

# UNIVERSITIES AUSTRALIA'S RESPONSE TO THE POLICY REVIEW OF THE NATIONAL COMPETITIVE GRANTS PROGRAM

(SECOND DISCUSSION PAPER)

Universities Australia (UA) welcomes the opportunity to respond to the Discussion Paper - *A New Plan for ARC-Funding Research*. Our members, Australia's 39 comprehensive universities, undertake research that adds to Australia's stock of knowledge, and to Australia's economic and social wellbeing. They also produce the research workforce which is critical to the future not only of academia but our entire innovation system.

The National Competitive Grants Program (NCGP), while only representing around 7 per cent of publicly funded research in Australia is in many ways the backbone of our research sector. The example that the NCGP sets as best practice with respect to the processes and procedures of research grant administration (particularly with respect to peer review, research integrity and reporting) should not be underestimated.

More broadly, the influence of the Australian Research Council (ARC) stretches beyond the research funded to set the tone for the rest of the sector in terms of the research funded and the processes it adopts. For example, most universities adopted a form of academic assessment that followed the introduction by the ARC of the concept of assessing research opportunities alongside performance, similarly the incorporation of non-traditional outputs in relevant disciplines. It is therefore critical to get the NCGP right. Not just for the sake of the research it funds, or the researchers it supports – but for our entire research ecosystem.

UA acknowledges the ARC's efforts throughout this review thus far and that the sector has given feedback used in formulating this Discussion Paper's vision for a new NCGP for the next 20 years. We are broadly supportive of the themes identified for this vision with reservations with respect to certain details discussed below as neither address the fundamental weaknesses arising from underfunding both direct and indirect research costs.

UA does have an overarching concern with respect to the process for reforms which relates to the broader context of the research ecosystem as currently considered in the context of the Strategic Review of Research and Development (SERD).

There are a number of good, readily implementable ideas in the Discussion Paper, however they do not exist in a vacuum and there are some which may only be appropriate and effective assuming certain other reforms are implemented as a result of the SERD. For this reason, **UA recommends staged implementation of any NCGP in order to manage the impact on the sector and adjust as necessary when the outcomes of the Strategic Examination of R&D are known.** This could be achieved by focusing on reforms in the current Discovery program allowing further consideration of the broader implications of

changes in the Linkage program (i.e. impacts of changes to Centres of Excellence and Linkage Infrastructure, Equipment and Facilities funding).

## THE BASIC AND APPLIED RESEARCH DICHOTOMY

The Discussion Paper notes the perception that the distinction between the current ‘Discovery’ and ‘Linkage’ programs as being between ‘basic’ and ‘applied’ respectively. While this separation, which may be better characterised as a ‘progression’ was clearly a factor in the initial design of these programs, it is easy to see how over time to programs have become more siloed both in terms of the perceptions of researchers and in more practical and administrative ways.

UA agrees that the ARC should have more flexibility to fund (and re-fund) the best and boldest ‘early-stage’ research projects and is supportive of the proposed reset of the ‘Discovery’ and ‘Linkage’ nomenclature. The ideal scenario would be for all ARC funded projects to include articulated potential innovation pathways (emphasis on the plural).

However, while innovation may not be linear, it all starts with discovery. As we indicated in our previous submission to the policy review of the NCGP:

***There is limited [public] funding available in Australia for basic research. According to the latest ABS data, the university sector spent almost \$14 billion on research and development in 2022, representing overall growth of 10 per cent (or \$1.3 billion) over 2020. However, almost all of this growth (90 per cent) was in funding for applied research or experimental development, with funding for “pure basic” research actually contracting<sup>1</sup>.***

Noting the role of the ARC as almost the only source of publicly funded basic research across all disciplines except health and medical research, this is the primary basis of UA’s concern with respect to the implementation of NCGP reforms.

In a future state, where the SERD ideally led to significant defragmentation of Australia’s research funding landscape and we have taken strides to ensure our future sovereign research capability, then the ARC would be better placed to adopt a flexible approach funding the biggest and boldest projects across the basic to translation pathway

UA cannot support any policy which would lead to a further shift in public funding away from basic research and will continue to advocate for this to be at the core of the ARC’s raison d’être.

