



Group of Eight

AUSTRALIA'S LEADING UNIVERSITIES

5 April 2007

Mr John Carter
Secretary
Standing Committee on Employment,
Workplace Relations and Education
PO BOX 6100
Parliament House
Canberra ACT 2600

The University of Adelaide
The Australian National University
The University of Melbourne
Monash University
The University of New South Wales
The University of Queensland
The University of Sydney
The University of Western Australia

Dear Mr Carter

Inquiry into the provisions of the Higher Education Legislation Amendment (2007 Measures No.1) Bill 2007 (Cth)

The two most significant parts of the Bill under review are schedules 1 and 9 which respectively:

- give effect to new National Protocols for Higher Education Approval Processes (the Protocols) that have been endorsed by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA); and
- provide an appropriation of \$40.8 million to assist Australia's universities to meet the cost of implementing the Research Quality Framework (RQF).

The Group of Eight Limited

ABN 98 089 687 990

PO Box 4008 Manuka

ACT 2603 Australia

Telephone 02 6239 5488

Fax 02 6239 5808

<http://www.go8.edu.au>

The rest of the Bill makes a range of relatively routine technical and procedural amendments to the *Higher Education Support Act 2003 Cth* (HESA).

New National Protocols

The Go8 supports the adoption of the new protocols, the development of which has followed substantial review and consultation with the sector since 2003. Group of Eight universities support the pursuit of diversity in the Australian higher education system and the proposed new protocols should play their part in encouraging this. They provide appropriate protection for the use of the term 'university' in an Australian context, whilst also allowing for the establishment of more specialised institutions. So long as the Government remains vigilant about ensuring that the quality assurance mechanisms contained in HESA are rigorously enforced for all current and new entrants to the sector, the Go8 believes that the introduction of New Protocols will be a positive development for Australia's higher education system.

Research Quality Framework

Group of Eight universities are responsible for 60 per cent of all Australian university research and together win over 70 per cent of national competitive grants. Their combined expenditure on research and development is estimated to be in excess of \$AUD3 billion annually and growing.

The Go8 has set out in detail the position of its members universities on the RQF in the nine statements and formal submissions it has made since the policy development process commenced in early 2005 (**Attachment A**). The Go8's approach throughout this process has been based on a deep and abiding commitment to maintaining and enhancing the quality and impact of Australia's publicly funded research.

We have consistently stressed that any concerns held about the RQF relate to the proposed model and its implementation, not with the objectives behind the policy as originally understood. These were to:

1. heighten levels of transparency and awareness about the quality and broader impact of publicly funded research in a way that provides a platform for further investment in Australia's research system (Chair's Foreword, RQF Issues Paper, March 2005); and
2. provide the Australian Government with the evidence for redistributing research funding to ensure that areas of the highest quality of research are rewarded (Minister's Foreword, RQF Preferred Model Paper, 9 September 2006).

The Go8 has been consistent in its support for the introduction of an efficient, cost-effective, research quality assessment mechanism, capable of identifying and rewarding the best publicly funded research, wherever it occurs. Our hope was that the information produced by a rigorous, internationally benchmarked RQF would be used to direct research funding to reward research excellence and to build an even stronger case for increased public investment in university research. The Go8 is not yet convinced that the model endorsed by the Government is capable of achieving these outcomes.

The Go8 has advocated a preference for a validated metrics-based approach to the quality and impact assessment, similar to that which the Government of the United Kingdom announced it would move to after its 2008 Research Assessment Exercise (RAE). We believe that such an approach would provide a relatively simple and reliable mechanism for encouraging positive behaviour by institutions and researchers alike.

Further, one of the great benefits of a metrics model, over the approach endorsed by the Government, is its responsiveness to changes in research performance. Under the model as endorsed, institutional performance in 2001 will still be influencing funding outcomes in 2014. The Go8 believes that any framework for determining funding outcomes must be more responsive to changes in performance.

For reasons such as these and the others that have been set out in our earlier submissions, the Go8 does not believe that claims by the Department of Education, Science and Training that the 'higher education sector has consistently indicated that the approach used in the RQF provides the best approach to conducting a quality-based assessment process' or that '... the sector has continued to indicate a broad level of support, with some hesitation related to details that will be addressed in the implementation process' (DEST, Submission to the Productivity Commission, January 2007) are accurate.

Nevertheless, given that the Government has now announced its decision to proceed with the endorsed model from mid-2008, institutions have been left with little choice but to operate on the assumption that this will occur. The funding the Bill provides will go some way to assisting them to meet the significant costs they will incur through participation in the RQF. Therefore, despite continuing reservations about the model and the proposed implementation timetable, the Go8 urges the Senate to pass the Bill and allow the funding to flow to institutions.

The Go8 is hopeful that the trials of the endorsed model scheduled for selected institutions in April and May 2007 will provide an opportunity to identify structural and operational issues that can be addressed prior to the implementation of the final model in 2008. A number of Go8 universities have expressed interest in participating in the trials and we look forward to seeing the outcomes of these.

The Go8 notes in closing that in his foreword to the Development Advisory Group's Recommended RQF Model, the Chief Scientist, Dr Jim Peacock, recommended that if ' the Australian Government agrees to implement the RQF, the overall block grant envelope should be increased to reward high quality and high impact research. This would be an effective mechanism to encourage research of high quality and relevance and to drive increased investment in research by business and the wider community' (p.3).

The recently released Productivity Commission report on the value of public support for science and innovation found that the returns on public investment in R&D are strong, but that university block grants are under considerable pressure—not least because of the ever-increasing demands of competitive schemes for matching funding from institutions. In its submission to that inquiry the Go8 pointed out that this cost supplementation was estimated at \$450 million per annum for the whole sector in 2003-04. It is now likely to be closer to \$500 million with most of this burden being shouldered by Go8 institutions due to their relative success under competitive schemes.

While the Government has accepted the RQF model as proposed, it has to date not responded to the Chief Scientist's recommendation that additional funding should be attached to it in order to drive improved performance and outcomes. In the Go8's view, institutions are far more likely to accept the administrative burden the RQF will place on them, if they know that there are likely to be rewards for strong performance.

Yours sincerely

A handwritten signature in cursive script, reading "Virginia Walsh". The signature is written in black ink and is positioned to the left of a vertical red line.

Virginia Walsh
Executive Director

Attachment A

Group of Eight Papers on the Research Quality Framework*

7 March 2005	<i>Statement of Guiding Principles for the Research Quality Framework</i>
May 2005	<i>Response to the Department of Education Science and Training's Research Quality Framework Issues Paper</i>
May 2005	<i>Developing a workable model for encouraging and rewarding quality research in Australia</i>
May 2005	<i>A revised model for identifying and rewarding quality research in Australia</i>
4 October 2005	<i>Response to the Expert Advisory Group's Preferred Model Paper for the Research Quality Framework</i>
3 July 2006	<i>Submission on the measurement of research impact under the RQF</i>
August 2006	<i>Response to the Research Quality Framework Development Advisory Group's Guiding Principles document</i>
6 October 2006	<i>Response to Research Quality Framework Development Advisory Group's Research Impact Assessment paper</i>
December 2006	<i>Response to the Productivity Commission's draft report on public support for science and innovation in Australia (pp. 5-6)</i>

*All of these papers are available through the Group of Eight's website:
<http://www.go8.edu.au/policy/previous.htm>