amended to incorporate Science & Technology Australia's recommendations – will strengthen the Australian Research Council and Australia's research sector as they work tirelessly to improve Australian lives through world-class research and discoveries.

Science & Technology Australia recommendation 1:

The Australian Parliament should pass the Australian Research Council Amendment (Review Response) Bill 2023.

ENSHRINING DISCOVERY RESEARCH IN THE ARC'S PURPOSE

Science & Technology Australia strongly backs the bill's clear articulation of the Australian Research Council's (ARC) roles and responsibilities to support Australian research by including these in the Object of the Act.

One of these inclusions, Section 3(e) is:

(e) administer funding of excellent pure basic research, strategic basic research and applied research in all disciplines under the National Competitive Grants Program, except experimental development

Science & Technology Australia welcomes the inclusion of support for 'pure basic' and 'strategic basic' research in the ARC's purpose. This is the knowledge-creating research that underpins all future applied research and innovation – and its importance in Australia's innovation system is fundamental. **Without strong public investment to make bold new research breakthroughs, Australia will find itself rapidly outstripped in the fierce global race for new jobs, industries and income. Without a steady stream of new research discoveries, the cost-of-living challenges faced by current and future generations of Australians will escalate dramatically.**

Science & Technology Australia recommends a further strengthening of the legislation to reflect this central challenge. We propose the bill be amended to specify a set proportion of National Competitive Grant Program (NCGP) funding be allocated to the Discovery Program. A 70:30 split between the Discovery and Linkage Programs would be a strong safeguard for Australia's crucial discovery research capabilities.

Australian Government funding for research is at a 4-decade low – at just [0.49% of GDP in 2022-23](#) – and much of this funding is directed towards applied research and commercialisation initiatives in collaboration with industry. As crucial as that funding is, without a strong underpinning discovery research capability Australia's ability to diversify the economy and drive future innovation will be stopped in its tracks – discovery research is essential to feed the very beginning of the pipeline.

The ARC Discovery Program is the primary source of funding for critical discovery research in all non-medical fields. At a minimum, it must be safeguarded. **Protecting the allocation of funds to the Discovery Program in the ARC Act would be a strong and strategic step – particularly in an era when rising superpowers are investing at scale in their pipelines of breakthroughs to seize economic opportunities first and lock up revenue streams, jobs and proprietary technologies.** The consistently low success rates for grant applications across the Discovery schemes – indicative of extremely strong demand and unfulfilled potential for Australia's talented research sector – highlights the urgency of this need.



Science & Technology Australia recommendation 2:

To secure Australia's discovery research capability and ability to generate a strong pipeline of Australian research breakthroughs, amend the bill to legislate that a minimum 70% of National Competitive Grant Program funding be allocated to the Discovery Program.

ESTABLISHING AN AUSTRALIAN RESEARCH COUNCIL BOARD

Science & Technology Australia supports amendments to establish the ARC Board. We warmly welcome the stipulation that the Minister must appoint an Indigenous person to the Board, and ensure the Board membership represents regional, rural and remote Australia, as specified in 12(4)(b) and (c).

While all Australian research is done for the benefit of the Australian community, the ARC's role is to specifically support the Australian research community. It is essential the ARC Board has broad and diverse expertise in research – and deep understanding of the research sector – to fulfil this role.

Science & Technology Australia backs the requirement in 12(3) (a) and (b) that the Board Chair must have deep experience or expertise in research or research management. The following clauses outlining the considerations for the Minister when appointing Board members should also reflect this, requiring that *all* Board members rather than 'a majority of' members have this deep expertise.

Science & Technology Australia recommendation 3:

Strengthen the bill's requirement that all Australian Research Council Board members have deep expertise in both research and/or research administration by replacing the words 'a majority of the' in 12(4)(a) with 'all' so it reads:

a) ensure all Board members are persons whom the Minister is satisfied have substantial experience or expertise in one or more fields of research or in the management of research;

Science & Technology Australia is a long-standing champion for diversity across the research sector and welcomes the stipulation that the Board composition should be reflective of broader community diversity. To make this completely clear, the word 'demographic' should be included in this clause to clarify that the Board should reflect the broad cultural mix of the Australian community (and the research community).

Science & Technology Australia recommendation 4:

Strengthen the bill's commitment to ensure diversity of Board members by including the word 'demographic' in 12(4)(d) so it reads:

(d) have regard to the desirability of the membership of the Board reflecting the demographic diversity of the general community.

GRANT APPROVALS

Science & Technology Australia strongly backs the bill's amendments to make the Board responsible for grant decisions, with the exceptions of national security concerns and for the large-scale ARC Centres of Excellence, Industrial Transformational Training Centres and Industrial Transformation Research Hubs schemes.

Academic freedom and the independence of research are key to the healthy operation of liberal and Westminster democracies. Australia's competitive grants assessment systems are rigorous and thorough. The Australian Research Council College of Experts is drawn from Australia's leading scientists and researchers, who assess their peers' work in a comprehensive, multi-stage process. It



is important to let this system do its work. We should trust our experts to make expert decisions – this bill will make that happen.

The requirement that the Minister must inform the Parliamentary Joint Committee on Intelligence and Security of any decision to not approve a grant application or grant variation on national security grounds is wise: it ensures crucial Parliamentary oversight on important these decisions made by the Minister.

Science & Technology Australia sees the requirement set out in 47(11) that the Minister must table a statement listing the successful grant organisations and projects within 15 sitting days of receiving these details from the ARC Board as a step in the right direction to improve grant processes.

However, given the gaps in the sitting calendar, if applicants must wait until this statement is tabled to learn the outcome of their grant proposals, it could still result in lengthy and unnecessary delays for applicants, which exacerbates job insecurity for Australia’s brilliant researchers – especially for early career researchers. Where a researcher is approaching the end of their current employment contract, they can be left stranded without a job or income while they await notification.

Swift grant decisions and notifications are also crucial for industry partners involved in grant bids. Delays in notifications erode industry confidence to participate in these schemes – and make it harder for Australian industry to maximise their uptake of Australian research breakthroughs in their operations. Industry partners work to tight timelines with exacting expectations from their shareholders and markets on ROI.

To further improve efficiency, Science & Technology Australia recommends that the bill includes a requirement for the ARC to notify successful grant organisations (under embargo) within 21 days of Board approval.

Science & Technology Australia recommendation 5:

The bill should include an amendment that the ARC is required to notify successful grant applicants under embargo within 21 days of Board approval.

FUNDING RULES/GRANT GUIDELINES

The bill includes an amendment to make scheme funding rules (grant guidelines), developed by the Board and then approved by the Minister, disallowable legislative instruments. Science & Technology Australia acknowledges this will allow for increased parliamentary scrutiny and oversight for the funding rules, but cautions this process must be managed carefully to avoid any delays to grant scheme open dates that could potentially arise if any issues arise in the Parliament pertaining to the funding rules.

Science & Technology Australia recommendation 6:

To ensure certainty for researchers and avoid any undue consequences on research careers, Parliamentary oversight of ARC scheme funding rules must not cause undue delays to opening grant schemes for applications.

Drafting suggestions

The words ‘that is’ appear to be missing from: 47(6)(a)(ii), 47(11)(b) and 48(8)(b).



We thank the Committee for this opportunity to provide comment on the bill. Please do not hesitate to contact Science & Technology Australia if we can be of any further assistance or give evidence if the committee opts to hold a public hearing.

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