In consideration of this matter the ARC should refer back to the 2023 *Trusting Australia’s Ability* review report (Sheil Review) which sought to strengthen the ARC’s visions and its reputation as a trusted research investment agency “...particularly in its capacity as the prime source of government investment in pure basic and strategic basic research”<sup>2</sup>. This report resulted in the very recent amendments which (among other things) enshrine this very point in the *Australian Research Council Act 2001*.

---

<sup>1</sup> Australian Bureau of Statistics, Research and Experimental Development, Higher Education Organisations, Australia, 2022. <https://www.abs.gov.au/statistics/industry/technology-and-innovation/research-and-experimental-development-higher-education-organisations-australia/latest-release>

<sup>2</sup> <https://www.education.gov.au/higher-education-reviews-and-consultations/resources/trusting-australias-ability-review-australian-research-council-act-2001>, pp.4

## REDUCING ADMINISTRATIVE BURDEN

UA welcomes the proposed approach to reducing administrative burden through a simplified NCGP with a reduced number of funding schemes to create a more straightforward experience for researchers, their industry partners and research offices.

This will go a long way towards addressing administrative burden in the pre-award stage, however the discussion paper only very briefly touches on the post-award burden. As such, it is worth reiterating the following from UA's initial submission to the review.

***There are also measures that could be implemented to streamline post award processes, and UA recommends the ARC consult with research offices across the sector on how the ARC can help reduce the administrative burden on research offices post award. This includes looking at improving how documents for grant variations are submitted to RMS, how end of year reports are compiled, improving access to RMS for awardees throughout all stages and exploring flexibility in agreements with partners under the broader linkage portfolio.***

This issue is also canvassed in the Sheil Review which suggests the development of a risk-based approach to reporting and accountability of administering organisations and researchers in managing post-award arrangements<sup>3</sup>. It is unclear if the ARC has commenced work on such a framework.

## COMMITTING TO INDIGENOUS RESEARCHERS AND RESEARCH

UA is strongly supportive of initiatives to support Indigenous researchers including the proposed *Realise Indigenous Capability* grants.

That said, we do urge the ARC to consider the distinction between support for Indigenous researchers and support for research on questions relevant to communities which requires longer timelines to develop to build respectful and reciprocal, sustainable relationships with Indigenous Communities. This is critical for the building of rapport and will lead to more mutually beneficial research outcomes.

This is in line with the *Australian Universities Accord – Final Report* which said (of grants of 5 years or less):

***This undermines the capacity of universities to build coherent and connected programs of activity that drive longer-term basic or 'blue sky' research, i.e. the research which will provide the best, most innovative platforms for developing future solutions to wicked problems. It also negatively affects the research workforce, particularly early career researchers (ECRs), as it deters universities from offering long-term employment contracts beyond the life of a grant. The consequent job insecurity is jeopardising Australia's research workforce, as researchers secure work outside of Australia or leave the sector altogether<sup>4</sup>.***

This is particularly true with respect to Indigenous research and should be carried forward as a general principle in the final design of any new funding schemes.

---

<sup>3</sup> <https://www.education.gov.au/higher-education-reviews-and-consultations/resources/trusting-australias-ability-review-australian-research-council-act-2001>, pp.54

<sup>4</sup> <https://www.education.gov.au/australian-universities-accord/resources/final-report>, pp.205

Further, the proposed cap of two *Realise Indigenous Capability* grants per individual over the course of their career is arbitrary and extraneous, as such this is out of place in a reform process aimed at reducing burden and creating flexibility. Let the research speak for itself.

UA urges caution with respect to the imposition of any additional criteria with respect to grants for Indigenous research that requires verification of eligibility at the level of the Institution. If we want to walk the talk with regard to respecting Indigenous Knowledges and enhancing Indigenous research to address the key challenges in Closing the Gap we need to support the sector to engage with these challenges.

UA believes that proactive capability building is critical to this and would welcome stronger engagement between the new ARC Indigenous Forum and the UA DVC Indigenous Committee as well as our DVC Research – Indigenous Working Group. Establishing a dialogue between these groups would allow comparison and coordination of capability building efforts across the sector.

