ARC overview

Role and functions
Organisational structure
Board membership
Performance reporting
The mission of the Australian Research Council (ARC) is to advance Australia’s research excellence to be globally competitive and deliver benefits to the community.

The key objectives of the ARC, as stated in the ARC Strategic Action Plan 2003-05, are to:

> develop and maintain a broad foundation of high-quality world-class research across a wide range of disciplines;

> encourage and extend cooperative approaches to research by strengthening links within Australia’s innovation system and with innovation systems internationally;

> contribute to high-quality research training and foster the careers of Australia’s best and brightest researchers;

> facilitate access for Australian researchers to state-of-the-art facilities and equipment and provide incentives for the cooperative development of research infrastructure;

> contribute to the development of a coordinated approach to setting priorities in research and research training;

> increase awareness, understanding and support among the community of the outcomes and benefits of Australian research; and

> implement a governance and organisation structure, together with management processes, to enable the ARC to achieve its objectives within a framework of transparency and accountability.

The ARC was established under the Australian Research Council Act 2001 (ARC Act) on 1 July 2001. It was also established as a statutory agency under the Public Service Act 1999 and a prescribed agency under the Financial Management and Accountability Act 1997.

During 2003–04 the Higher Education Legislation Amendment Act 2003 was passed by Parliament. This Act resulted in a number of changes to the ARC Act, including the transition of the ARC’s program funding from a calendar-year to a financial-year basis. The changes to the Act are described in Section 3 of this report (see page 116).

The functions of the ARC, as set out in section 6 of the ARC Act, are to administer the research programs for which it has responsibility (the National Competitive Grants Program (NCGP)), to make recommendations to the Minister for Education, Science and Training (the Minister) on the allocation of funds within the research program, and to provide advice to the Minister on research matters.
NATIONAL COMPETITIVE GRANTS PROGRAM

The NCGP, which was established in 2001, is the primary vehicle by which the ARC pursues its over-arching mission and key objectives. Through its management of the NCGP the ARC promotes the conduct of research and research training that is of the highest quality for the benefit of the Australian community across all disciplines (except clinical medicine and dentistry).

The NCGP comprises two main elements—Discovery and Linkage—which together provide a set of interrelated programs structured so as to provide a pathway of incentives for researchers to build the scope and scale of their work. Incentives are provided to researchers by a program structure that, broadly, targets funding in two areas: (i) building research capability, and (ii) achieving focus through critical mass. The building of research capability occurs by nurturing the skills and expertise of individuals and encouraging partnerships through the formation of teams. Achieving focus occurs by supporting greater connectivity through the formation of networks and by promoting the building of critical mass in the form of research centres. This approach, embodied by the NCGP, is summarised in Figure 2.1. Allocations against the main elements of the NCGP in 2003 to 2004-05 are shown in Table 2.1.
<table>
<thead>
<tr>
<th>Program</th>
<th>CY 2003 (actual) ($)</th>
<th>Jan–Jun 2004¹ (actual) ($)</th>
<th>FY 2004–05 (estimate) ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discovery</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discovery Indigenous Researchers Development</td>
<td>0.236</td>
<td>0.123</td>
<td>0.235</td>
</tr>
<tr>
<td>Discovery Projects (includes fellowships)</td>
<td>186.706</td>
<td>102.963</td>
<td>235.582</td>
</tr>
<tr>
<td>Federation Fellowships</td>
<td>14.253</td>
<td>7.317</td>
<td>27.392</td>
</tr>
<tr>
<td><strong>Sub-total Discovery</strong></td>
<td>201.194</td>
<td>110.403</td>
<td>263.209</td>
</tr>
<tr>
<td><strong>Linkage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centres²</td>
<td>55.799</td>
<td>33.368</td>
<td>85.103</td>
</tr>
<tr>
<td>Linkage Infrastructure Equipment and Facilities</td>
<td>20.291</td>
<td>21.509</td>
<td>25.794</td>
</tr>
<tr>
<td>Linkage International</td>
<td>3.373</td>
<td>1.504</td>
<td>3.080</td>
</tr>
<tr>
<td>Linkage Projects</td>
<td>71.439</td>
<td>38.954</td>
<td>104.751</td>
</tr>
<tr>
<td><strong>Linkage Other</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Postdoctoral Fellowships CSIRO</td>
<td>0.659</td>
<td>0.347</td>
<td>0.358</td>
</tr>
<tr>
<td>Learned Academies Special Projects</td>
<td>0.463</td>
<td>0.231</td>
<td>0.472</td>
</tr>
<tr>
<td>Special Research Initiatives</td>
<td>2.599</td>
<td>0.060</td>
<td>0.275</td>
</tr>
<tr>
<td>ANZCCART³</td>
<td>0.027</td>
<td>0.000</td>
<td>0.030</td>
</tr>
<tr>
<td><strong>Sub-total Linkage</strong></td>
<td>154.649</td>
<td>95.973</td>
<td>219.863</td>
</tr>
<tr>
<td><strong>TOTAL NCGP</strong></td>
<td>355.843</td>
<td>206.376</td>
<td>483.072</td>
</tr>
</tbody>
</table>

¹ The Higher Education Legislation Amendment Act 2003 changed the ARC’s program funding to a financial year basis. To make the transition from calendar to financial years, the ARC Act treats the period 1 January 2004 to 30 June 2004 as a financial year.

² Includes Centres of Excellence in biotechnology and information and communications technology, ARC Centres of Excellence, ARC Centres, the Australian Centre for Plant Functional Genomics, Special Research Centres and Key Centres of Teaching and Research

³ Australian and New Zealand Council for the Care of Animals in Research and Teaching
The structure of the ARC as at 30 June 2004 is shown in Figure 2.2.

