



ROD INQUIRY
Submission No. 21.....

**COOPERATIVE RESEARCH
CENTRES COMMITTEE**

The Inquiry Secretary
House of Representatives Standing Committee on Science and Innovation
R1, Suite 116
Parliament House
Canberra ACT 2600

Inquiry into Business Commitment to Research and Development in Australia

I am pleased to make a submission to the inquiry on behalf of the Cooperative Research Centres (CRCs) Committee.

A Brief History

The CRC program commenced in 1991 with establishment of the first CRCs. In all there have been eight selection rounds; the eighth (2002) selection round is currently underway. The centres can be grouped under the following sectors:

- Manufacturing technology
- Information and communication technology
- Mining and energy
- Agricultural and rural based manufacturing
- Environment
- Medical science and technology

To date 123 centres have been established, but this number includes a significant number of centres which have been renewed for a second funding period. Each centre, once established is funded for seven years. At present there are 62 active CRCs.

The CRC program brings together universities, CSIRO, commonwealth and state government authorities, research institutes, and business and industry.

Since the inception of the program the total funding (including commitments through to 2007/2008) has been:

CRC grant: \$1.8 Billion
Total funding: \$7.3 Billion

This means that for every CRC grant dollar there has been a leverage resulting in an extra three dollars coming from the supporting participants.

Industry Participation

Industry had been a major contributor to the program since its inception and has contributed 24% of total funding, and is the biggest contributor outside the universities. A number of key statistics are included in the appendices of the enclosed 2002 CRC Compendium.

Collaborative arrangements with industry, addressing the needs of an industry sector and the utilisation and commercialisation of research outputs are key selection criteria in the selection process. Emphasis is also included on the links to small and medium sized enterprises (SMEs).

The CRC program has allowed industry to take advantage of cooperative research in which the results are greater than the sum of the parts. While there has been a recent downturn in industry expenditure on R&D, the CRC program has experienced the opposite; there has been steady growth in industry support for the CRC program since its inception.

Business Commitment to R&D

The CRC program has allowed for an increased commitment from business and industry to R&D in Australia. Business and industry, being research users, are heavily involved in setting the research priorities and strategies and in the overall research management of the program.

The CRC program has brought economic benefit to Australia, and this has been shown in major independent reviews of the program. The CRC program has removed many of the impediments to business involvement in R&D through the provision of the benefits of cooperative research.

The CRC Committee advises the Minister for Science on all aspects of the program and is presently developing performance measures for the program through which it should be possible to quantify the benefits to business and industry resulting from R&D involvement in CRCs.

I would be pleased to add further information on request and would be happy to appear before the Committee (along with colleagues from the CRC Committee) to discuss any further matters of interest to the Committee.

(Dr) G.N. Vaughan
Chair, CRC Committee
August 2002

Enclosed: 2002 CRC Compendium

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