UA considers that ARC support for the sector wide uptake of the AIATSIS Core cultural learning course (in particular the module directly pertinent to research ethics) would be a positive step.

## **SUPPORTING EMCRS AND THE RESEARCH WORKFORCE**

UA is very supportive of call from across the sector to enshrine more supports for our early and mid-career researchers (EMCRs) into the funding ecosystem. The basis of the proposed *Initiate* grants to fund higher-risk, higher-reward projects is laudable as is the intent to recognise ‘new investigators’. Noting that these grants are intended to be “especially beneficial” to EMCRs funding is not quarantined for them but rather available to researchers regardless of their career stage.

The short-term nature of the projects is also questionable and may limit the scope of funded projects to the extent that they this reduces the quality and ultimate impact of the resulting research. This may also have an impact on the attractiveness of such grants across the sector reducing demand and also potentially have a detrimental impact on quality.

The administrative burden of undertaking a robust peer-review and ethics clearances for a large number of short-term, low value grants is likely to add to the burden both from a sectoral and ARC perspective.

Unless the ARC intends to make a continue with a funding stream which is only for EMCRs, UA considers that the intent of this funding stream should be consolidated with others in the proposed model with projects of at least 3+ years duration (discussed further below).

As a result of the Sheil Review in 2023, the ARC now also has support for academic career pathways as part of its legislative remit<sup>5</sup>. Combined with its position and status in Australia’s research ecosystem, this necessitates the ARC taking up a broader and more strategic role in the development of the research workforce.

To that end, UA recommends that the ARC work with relevant agencies and funding bodies to develop and implement a National Research Workforce Development Strategy. This is aligned with Recommendation 26 of the Accord<sup>6</sup>.

---

<sup>5</sup> <https://www.education.gov.au/higher-education-reviews-and-consultations/resources/trusting-australias-ability-review-australian-research-council-act-2001>, Recommendation 3.

<sup>6</sup> <https://www.education.gov.au/australian-universities-accord/resources/final-report>, pp.30

### **A model for a Research Workforce Development Strategy**

It is critical that any framework be co-designed with participation from key industry sectors, universities and Medical Research Institutes as well as relevant Government funding bodies and agencies including (but not limited to) the Australian Research Council, the National Health and Medical Research Council, the Department of Education, Jobs and Skills Australia and the Department of Innovation, Industry, Science and Resources.

The process for developing and research workforce strategy should include a detailed research sector profile as a baseline and outline clear expectations and roles across stakeholder groups. Ultimately a research workforce strategy could:

- Identify and address systemic barriers to researcher mobility between industry and academia
- drive engagement around particular skills needs across the R&I system both from an initial research training and professional development perspective
- consider the appropriate mix of domestic and skilled migration-based solutions to addressing skills gaps
- consider the barriers to entry for prospective Higher Degree by Research (HDR) candidates (including stipend rates) and supports institutional decision-making around HDR offerings
- articulate and encourages non-traditional research career pathways and with identified supports for Early to Mid-career Researchers
- support the development of an inclusive and diverse research workforce, which is representative of modern Australian society
- highlight the value of Indigenous Knowledges and methods as well as targeted strategies for the development of the Indigenous research workforce

### **ENSURING DIVERSITY IN THE RESEARCH SECTOR**

In UA's previous submission to this review, we included a section with this same name. It focused on three groups of researchers we consider must be actively and specifically engaged if we want a vibrant and diverse research sector.

The Discussion Paper and proposed funding streams address two out of three reasonably thoroughly (Indigenous researchers and EMCRs). However, the Discussion Paper barely touches on issues relating to gender diversity.

Retaining the Kathleen Fitzpatrick and Georgina Sweet awards is welcome but hardly sufficient.

UA once again encourages the ARC to explore how other agencies strive to achieve gender equity. For example, as part of the NHMRC Gender Equity Strategy 2022–2025, the National Health and Medical Research Council implemented targeted measures to ensure gender equity, especially across the senior leadership levels of the Investigator Grant scheme.

Whatever the final mix of funding schemes, it is imperative that the hard-won victories for female researchers are protected with appropriate mechanisms to ensure they receive an equitable share of the research funding pie.

