

31 May 2022

The Regional Universities Network (RUN) welcomes the opportunity to comment on the Department of Education, Skills and Employment's *Research block grant reform to boost incentives for greater university and industry collaboration* consultation paper.

RUN is a national collaborative group of seven regional Australian universities: Charles Sturt University, CQUniversity Australia, Federation University Australia, Southern Cross University, University of New England, University of Southern Queensland, and University of the Sunshine Coast. This RUN submission does not prohibit RUN universities from making their own submissions addressing in detail any specific issues they wish to explore with the discussion paper.

The proposed reform to the research block grant funding framework

Broadly speaking RUN are supportive of the reforms proposed to the research block grant funding framework noting the desire to further incentivise and reward universities for industry collaboration. We do not believe however that the proposed reforms will significantly incentivise increased collaboration and result in materially different outcomes. RUN would note that international comparisons require nuanced consideration as economies of countries vary substantially, as do policy settings which may lead to unfavourable comparisons if not conducted carefully.

Definition of industry

RUN believes that definitions of industry in the proposed reform needs to be reconsidered. The proposed change to HERDC Category 2 lists that commonwealth, state/territory, and local governments be considered as 'government' rather than 'industry'. In regional Australia, in particular, this definition understates the level of university engagement. The prior framework had HERDC Category 2 noted as 'engagement', and RUN believes that the proposed reform to the framework should continue to consider HERDC Category 2 as 'industry' rather than 'government'.

Definition of internships

At present a research end-user is defined as an individual, community, or organisation external to academia that will directly use or directly benefit from the output, outcome or results of research and includes businesses, government bodies, non-governmental organisations, and communities and community organisations. However, the following are not considered research end users: other universities or higher education providers, nor organisations that are affiliates, controlled entities, or subsidiaries of a higher education provider. This means that research institutes or technology labs that have emerged from universities or affiliated with universities are not considered research end users. This creates mixed-messaging given that universities are being encouraged to increase their commercialisation activity, and yet will be unable to place higher-degree research candidates into placements within the resulting entities that are both research-intensive and commercially focussed. For regional universities, where industry density is significantly less than what is found in metropolitan areas, this creates an additional burden to place students into meaningful, affordable, and convenient internships. The research institutes and technology labs, in the majority of cases are only tangentially related to a university. A large number of staff working in these are not direct employees of universities, however they utilise the expertise of the universities in conjunction with industry. There would be significant benefit to students, by allowing their internships to occur with such institutes and labs.

Additionally, RUN believes that with the logistical challenges (distance and expense) of placing students in internships in regional Australia – it would be advantageous to facilitate a more flexible approach to internships.

Applicability to disciplines

Notwithstanding the broader policy intent to increase university and industry collaboration and research translation, RUN cautions against treating all research disciplines in the same manner. All research disciplines contribute to Australia's global standing, and incentives for greater industry collaboration need to be measured against the applicability of those incentives to all disciplines. The humanities, arts, and social sciences will have greater difficulty seeking industry funding compared to other disciplines. Despite these difficulties, the importance of these disciplines in the knowledge stock of Australia should not be underestimated, and institutions and researchers should not be unduly punished for undertaking important research in these areas.

Flexibility of funding

RUN believes the strengthened flexibility and autonomy to direct RBG funding to areas where it is most needed has been positive and we are pleased to see that the proposed reforms will not change this. RUN would like to see increased flexibility in rolling year on year funding forward.

Conditions for international students

As outlined in the Commonwealth Scholarships Guidelines (Research) 2017, a higher education provider may only spend up to a maximum of 10 per cent of its Research Training Program (RTP) grant amount in a grant year, on the provision of RTP scholarships to international students. At present this unduly punishes regional universities from being able to explore a range of strategic international partnerships. It also results in hindrance to developing research excellence, as highly qualified international higher-degree research candidates cannot be attracted to regional institutions (even where there are no domestic applicants available), due to the incredibly small number of RTP scholarships able to be allocated to the international student category. The current allocation of RTP is inequitable, with eight institutions receiving approximately 60 per cent of RTP funding, while 20 institutions receive less than 10 per cent of the funding (with the largest institution of those 20 receiving only 1.3 per cent of RTP funding). With less historically research-intensive universities receiving less RTP funding, this also limits their opportunities to benefit from their research excellence. This is biased to ensure the benefit goes to institutions who have been historically privileged while limiting other institutions. RUN recommends that the per cent restriction be reviewed. There are numerous ways in which this can be improved, either from removing the cap from institutions that receive lower than average RTP grants; to increasing the flexibility or the 10 per cent cap such that institutions could utilise a rolling average over three to five years, meaning resources could be pooled and rolled out in one year to offer a reasonably sized international scholarship scheme, and then have quieter years either side.

Greater understanding between universities and industry

To enable greater understanding, and to encourage greater collaboration, it would be incredibly useful for the results of this consultation to be shared openly, so industry can better understand universities and universities can better understand industry. At present there remain communication and cultural barriers which inhibit greater collaboration, and RUN is supportive of any measures that will increase opportunities for increased understanding and therefore increase the opportunities for increased collaboration.