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Go8 submission to the Senate Education and Employment Legislation Committee Review of the Australian Research Council Amendment (Ensuring Research Independence) Bill 2018

The Group of Eight (Go8), as Australia's leading research-intensive universities responsible for 70 per cent of the sector's research and with seven of its eight members ranked in the world's top 100 universities, welcomes the opportunity to respond to the Committee's Review of the Australian Research Council Amendment (Ensuring Research Independence) Bill 2018.

Please note that this submission represents the views of the Go8 as a whole. Individual Go8 members may also choose to provide a submission, focusing on their specific circumstances. **Also note that we are happy for this submission to be published and have no wish for any of it to be treated as confidential.**

The Go8 is the major stakeholder in the ARC funding programs receiving nearly 70 per cent of all funding allocations. This forms a significant part of the comprehensive research effort conducted across the Go8 which is worth \$3.5 billion annually.

The Go8 is committed to delivering world class research which is in the national interest. Australia's future prosperity will hinge on the capacity of our world-class researchers to undertake cutting edge research to meet our national priorities and support our economy and society. It is imperative that the funding of this research reflect world's best practice.

As such, the Go8 believes that the legislation under consideration, while important, is **tinkering at the edges of an outdated funding system which is long overdue for review** and is tackling only one symptom of deeper underlying issues with the ARC Governance and ARC Act, 2001.

The Go8 understands that the Federal Government is responsible for the expenditure of taxpayers' funds and ultimately determines where taxpayers' money is spent and that under the current act the Education Minister is responsible for funding and approving research proposals.

However, underlying these decisions **must be transparency around decision-making and timeliness of funding announcements**. The processes underpinning funding decisions must be robust, expert led, and evidence based. Recent practice would suggest they are not.



The Go8 recommends an overhaul of the ARC and the ARC Act 2001 that includes as core elements:

- **Affirmation of the mission of the ARC to support excellent research in the national interest across all disciplines and the spectrum of research activity.**
- **Addressing the decade long decline in real ARC funding noting that the ARC is the only major Government funder of non-health and medical discovery research in Australia.**
- **Adopting the international best practice *Haldane Principle* to ensure the allocation of public funding for individual research proposals are best taken following evaluation by an independent council of experts and not directly by a Government Department or Minister.**
- **Formal inclusion in the ARC Act of the mission, membership and operation of key committees such as the ARC Advisory Council.**
- **A removal of Ministerial decision-making on individual research applications.**

If a ministerial veto is retained, **and we would argue strongly that it should not**, an explanation of the decision, including evidence and advice considered by the Minister must be provided, and notwithstanding detailed issues regarding national security, be published.

In making these recommendations, the Go8 acknowledges that this marks the beginning of the process required to reform the operation of the ARC in the context of a broader review of Australia's research funding system. The Go8 is committed to working with the Australian Parliament and other stakeholders in the national interest.

Discussion

Basis for concerns and Go8 position

The vetoing of ARC recommended proposals in the last 20 years by four Education Ministers (the Hon Dr Brendan Nelson, Senator the Hon Simon Birmingham, the Hon Dan Tehan MP, and the Hon Stuart Robert MP) has attracted significant criticism from the Go8 and the wider research sector. This has largely been due to the blatant lack of transparency and apparent dismissal of the peer review process.

There is significant concern in the sector regarding the perceived absence of international best practice for assessing research funding applications – or recognition of the important role that peer review plays in determining the quality of applications.

There should be **full transparency on the reasons and processes leading to the Ministerial decision to avoid the risk and perception of political interference**. Without trust and rigour in the granting process, based on international standards that promote peer review as the basis for decisions, the Australian research system, its outcomes and participants will suffer reputational damage that will impact future collaborations and indeed Australia's participation as a leader in the global research system.

While the Go8 recommendations and this submission address the entirety of the ARC's National Competitive Grants Program (NCGP), in recent years it has been ARC recommended Discovery Projects proposals which have been rejected for funding. In addition, the greater proportion of rejected applications since 2018 are in the humanities. **This creates the additional perception that basic research – being funded largely under Discovery Projects – and in particular the humanities are being targeted.**



The Go8 urges the Committee to recommend that the Government continue to strongly support the Discovery Projects scheme to ensure:

- That blue-sky research relevant to advancing knowledge and discovery across research fields and over time is maintained and accrued
- That there is a strong foundation of ideas and experts necessary to foster innovation and the commercialisation of research
- That Australia maintains its well-deserved reputation for the sound and holistic nature of its research system, with its capability and capacity built on the spectrum of research from pure basic to experimental development.

Ministerial transparency

It is the responsibility of the Minister to ensure that funding allocations within the portfolio meet rigorous and appropriate standards and deliver value for money for the Australian taxpayer. A lack of substantive information regarding the reasons for rejection of ARC CEO recommended projects creates a perception of bias or political interference. While the Go8 has recommended an overhaul of the ARC that would address this issue in detail, in the short term and in the interests of transparency, the Minister should make public the reasons behind the decision.

To support the Ministerial decision-making process, the Go8 recommends that it should be made clearer to researchers the basis on which their application will be assessed with regard to elements outside the usual peer-review system, such as the National Interest Test.

Effects on researchers / Timeliness of decisions announced – breakdown of good ARC operation and governance

- The most recent round of funding impacted by Ministerial veto was the Discovery Projects 2022 which attracted over 6,000 applications, involving more than 10,000 researchers.
- The Discovery Projects 2022 was notable by the unprecedented delay in announcing the results on 24 December 2021.
- For those unsuccessful researchers, the delay impacted their ability to secure job opportunities or attract alternative funding.
- Delays in decision-making and announcements have significant consequences for a research workforce that is reliant on a grant system.
- This situation has been exacerbated by the delayed release of guidelines for Discovery Projects 2023. Those researchers who were unsuccessful in the Discovery Project 2022 round do not know when (or if) they will be able to apply for funding for the following Discovery Project 2023 round. This round was originally scheduled to open in November 2021.
- To avoid a repeat of this situation, the Go8 urges the Committee to recommend that the Australian Government set standards for reasonable timeframes for decision-making on ARC scheme application rounds, recognising that careers and livelihoods depend on the timeliness and reliability of the funding process.

The proposed amendments to the ARC Act 2001

Greater transparency and timeliness of funding decisions is the core issue for resolution.



It would be unfair and unreasonable to expect a Minister to have detailed knowledge, above and beyond those of the experts involved in the ARC's rigorous peer review process, about every single field of research. As such, there is significant danger where a Minister exercises discretion based on their naturally limited personal opinions about many research topics.

Whilst the Go8 accepts that the Minister should have an ongoing and key role in ensuring the effective performance of the ARC and its CEO, this should not extend to ministerial veto.

The proposed Bill amendments seek to address this by limiting the Minister's discretion to approve or reject recommended proposals, to approve a reduced amount of funding, and to seek advice beyond the recommendations of the ARC CEO.

These proposed amendments would bring the ARC into line with other grant funding bodies that report to the government. For example, the Minister for Health, on advice, allocates NHMRC funding to support the research mission of universities. Under this scheme, the Minister **does not have the discretion to veto grants that have been recommended by independent experts**. It would seem logical to align the ARC Act 2001 to the NHMRC Act 1992 in this instance.

Conclusion

The Go8 would be very happy to elaborate on the key points made in this submission and we look forward to continuing to work with the Committee to provide constructive input into its deliberations.

Yours sincerely

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CHIEF EXECUTIVE