

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 ADDITIONAL ESTIMATES HEARING

**Outcome:** 1

**Output Group:** ARC

#### **DEST Question No. E825\_04**

Senator Carr provided in writing.

#### **Question:**

- (a) The success rate under the Linkage Infrastructure Equipment and Facilities program is 55%. Can you confirm that? (Annual Report p. 192)
- (b) What is the reason for the high success rate? Do you think it's desirable?
- (c) Is the comparatively low application rate for this program connected, again, to the fact that universities have to match the funding you provide? What is the formula attached to this requirement?

#### **Answer:**

##### *Linkage Infrastructure Equipment and Facilities*

The ARC has provided the following response:

- (a) The 55 per cent success rate for applications for funding in 2003 under Linkage Infrastructure Equipment and Facilities (LIEF) was current at the time of the grants announcement made by the Minister for Education, Science and Training on 2 October 2002.

Subsequent to that announcement, in early 2003 the Minister approved funding for an additional 11 projects. The 11 projects were initially put aside as reserves to be funded if additional funds became available. This information is provided in a footnote to Table 3.4.1 in the ARC Annual Report (on page 77).

The inclusion of the additional 11 projects brought to 78 the total number of LIEF grants awarded in 2003. The success rate for LIEF in that year, with reserves included, therefore rose to 64 per cent.

- (b) Success rates are dependant on a number of factors including the number of applications, the quality of applications, the level of funding sought and the level of funding available. In the absence of statistically valid information about researchers' circumstances and intentions with regard to applications, it is difficult to identify the reasons for the high success rates with any confidence.

To some extent, however, the success rate of applications under LIEF may reflect the aim of the scheme which is to support large-scale cooperative initiatives involving two or more institutions, thereby allowing expensive facilities to be shared. As a result institutions are encouraged to develop proposals and apply for funding only for equipment and facilities that they have identified as being of the highest priority.

- (c) Universities are not required to match LIEF funding provided by the Government. LIEF funds up to a maximum of 75 per cent of the direct cost of purchasing equipment or creating a facility. At a minimum, collaborating institutions must provide a 25 per cent cash contribution.

The requirements for contributions from institutions are outlined in the funding rules for the LIEF scheme. An extract from the *Linkage Infrastructure Equipment and Facilities Funding Rules for Funding commencing in 2005* is provided below.

#### **4.2.4 Cash contribution by institutions**

*The cost of acquiring equipment or facilities must be itemised on the application form as cash and in-kind contributions by participating institutions. The LIEF Program will fund up to a maximum of 75 per cent of the direct cost of purchasing the equipment or creating the facility (net of GST).*

*Salaries of support or academic staff and the cost of buildings or other infrastructure may not be counted as cash contributions towards the purchase of a new item of equipment or facility. Such items may be included only as in-kind contributions. Supplier discounts on infrastructure items must be included in the application but may not be identified as cash or in-kind contributions.*

*The Minister may approve a lesser amount of funding than that sought by an applicant. In such cases, each participating institution is nonetheless required to contribute pro rata to the funded items at the rate identified in the funding application, irrespective of where those items are to be located. Institutions are required to contribute at a minimum the pro rata sum required, but may maintain the original level of commitment offered. If a participating institution fails to make its required contribution, the ARC may recover all or part of the funding provided to the administering institution.*