



LINKAGE — PROJECTS

Guidelines for applicants

for funding commencing in

2002

Australian Research Council
Linkage–Projects
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Acronyms

The following acronyms are used throughout these guidelines.

APAI	Australian Postgraduate Award Industry
APDI	Australian Postdoctoral Fellowship Industry
ARC	Australian Research Council
EAC	Expert Advisory Committee
HECS	Higher Education Contribution Scheme
IAS	Institute of Advanced Studies
NHMRC	National Health and Medical Research Council
SPIRT	Strategic Partnerships with Industry–Research and Training
SRC	Special Research Centre

Australian Research Council

Linkage–Projects

Guidelines for Funding Commencing in 2002

1 Introduction

The Australian Research Council's (ARC) Linkage–Projects is part of a new National Competitive Grants Programme (NCGP) being introduced in 2001 for funding commencing in 2002. The NCGP streamlines the grant allocation process into two elements, Discovery and Linkage.

Linkage–Projects is an application-based programme available for individual researchers or research teams.

These Guidelines are written on the basis that it is the researcher who is the applicant. However, grants from the ARC are made to institutions, not the individual researchers.

2 Objectives

Linkage–Projects aims to —

- encourage and develop long-term strategic research alliances between higher education institutions and industry in order to apply advanced knowledge to problems, or to provide opportunities to obtain national economic or social benefits
- support collaborative research on issues of benefit to regional and rural communities
- foster opportunities for postdoctoral researchers to pursue internationally competitive research in collaboration with industry, targeting those who have demonstrated a clear commitment to high quality research
- provide industry-oriented research training to prepare high-calibre postgraduate research students
- produce a national pool of world-class researchers to meet the needs of Australian industry.

3 Description

Linkage–Projects supports collaborative research projects between higher education researchers and industry and identifies an allocation to projects of benefit to regional and rural communities. Proposals must contain an industry contribution, in cash and/or in kind (see Appendix 2).

The following project costs are supported under Linkage–Projects--

- a) Personnel, including
 - Australian Postdoctoral Fellowships Industry (APDI) for researchers with less than three years' postdoctoral experience (see Appendix 4 for entitlements)
 - Australian Postgraduate Awards Industry (APAI) for postgraduate research students studying towards a Masters or PhD award (see Appendix 3 for APAI entitlements)
 - Research Associates, technicians, laboratory attendants, and so on

- relief from other duties for Chief Investigators, if the request is fully justified (see Section 3.3)
- b) Equipment
- c) Maintenance
- d) Travel.

3.1 Type of research supported

Linkage–Projects supports research and development projects that are undertaken to acquire new knowledge and that involve risk or innovation.

Linkage–Projects stresses that the interaction with actual or potential users of research outcomes is critical for the whole period of the project. The scope of Linkage–Projects is broad, because it supports excellent research which includes—

- *pure basic research* which is experimental and theoretical work undertaken to acquire new knowledge without looking for long-term benefits other than the advancement of knowledge.
- *strategic basic research* which is experimental and theoretical work undertaken to acquire new knowledge directed into specified broad areas that are expected to lead to useful discoveries. It provides the broad base of knowledge necessary to solve recognised practical problems.
- *applied research* which is original work undertaken primarily to acquire new knowledge with a specific application in view. It is undertaken either to determine possible uses for the findings of basic research or to determine new ways of achieving some specific and predetermined objectives.

Applicants determine, in collaboration with the industry partner(s), which type of resources are appropriate and necessary for the project they wish to undertake. The contribution from the industry partner(s) must be specific to the project and must not be part of a broader contribution to the institution.

The contribution of the industry partner(s) may, for example, include a contribution towards personnel costs for the project, provision of equipment or use of a laboratory. Information for industry partner(s) and prospective applicants about the eligibility of industry partner(s) is set out in Appendix 2, together with information about an application, contributions and tax incentives.

3.2 Areas of investigation/work not supported

Linkage–Projects does not support the following work —

- medical research and training and public health research and training that are covered by the NHMRC
- scholarly investigations that, while important in themselves, do not lead to conceptual advances or discoveries, or to novel practical outcomes or applications. Projects such as uncritical bibliographical compilations and purely descriptive catalogues or editions that do not involve original research are not funded
- projects where the industry partner(s) is seeking expert external assistance, not available within their own organisation(s), in order to develop specific applications involving little

- innovation or low risk, which the ARC deems to be contracted research or consultancies
- projects that, in the judgement of the ARC, do not significantly enhance links with industry
 - extensions of existing projects previously funded by the Commonwealth under an ARC scheme
 - activities that lead solely to the creation or performance of a work of art, including visual art, musical compositions, drama, dance, designs and literary works. Commonwealth Government support for these activities is provided through the Australia Council for the Arts
 - production of teaching materials, even though some research may be involved in their production
 - compilation of data, unless it is an integral part of a project, in which case applicants must provide a statement indicating the research objectives to which the data would contribute
 - development of research aids and tools (including databases and computer programs), unless they form an integral part of a project, in which case applicants must provide a statement indicating the research objectives to which these activities would contribute.

