

## Research block grant reform to boost incentives for greater university and industry collaboration

31 May 2022

The Australian Technology Network of Universities (ATN) welcomes the opportunity to provide a response to the Department of Education, Skills and Employment's *Research block grant reform to boost incentives for greater university and industry collaboration* consultation paper.

ATN is the peak body representing Australia's six most innovative and enterprising universities: Curtin University, Deakin University, RMIT University, The University of Newcastle, University of South Australia, and University of Technology Sydney.

As universities focused on engagement and impact, we know that by harnessing Australia's own ideas and capability we can develop and make the most of our own skilled workforce, deliver on national priorities, and build our national knowledge and innovation base.

University research contributes to national economic development, international competitiveness and the attainment of social goals. This contribution requires translation of research into those economic, social, environmental, cultural and other impacts, particularly in partnership with communities and industry.

This is important not only in the light of the recent focus on the commercialisation and translation of university research, but also as a long-standing and valued part of our university system. Research translation must be understood as one of the potential outcomes of research, as part of a much broader vision for university research.

It is appropriate that these community and industry partnerships are recognised by our research funding system. It is also important to understand that to continue our supply of ideas and expertise to industry, a broad range of research is needed including discovery research and research in the humanities, arts and social science that is vital for understanding our world and the people in it.

### Recommendations

**ATN recommends that the proposed changes to the research block grants be reconsidered as part of a new Government strategy for research sustainability, that incorporates the sustainable funding of a research pipeline and targeted support for translation and commercialisation.**

1. Support a pipeline of research from discovery through to application and commercialisation.
2. Provide direct and targeted support for translation and commercialisation activities.
3. Ensure social and community impact and research in the humanities, arts and social sciences is properly represented, recognised and supported.
4. Coordinate the investment across all of Government by developing a comprehensive research strategy that incorporates the research block grants, Australian Research Council, National Health and Medical Research Council, Medical Research Future Fund, and Australian Strategic Research Agency.

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ATN supports the following statement from the consultation paper:

*Australia's research system provides universities and industry with the opportunity to move our basic research effort forward, to translate it into new products and innovations that lift the nation's economic prosperity. Achieving this requires a systematic, whole-of-government approach that continues to support basic research while working towards the Government's priorities to drive greater university and industry engagement, and commercial returns.*

We will engage in any reforms that support our focus on innovation, enterprise, engagement and impact and support our discovery research and the translation and commercialisation of our research.

However, the following statement does not recognise the importance of community and social impact, the in-kind support often provided by our partners, or the need to increase sustainable funding for research:

*The proposed reform to the RBG funding framework is designed so that universities who collaborate more with industry to generate research income will benefit from an increased share of RBG funding.*

While they are couched in the commercialisation agenda, these reforms to the research block grants should be reconsidered as part of an overall strategy for research sustainability.

To coordinate its investment in research across all of its strategies and priorities, the Government should plan and invest in a comprehensive research strategy.

This strategy should encompass a whole of Government approach and coordinates existing and future investments in research through all programs including the:

- Research block grants
- Australian Research Council
- National Health and Medical Research Council
- Medical Research Future Fund
- Trailblazer Universities Program
- Australian Strategic Research Agency
- National Reconstruction Fund
- Cooperative Research Centres.

This is a valuable opportunity to align Government, university and industry investment in research and education across a range of programs, innovations, and high-value and strategic industries. This will help to deliver outcomes for Australia in key priorities like healthcare, aged care, childcare, disability care, manufacturing, and cleaner energy.

Industry and community engagement and can take many forms that are not all adequately represented in terms of research income. A fairer and more sustainable research funding system must recognise that engagement often relies on:

- Using industry and community expertise to maximise knowledge translation, capability building, and economic, social, national security and environmental outcomes
- Using industry and community networks to improve collaboration with external partners in Australia and internationally
- Encouraging the exchange of people, skills and knowledge, data, processes and infrastructure between research and industry and community sectors
- Working with industry and communities to make infrastructure accessible as possible.

The National Research Infrastructure Roadmap 2021 rightly recognised that “creative arts, humanities and social sciences play an important role in ensuring social acceptance and uptake of research outcomes, adoption of new technologies and ensuring ethical and responsible development and application of emerging technology.”

We need to ensure that humanities, arts and social sciences research is properly recognised. This research helps address significant challenges of a social and cultural nature that impact many Australians, for which new knowledge and solutions are required. Many relate directly to the areas which are being prioritised:

- **Poverty** e.g. an increasing number of people cannot afford a nutritious diet
- **Precarity** e.g. many forms of health are adversely impacted by anxiety from increasingly precarious, unsupported lives
- **Exclusion** e.g. many people are effectively excluded from participation and choice in Australian life, including many areas of arts and culture
- **Unaffordability** e.g. unmet basic material/human needs such as unaffordable housing stands out as a priority for Australia.

One of the emerging priorities is ensuring Australia’s defence, security and sovereign capability by developing our ideas, expertise and infrastructure. This was highlighted by the recent announcement of the Australia Strategic Research Agency (ASRA).

