

SUBMISSION

Submission to the Senate Education and Employment Legislation Committee

Submission to the Australian Research Council Amendment (Review Response) Bill 2023 inquiry

19 January 2024

The Australian Academy of Technological Sciences and Engineering (ATSE) is a Learned Academy of independent, non-political experts helping Australians understand and use technology to solve complex problems. Bringing together Australia's leading thinkers in applied science, technology and engineering, ATSE provides impartial, practical and evidence-based advice on how to achieve sustainable solutions and advance prosperity.

The ARC Review has provided a generational opportunity to reform the ARC to support a high-performing, diverse Australian research sector and reject ideological interference. ATSE has engaged throughout the ARC Review, including by providing a [submission](#) in December 2022 outlining how the ARC should be strengthened, supported and legislated to be a national leader in research grant funding. ATSE is a supporter of a two-stage research application process to maximise efficiency of the sector.

The *Australian Research Council Amendment (Review Response) Bill 2023* will enable implementation of six of the ARC Review's ten recommendations. ATSE notes that the Australian Government has committed to the other outcomes of the review, such as simplifying application processes and re-evaluating how research excellence and engagement are quantified.

These important changes to the ARC will enable it to be the backbone of Australian academic research. However, this review has not addressed critically low levels of investment in research. Alongside the ARC and Universities Accord reforms, ATSE urges the Australian Government to also increase its investment in research to reach an internationally competitive level of at least 3% of GDP.

ATSE broadly endorses the Bill. In addition to the recommendations put forth in the joint submission with all Learned Academies, ATSE makes the following recommendations to improve the effectiveness of the ARC:

Recommendation 1: Require the ARC Advisory Committee to provide oversight and coordination of the ARC's priorities to align with the National Science and Research Priorities.

Recommendation 2: Increase research investment through the ARC in the upcoming Federal Budget, as part of a strategy to raise research and development funding to 3% of GDP.

Recommendation 3: Require the ARC Board to include members with experience in industry research as well as university research.

Recommendation 4: Define "misbehaviour" to include findings of bullying or harassment through formal processes.

Eliminating the ministerial veto

ATSE endorses the removal of the ministerial veto except in cases of national security or defence reasons. The security and defence considerations set out by the Bill are appropriate for the intention of the reform. However, it is unclear if "international relations" needs to be included as a separate consideration. This could lead to unintended consequences if this is interpreted too broadly.

ATSE also agrees with the requirement for information about vetoed projects, including the subsection under which the decision was made, to be tabled in Parliament and provided to the Parliamentary Joint Committee on Intelligence and Security. Where a ministerial veto is applied, it should be done so with maximum transparency. ATSE also welcomes the addition in the Bill of a requirement that the Minister must not give the Board direction about particular funding approvals.

These reforms directly address the issue of political interference with the ARC. As put forth in ATSE's [submission](#) to the ARC Review, ideological ministerial intervention has been corrosive for the research sector, and it is important to restore confidence by removing the veto except for under constrained circumstances.

Legislating the purpose of the ARC

Clarifying and providing a legislative basis for the purpose of the ARC is an important recommendation from the ARC Review. ATSE agrees with the Bill's objects including to support Australian universities to conduct excellent research, support research integrity, uphold the peer review process, and shape and foster the research landscape and community by supporting academic career pathways and expanding Indigenous knowledge systems.

The new ARC Advisory Committee is established by the Bill to determine the ARC's priorities, strategies and policies. Its role requires some further refinement. It would be appropriate for the ARC Advisory Committee to also provide a coordination function. ARC priorities should interface with the forthcoming National Science and Research priorities and take a national overview of Australian research activity.

The inclusion of research excellence in the objectives is critical but will require careful implementation. There is a risk that prioritising research excellence will encourage the ARC to under-invest in emerging fields of research in which Australia does not already possess research strength. Important emerging fields of research should be supported rather than neglected. Part of the Advisory Committee's role should be to proactively identify desirable research strengths to develop in support of National Science and Research Priorities. ATSE recommends that the ARC Advisory Committee is charged with periodically examining Australia's research capability within critical disciplines, and identifying areas of weakness that should be targeted for additional investment.

The Bill also includes an object for "evaluating the excellence, impact and depth of Australian research" – as recommended by the ARC Review to re-affirm its importance. The ARC Review's recommendations to discontinue the Excellence in Research for Australia (ERA) and Engagement and Impact (EI) evaluations, and for the ARC to develop a new evaluation framework that considers the full impact of research funding, have been deferred to the Universities Accord panel for decision. It is important that the Bill does not embed any specific method for research evaluation (such as the ERA) pending the development of the new evaluation method.

Changing the ARC's funding to annual appropriation, which embeds indexation each financial year, is also welcomed. However, ATSE believes the quantum of funding is far too low and calls on the Government to urgently increase total annual research and development funding to a minimum of 3% of GDP over the next decade. This must include direct investment, including through the ARC, as well as policy settings to increase industry investment, bringing Australia to a total yearly investment equivalent to 3% of GDP.

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Creating suitable governance arrangements

The governance arrangements created by the Bill will further remove the potential for political interference. ATSE agrees that it is an appropriate requirement for the Chair to be accomplished in research or research management.

The creation of an ARC Board, as set out in the Bill, is an important reform. ATSE agrees with the recommendation to have Indigenous representation on the Board, as recommended by ATSE's ARC Review [submission](#). This will support the ARC to meet its commitment to supporting Aboriginal and Torres Strait Islander researchers and research, as articulated in the ARC's [Aboriginal and Torres Strait Islander Researchers and Research Statement](#). This statement should also be reviewed in light of the ARC reforms.

ATSE recommends adding a further requirement that the Board includes university and industry representatives with proven research experience. This will support the development of a collaborative research culture, and bolster coordination of Australian research.

The Bill introduces a new ability for the Minister to terminate a Board member or CEO for misbehaviour, which has not been defined in the Bill. ATSE recommends defining this term, and explicitly including bullying or harassment that have been found to have been proven through formal processes. This will support the ARC to become an exemplar of best practice in creating safe research cultures.

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Recommendation 4: Define "misbehaviour" to include findings of bullying or harassment through formal processes.

ATSE thanks the Senate Education and Employment Legislation Committee for the opportunity to respond to the Australian Research Council Amendment (Review Response) Bill 2023 inquiry. For further information, please contact academypolicyteam@atse.org.au.