



FLINDERS UNIVERSITY
ADELAIDE • AUSTRALIA

*Department of Human Physiology
School of Medicine*

GPO Box 2100
Adelaide 5001
Australia

Telephone: (+61 8) 8204 4201
Fax: (+61 8) 8204 5768

March 27, 2001

The Secretary
Senate Employment, Workplace Relations,
Small Business and Education References Committee
Suite S1.61 Parliament house
CANBERRA ACT 2600
fax: 02 6277-5706 email: eet.sen@alp.gov.au

Dear Sir/Madam,

I write with a submission to the Committee with regard to the terms of reference relating to
“The capacity of public universities to meet Australia’s higher education needs.”

I write with particular reference to specific points in the terms of reference as indicated in the attachment entitled: Submission to the Senate inquiry into the capacity of public universities to meet Australia’s higher education needs.

This submission focuses on intellectual property rights deriving from NHMRC and ARC grants because of the critical importance of intellectual property rights to the growth of Australia’s knowledge based industries and hence the level of industry demand for University graduates.

This focus is particularly timely because the NHMRC is in the process of reworking its intellectual property and commercialisation guidelines. The current draft guidelines threaten to perpetuate the current system and its consequences for the economy.

Under the current system, Universities are provided with monopoly control over Australia’s intellectual property rights from NHMRC and ARC grants. This, coupled with the educational sector’s monopoly on Australia’s intellectual capital, positions the commercialisation arms of Universities in (unfair) competition with entrepreneurial start-up knowledge based companies. The outcome is clear: Australia has a weak and fragmented knowledge based industry sector and there is limited growth in industry demand for University graduates.

I am certain that the Senate Committee already appreciates the absolutely critical role played by intellectual property rights in growth of Australia’s information age economy. From the information in the attached submission, I trust that the Committee will clearly see: (i) the identity of the key barrier to enabling growth of knowledge based industries; (ii) how the Government is in a position to remove this barrier; and, (iii) how to achieve this and to stimulate economic growth in an administratively simple manner and without cost to the budget.

Yours sincerely,

Ian Ferguson PhD MBA
Senior Lecturer/Senior Research Fellow