Australia’s capacity to conduct research, safeguard resulting intellectual property, share that with trusted partners, and engage in secure product development will be crucial to protecting and promoting Australia’s interests. Australia’s universities are well positioned to participate in this research and development due to an ever-increasing awareness of and vigilance towards security risks.

While ASRA would be supporting industry-engaged strategic and defence research, this would presumably be counted as Government sourced research income for the purposes of the research block grants. The incentive for industry sourced research income runs counter to this important area of research and demonstrates the difficulties in allocating block grants in this way.

When considering the allocation of research block grants, the Government should be aware of the relationships between Government, universities and industry outlined in figures 1 and 2 below.

## Conclusion

As universities focused on engagement and impact, we always welcome the opportunity to shape a research system that encourages and enables these outcomes. The proposed changes to the research block grants are not sufficiently focused or substantial enough to drive the kinds of impacts envisioned.

ATN looks forward to contributing to a wider and deeper engagement with the Government on developing a research sustainability strategy. This strategy needs to include increased support for the discovery-to-commercialisation pipeline, direct and targeted support for translation and commercialisation, acknowledgement of the importance of community and social impact, and coordination of investment across Government.

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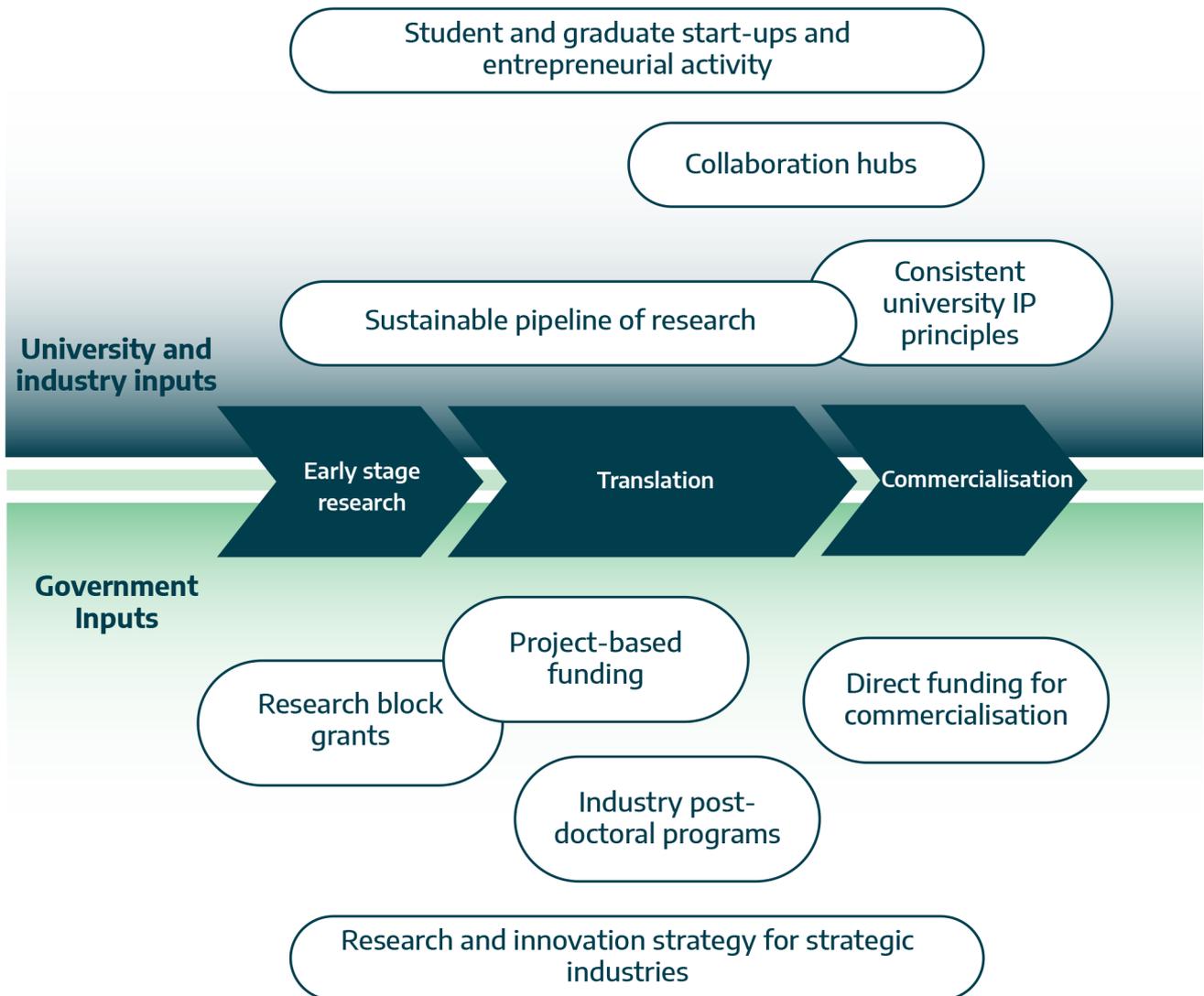
Further enquiries should be addressed to:

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**Figure 1: Mapping university, industry and government inputs to the innovation pipeline**



**Figure 2: Mapping capabilities in the research and development system**

