

Australian Universities Accord 2023

Discussion Paper

Submission by the Institute for Culture and Society, Western Sydney University

The Institute for Culture and Society, Western Sydney University, welcomes the opportunity to respond to the Australian Universities Accord discussion paper.

As a research intensive Institute, we have focused on response on select sections and questions of the report that deal specifically with research related matters.

Views expressed in this submission are independent of the submission made Western Sydney University.

Research and Innovation: 3.4 and 3.7.2

3.4 A system that delivers new knowledge, innovation and capability

For Australia to increase its world-leading new knowledge, innovation and capability, what would need to change?

Q23 How should an Accord help Australia increase collaboration between industry, government and universities to solve big challenges?

Q24 What reforms will enable Australian research institutions to achieve excellence, scale and impact in particular fields?

First, by way of framing, we have a somewhat different reading of OECD figures as presented in the Discussion Paper (DP). How numbers and statistics are read and interpreted is important, as the DP understands well in the way it frames section 3.4.

We recommend the Accord establish funding for research that benchmarks gross domestic spending on research and development against similarly 'middle-power' OECD countries. In 2000, Australia's gross domestic spending on R&D was 1.475% of GDP, ranking below countries such as Austria (1.886%), Belgium (1.936%), Canada (1.858%), Finland (3.241%), France (2.093%), Germany (2.410%), Israel (3.930%), South Korea (2.125%), Singapore (1.817%), Switzerland (2.259%) and Taiwan (1.913%).

The latest OECD select country data for 2019 show Australia spending 1.797% of GDP on R&D, while Austria spends 3.130%, Belgium 3.159%, Canada 1.746%, Finland 2.800%, France 2.192%,

Germany 3.186%, Israel 5.140%, South Korea 4.627%, Singapore 1.891%, Switzerland 3.147% and Taiwan 3.493%.

Overall, Australia's investment in research and development is substantially lower than most countries tabled in this brief comparison. Many competitor countries in the region have dramatically increased levels of investment in R&D. Unless Australia increases investment, it is set to fall further behind the majority of OECD countries and faces the likely prospect of declining competitiveness in the commercialisation activities that follow on from investment in R&D. Source: OECD 2022.

To address Q23 and Q24 specifically, then, **an Accord will help increase collaboration and achieve excellence and impact through two key policy shifts: 1) increased funding for pure/basic research, 2) policy development that compels industry to want to collaborate with university researchers.**

Currently, the ARC Linkage Project scheme evidences for many years that there is a strong and growing appetite in universities to collaborate with industry. Similarly, initiatives such as the [Cooperative Research Centre](#) scheme, running since 1990, demonstrate that certain industry sectors are serious about business-led collaborations with universities.

Overall, the Discussion Paper tends to assume that innovation and industry collaboration is the responsibility of universities and not industry. Yet industry remains reluctant to fund research. **Despite schemes such as LPs and CRCs, there is no great compulsion to fund research from the side of the business community, whose chief interest remains in boosting shareholder value.** Recommended policy changes to increase collaboration between industry, government and universities are suggested in our responses to questions 25 and 26.

Q25 How should Australia leverage its research capacity overall and use it more effectively to develop new capabilities and solve wicked problems?

Q26 How can Australia stimulate greater industry investment in research and more effective collaboration?

The clear although not explicitly stated conclusion of the Discussion Paper is that initiatives and mechanisms such as ARC LPs and CRCs, which were designed to 'incentivise' collaboration, have found limited success. The Discussion Paper suggests funding for basic research should be redirected to more applied research, despite the demonstrable ineffectiveness of such funding

to galvanize more substantial research funding input from the industry side. Based on this historical evidence, we suggest research funding policy needs to rethink how government levers and regulates industry to ‘incentivise’ business interest in such a way that translates into greater engagement with the university sector in the pursuit of innovative research.

There may be value in revisiting an enormously successful policy initiative of the government through the 10BA Division (1981) of the Income Tax Act. Initially allowing investors a 150% tax concession on investment, by the end of the 1980s this had been reduced to a flat 100%. The 10BA was a highly successful policy instrument in terms of financing blockbuster movies such as *Crocodile Dundee*, among others, bringing Australian cinema to world attention and contributing to a flourishing industry during that decade.

Something similar to 10BA may warrant investigation for industry collaboration with the university sector.

Q27 How can we improve research training in Australia including improving pathways for researchers to gain experience and develop high-impact careers in government and industry?

Stripping the ever-increasing volume of red tape and obsession with bureaucratic procedures would have an astonishing and immediate impact on improving pathways for researchers on multiple fronts. Research might actually get done, rather than a grossly inflated expenditure of time, resources and energy for layers of personnel to work through forms and procedures required to make first and ongoing steps in any number of activities collaborations that enable career development. The chance to actualise high-impact careers whether with government, industry or within academia is terribly stifled and impeded by ever-expanding red-tape regimes and institutional obsessions with procedure. The phantom of risk and litigation needs a reality-check if researchers are to get on a pathway to anywhere.

3.7 Quality and sustainability

3.7.2 Research Quality

Q41 How should research quality be prioritised and supported most effectively over the next decade?

Beyond yet further efforts directed towards systems of measure, research quality could be prioritised significantly in both government and higher education sectors if academic researchers were recognised and drawn on for their expertise. The context for this statement is the widespread practice over the past two or so decades for government departments and

university managers to allocate substantial amounts of funds to commission reports and reviews by highly expensive consultancy firms such as Deloitte, PwC and KPMG. This is not a practice isolated to Australia, but global in reach, with consultancy firms wielding significant power in advising governments and universities on matters of strategic concern. Conflict of interest issues aside, this is a particularly disturbing practice and trend, and is odd for many reasons, not least for the way it suggests that governments and universities don't trust and perhaps doubt the competency of university researchers to advise on a range of matters that require informed input from experts across disciplines.

In short, research quality could be enhanced beyond the perennial preoccupation with measure by recognising and attending to the relation between institutional affirmation and research quality. Research quality could be prioritised well and effectively if both government and universities trusted the quality of research in the peak institutional settings that concentrated research quality and expertise, namely universities. There would be significant funding leverage and gains for research with such a cultural and political shift in institutional coordinates bearing upon research quality.

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