## THE PROGRAM AND THE SCHEMES

### *Proposed Schemes*

The Discussion Paper does a good job of distilling the various objectives of the NCGP into a conceptual model of six schemes which is cogent and reasonable. UA understands that this was done in to give stakeholders something concrete to respond to and there is no doubt feedback will be more targeted and specific as a result.

As noted, the model appears to provide broad coverage of key areas, but it perhaps walks the line of ‘distinction without a difference’ in a couple of ways.

The *Realise Indigenous Capability* stream is a critical distinction and a version of this should certainly be retained.

*Lead and Mentor* also represents a novel approach and *Prioritise* is distinct in its direct connection to government research priorities, which is aligned with rhetoric around the SERD.

*Initiate*, *Breakthrough* and *Collaborate* however, are more difficult to bring into focus as distinct entities. They exist on a spectrum of duration and funding range which could easily be accounted for in a single scheme – as could the shifting focus on career stages.

The biggest difference in practice appears to be that under *Initiate* you don’t collaborate but work independently, in *Breakthrough* you can collaborate but don’t have to and in *Collaborate* well...it’s right there in the name. Targets for the number of small, medium and large (cooperative) grants along with targets for EMCRs to be funded could achieve this while allowing for greater streamlining of application processes and greater clarity of intent.

A key part of the *Initiate* design is that they might “...*Help researchers develop new ideas and projects to the maturity required for a Breakthrough grant.*”

These schemes must have the flexibility to respond to domestic needs and global trends. Including the need to retain our best researchers (as well as attract returning Australians), as we compete with initiatives such as Germany’s Humboldt Fellowships and the European Union’s Marie Skłodowska-Curie Actions, which offers attractive fellowships for non-European researchers.

### *Programs vs. Schemes*

The Discussion Paper notes that the proposed model would reduce the number of schemes from 15 to 6. This is a matter of perspective.

According to the Budget Papers (i.e. the ARC chapter of the Education Portfolio Budget Statements) (PBS) the ARC administers two PBS level programs:

- Program 1.1: Discovery – Research and Research Training
- Program 1.2: Linkage – Cross Sector Research Partnerships

These are referred to collectively as the NCGP, however the NCGP is not really a “program” in the sense that the word is used for Commonwealth Budget purposes.

This an important distinction in terms of accountability the parliament, to cabinet and to the Department of Finance. Within a PBS level program, Ministers (and their delegates) have a fair degree of latitude to implement programs in ways which address the broad policy authority under

which they are established. This is presumably how we reached the point of having 15 sub-programs or 'schemes' across these two high level programs.

This kind of flexibility is desirable in a fast-changing research landscape, however there must be checks and balances.

Whether the ARC ultimately decides to recommend to government a suite of 2, 6 or 15 funding schemes it must have a clear and defensible view on the appropriate mix of flexibility and accountability and how to ensure that this is appropriately enshrined in the Budget.

Based on the discussion of schemes above, UA suggests that a single National Competitive Grants Program (PBS level) should comprise four internal sub-programs or schemes – versions of:

- *Realise Indigenous Capability*
- *Lead and Mentor*
- *Prioritise*
- A hybrid of *Initiate, Breakthrough and Collaborate* which funds small through to large projects (with highest funding amounts reserved for collaborative projects) of at least 3 years duration and including publicly stated targets for EMCRs as Chief Investigator as well as for senior researchers if the consultation does result in there no longer being Australian Laureate Fellowships.

## CONCLUSION

Now more than ever it is critical that the purpose of the NCGP is clear. It is also important that the ARC continues to play a critical role as the bedrock of Australia's research ecosystem.

In an environment of economic constraints with funding continuing to shift towards the higher end of the TRL scale the NCGP must be utilised to dig the well of basic research and providing the critical early-stage connections between that basic research and industry application.

UA appreciates the way in which the Discussion Paper took account of the broad stakeholder views collected via the initial consultation process and used this to create a potential (and workable) model for the future of the NCGP. We are confident that between this review and the SERD, that appropriate and durable reforms will be implemented which set the stage for Australia's future research excellence.