

Submission to Senate Education and Employment Legislation
Committee

ATSE submission on Australian Research Council Amendment (Ensuring Research Independence) Bill 2018

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ATSE SUBMISSION ON AUSTRALIAN RESEARCH COUNCIL AMENDMENT (ENSURING RESEARCH INDEPENDENCE) BILL 2018

The Australian Academy of Technology and Engineering (ATSE) is a Learned Academy of around 900 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.

ATSE welcomes the opportunity to provide a submission to the Senate Education and Employment Legislation Committee on the Australian Research Council Amendment (Ensuring Research Independence) Bill 2018. This submission concerns three key areas: upholding national interest in research, promoting confidence in the research funding system, and safeguarding national security.

ATSE is deeply concerned by the use of ministerial veto in recent Australian Research Council (ARC) grant applications. The use of the veto, especially without clear and detailed reasons, makes it impossible for applicants to navigate and address grant requirements. ATSE considers this especially problematic given the role of the ARC in providing grants to researchers that have industry partners. Vetoing research grants reduces trust in the system for both researchers and industry partners alike, and may act as a disincentive against industry partnering with research. Public investment in research should ideally balance providing value to the public and providing confidence – and therefore continuity - to the research and innovation sector.

Upholding national interest in research

In 2018 the National Interest Test was introduced as part of the Australian Research Council (ARC) grant application process. Applicants are required to provide a written statement articulating how their project will contribute to Australia's national interest through economic, commercial, environmental, social, or cultural benefits to the community¹. Projects must score highly on the National Interest Test to be recommended to the Minister for Education for funding.

The National Interest Test fulfils the Minister's requirement to ensure that publicly funded research is providing value to the community: an additional Ministerial veto is therefore a redundancy that reduces transparency and presents an opaque barrier to potential applicants.

By removing the ministerial veto, the proposed amendment would support the implementation of internationally accepted best practice in research funding decisions.

The Australian Academy of Technology and Engineering strongly believes that the best people to assess the importance of a research project remain independent experts in those fields. Members of the College of Experts are expressly chosen for their international standing and deep understanding of and expertise in proposed research, including the possibility and likelihood of potential applications and outcomes. This peer review process allows experts to assess and judge proposals

¹ Tehan, D 2018, 'Media release – Funding world-leading research', accessed from <
<https://ministers.dese.gov.au/tehan/funding-world-leading-research>>

and research on its merits. This approach is internationally recognised as the gold standard for reviewing and evaluating research.

Any concerns that the current National Interest Test may not adequately capture potential public benefit, or provides insufficient guidance to enable the ARC CEO to recommend projects, could and should be addressed through more clearly outlining the criteria for this test. ATSE supports any work the ARC is undertaking to improve clarity for the National Interest Test, and stands ready to offer any necessary assistance.² Potential approaches to improving this test include (for example) a scoring system in which projects are assessed against a list of key merit criteria, such as that used in the Entrepreneurs Program³. Clearer guidelines would support applicants to articulate the potential benefits of their research, assist the ARC CEO to fairly assess National Interest Test statements, and assure political leadership and the public that there is value in the research they fund.

If the government of the day wishes to emphasise opportunities beyond the national interest test, it is ATSE's view that government priorities are most appropriately promulgated through additional programs, separate from ARC funding. Mechanisms already exist to support this, such as the Cooperative Research Centre program.

Promoting confidence in the research funding system

Well-defined and transparent governance processes should be the foundation of the research and innovation funding system. As articulated in [the February 2022 joint Learned Academies statement on ARC grants vetoes](#), political interference damages confidence in the research system:

“When the integrity of Australia’s research system is compromised by perceived, or actual, political interference, there are real costs to the research sector and indeed the nation – as trust is eroded and the relationships researchers have with industry, the Australian community, and international partners are damaged.”⁴

Clear rules around how funding decisions are taken, and confidence that decisions will stand without being subject to potential political veto, would be consistent with international best practice.

The proposed amendment includes a new subsection requiring that the funding allocated to ARC-recommended projects must be no less than the amount recommended by the ARC. This provision is critical to minimise the risk of political interference through reducing funding such that recommended projects may become unviable.

Safeguarding national security

While there is no merit in a ministerial veto on national interest grounds, there is a possibility that the Minister may be concerned about potential national security issues raised by ARC-recommended

² Senate Estimates 2022, February 17, Education and Employment Committee, p. 75, accessed from < https://parlinfo.aph.gov.au/parlInfo/download/committees/estimate/25624/toc_pdf/Education%20and%20Employment%20Legislation%20Committee_2022_02_17.pdf>

³ Department of Industry, Science, Energy and Resources 2019, ‘Entrepreneurs’ Programme – Accelerating Commercialisation Grants’, p. 10, accessed from <<https://business.gov.au/-/media/grants-and-programs/ac/accelerating-commercialisation-grant-opportunity-guidelines-pdf.ashx>>

⁴ Australian Academy of the Humanities, Australian Academy of Science, Australian Academy of Technology and Engineering, Academy of the Social Science in Australia, and Australian Academy of Health and Medical Sciences 2022, ‘Joint statement from Learned Academies on ARC grants veto’, accessed from < <https://www.atse.org.au/news-and-events/article/joint-statement-from-learned-academies-on-arc-grants-veto/>>

projects. There could be a provision for a narrowly defined and transparent veto process for national security grounds only.

Such a provision would require clear definitions which are available to applicants. It would also require clear and transparent reporting when veto powers are applied. This will empower researchers and innovators to create sound and worthwhile applications, encourage applicants to consider potential security implications of their proposals, and engender confidence and understanding in how decisions have been taken.