The main elements of this structure were as follows:

> a **Board** comprising 14 members including a part-time Chairman. A listing of the Board members is provided on page 22.

> a **Chief Executive Officer**, assisted by a Deputy Chief Executive Officer, with responsibility for day-to-day leadership of the organisation.

> a **Corporate Branch** headed by an Executive Director and comprising four sections—Finance, People Management and Development, Systems and the Application and Grants Management System project team.

> a **Disciplines and Programs Branch** comprising six management units each headed by an Executive Director. The management units, which are structured around six broad disciplinary clusters, have responsibility for administration of particular program elements of the NCGP. These responsibilities are outlined below.

> an **Executive and External Relations Section** responsible for executive and Board support, coordination of liaison with the Minister’s office, and international liaison activities. During 2003–04, responsibility for the ARC’s communications activities was incorporated within the Executive and External Relations Section.

> a **Policy and Planning Section** responsible for coordination of policy development, strategic planning and performance reporting activities.

As noted above, each Executive Director in the Disciplines and Programs Branch has program as well as disciplinary responsibilities. These responsibilities as at 30 June 2004 were as follows:

> Professor Alan Johnson, Biological Sciences and Biotechnology—Discovery Projects;

> vacant¹, Engineering and Environmental Sciences—Linkage Projects;

> Dr Mandy Thomas, Humanities and Creative Arts—Discovery Indigenous Researchers Development, Federation Fellowships and Linkage International;

> Professor Ah Chung Tsoi, Mathematics, Information and Communication Sciences—Linkage Infrastructure Equipment and Facilities;

> Professor Erich Weigold, Physics, Chemistry and Geoscience—Centres; and

> Professor Elim Papadakis, Social, Behavioural and Economic Sciences—ARC Research Networks.

Further information about the roles and responsibilities of the ARC Board and the ARC’s executive staff is provided in Section 4.

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¹ Until his appointment as Acting CEO on 17 May 2004, Dr Stephen Walker occupied the position of Executive Director, Engineering and Environmental Sciences.
Professor Vicki Sara went on leave in May 2004 pending her retirement from the ARC effective 30 June 2004. Dr Stephen Walker, previously Executive Director, Engineering and Environmental Sciences, was appointed as Acting CEO in her absence.
At 30 June 2004, the ARC Board comprised the members listed below. Further information about Board membership is provided in Section 4 and Appendix 6 of this report.

Mr Tim Besley AC  
[Chairman]

Dr Robin Batterham AO  
Chief Scientist for the  
Commonwealth of Australia  
[Ex officio member]

Professor Edwina Cornish  
Deputy Vice-Chancellor  
(Research), Monash University  
[Member]

Professor Peter Doherty AC  
The University of Melbourne  
[Member]

Dr Michael Folie  
Deputy Chairman  
InterOil Corporation  
[Member]

Dr Jeffrey Harmer  
Secretary, Department of Education,  
Science and Training  
[Ex officio member]

Mrs Janet Holmes à Court AO  
Heytesbury Pty Ltd  
[Member]

Professor Wyatt (Rory) Hume  
[Member]

Dr Patricia Kailis AM OBE  
MG Kailis Group  
[Member]

Dr Chris Nicol  
Managing Director  
Agere Systems  
[Member]

Mr Mark Paterson  
Secretary, Department of Industry,  
Tourism and Resources  
[Ex officio member]

Professor Vicki Sara¹  
Chief Executive Officer  
Australian Research Council  
[Ex officio member]

Dr Michael Sargent AM  
Consultant, MA Sargent and  
Associates Pty Ltd  
[Member]

Professor John Shine AO  
Chair, National Health and Medical  
Research Council  
[Ex officio member]

Dr Stephen Walker¹  
Acting CEO (from 17 May 2004)  
Australian Research Council  
[Ex officio member]

¹ Professor Vicki Sara went on leave in May 2004 pending her retirement from the ARC effective 30 June 2004. Dr Stephen Walker, previously Executive Director, Engineering and Environmental Sciences, was appointed as Acting CEO in her absence.
Outcome and output structure

The ARC’s outcome and output structure as described in the Portfolio Budget Statements 2003–04: Education, Science and Training Portfolio is shown in Figure 2.3. There were no changes to this structure during 2003–04.

Requirements under the ARC Act

The ARC is required under section 42 of the ARC Act to prepare a strategic plan each year which covers a period of at least three years, and sets out the ARC’s goals, priorities, policies, strategies and performance indicators. The strategic plan must be approved by the Minister and tabled in Parliament (section 43).

Section 45 of the ARC Act further requires that the ARC Annual Report include an assessment of the ARC’s performance against the performance indicators set out in the strategic plan.

Figure 2.3: Outcome and output structure of the ARC, 2003–04

Outcome 1
Australian research that advances the global knowledge and skills base leading to economic, social, cultural and environmental benefits for the Australian community

Total administered expenses: $413.858m
Total cost of outputs: $12.425m
Departmental appropriations: $12.357m

Output 1
Competitive Research Schemes

Total cost of outputs: $12.425m
Requirements under the ARC Act

The ARC is required under section 42 of the ARC Act to prepare a strategic plan each year which covers a period of at least three years, and sets out the ARC's goals, priorities, policies, strategies and performance indicators. The strategic plan must be approved by the Minister and tabled in Parliament (section 43).

Section 45 of the ARC Act further requires that the ARC Annual Report include an assessment of the ARC's performance against the performance indicators set out in the strategic plan.