# EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 ADDITIONAL ESTIMATES HEARING

Outcome:3Output Group:3.2 – Assistance for collaboration and innovation

### DEST Question No. E761\_07

Senator Carr provided in writing.

### **Question:**

Automotive CRC

- 1. There has been a suggestion that in the case of the Automotive CRC that the price of participation by one company was that IP developed by the CRC become their private property or be made available for their exclusive use, rather than accessible to all partners. Is that correct?
- 2. What are the IP arrangements with that CRC?
- 3. Would such an exclusive arrangement breach CRC guidelines?
- 4. Are there any CRCs where IP arrangements provide full or part exclusivity to any of the partners?
- 5. It has also been suggested that as a result of the increasing commercial focus of CRCs, that in some CRCs directors are seeking to be paid up to \$60,000 per years in fees. Is that right?
- 6. Do you consider that such money, which could add up to millions over the life of a CRC, could be better used for research purposes?

# Answer:

#### Automotive CRC

- 1. No.
- 2. The Commonwealth Agreement for the provision of funding by the Commonwealth to the CRCs selected in the 2004 selection round (of which the CRC for Advanced Automotive Technology is one) sets out the conditions applying to the funding. Under clause 10 of the Commonwealth Agreement the AutoCRC is required to ensure that any IP is commercialised or otherwise utilised and that such use must maximise the national benefits accruing to Australia, including Australian industry, the Australian environment and the Australian economy generally.

The AutoCRC describes their IP arrangements on page 17 of their 2005-06 Annual report which is available at: <u>www.autocrc.com.au</u>.

3. Arrangements must take into account the requirements of the Commonwealth Agreement (as per 2 above).

- 4. CRCs have in place a range of intellectual property arrangements, including the first right of refusal to participants. All intellectual property arrangements must comply with the Commonwealth Agreement (as per 2 above).
- 5. The payment of directors' fees is at the discretion of the Governing Board of the CRC.
- 6. CRC Programme funds are provided to CRCs to undertake the activities of the CRC, including research, commercialisation and utilisation, education and training, administration and communication activities.