3.3 Budget items not supported

Linkage-Projects does **not** support the following budget items—

Costs of capital works and general infrastructure

Capital works and general infrastructure costs are not considered as project costs to be funded from a project grant. They must not be included as the industry contribution.

Salaries of Chief Investigators and Partner Investigators

The Commonwealth will not provide support, in whole or in part, to meet the salaries of Chief Investigators or Partner Investigators under Linkage-Projects. However, certain early career researchers are eligible to apply for an APDI as a component of a Linkage-Projects grant.

Linkage-Projects funding is not usually provided for Chief Investigators in order to gain substantial relief from normal duties. However, the Committee may consider a request for such funding, for a period of not more than six months a year, if it means that the project will achieve a successful outcome. If approved, the funding contribution is limited to the base rate of the Senior Research Associate scale, regardless of the level of appointment of the staff member.

Special Studies Programmes

Funds are not provided for travel or other expenses for researchers when on a Special Studies Programme. Travel to special facilities away from the base where a researcher is conducting his/her study is seen as part of the normal costs of a Special Studies Programme. Only in exceptional cases will such costs be supported within Linkage-Projects. Subsistence funds will be provided only if an investigator can show that living expenses are not covered by a Special Studies programme grant and that the research to be undertaken directly relates to the project.

Research support for investigators not resident in Australia

Funding will not be provided for research assistance to an overseas Partner Investigator.

International students' fees and HECS liability

Funds are not provided to pay the fees of international students or HECS liabilities for Australian students.

Computer facilities for molecular analysis

Applicants for projects involving molecular biology should be aware that the ARC supports the Australian National Genomic Information Service, which provides access to a range of databases and a large suite of analysis programs. As this service is available at modest cost, proposals seeking funding for computer facilities to undertake molecular analysis will have to justify such needs very thoroughly.

Basic facilities

Linkage–Projects will not fund basic facilities, resources and infrastructure such as

- accommodation (eg. laboratory and office, suitably equipped and furnished in standard ways)
- access to workshop services (such as machine tools and qualified technicians available to each member of staff to enable them to carry out their research)
- access to a basic library collection
- adequate computing time (excluding access to high-performance computers)
- standard reference materials or funds for abstracting services
- basic computing, word processing and microfilm-reading facilities
- use of photocopiers, telephones, mail, fax, email and internet services

Publication Costs

Page costs for publications are not funded under Linkage-Projects.

3.4 Duration of funding

Linkage–Project grants may be awarded for one to five years, the normal duration being three years. APDIs have a standard duration of three years. Periods of less than three years for APDIs can be sought as long as the reduced period can be adequately justified. (Further details about the tenure of APDIs are provided in Appendix 4).

Only a small number of five year project grants will be made available and these are intended for researchers with track records of sustained ARC funding. The final decision on the duration of the grants rests with the ARC's Expert Advisory Committees and they may recommend project grants for a duration different to that requested.

Projects involving an APAI are awarded for a maximum period of three years with provision under certain conditions for an additional six months' support from the Commonwealth for PhD students. Where an applicant seeks funding for less than the three-year maximum, including a Master's degree, a successful applicant will be awarded a stipend only for the period sought without the opportunity to extend.

3.5 Level of funding

The minimum grant size is \$20 000 per annum and the maximum is \$500 000 per annum. You must make a request of at least \$20 000 per year. These levels refer to the average annual amount that the ARC deems necessary for the project over the full period of the grant, not the average amount applied for, nor the amount sought in the first year.

The ARC reserves the right to determine the level of funding allocated to the project.

The ARC will award very few grants at the higher end of the funding spectrum and these will normally be awarded only for an application that involves a collaborating team of outstanding investigators.

The amount of Commonwealth funding being sought in a Linkage–Projects application will depend on the applicant’s capacity to obtain the required industry partner(s) contribution (refer to Appendix 2).

Applicants seeking an APDI under Linkage–Projects should include a request for a salary component in the budget. APDIs are awarded at levels equivalent to the Level A Academic Salary Scale.

From 2001, the ARC will commit at least 20 percent of funding available under the Linkage–Projects in order to support collaborative research on issues of benefit to regional or rural communities. Linkage–Projects applications will be considered with regard to the nature of the research and to evidence of collaboration between the researcher(s) and the community.

3.5.1 Goods and Services Tax (GST)

Government-related entities do not pay GST on the funding transaction with the ARC. However, non government-related entities which are liable to pay GST on the transaction with the ARC will receive base-funding plus GST.

If the organisation is able to claim input tax credits for the GST component in the cost of goods and services purchased in the course of carrying out the Project, then the GST component of these costs should not be included in Project cost.

Therefore the ARC will make GST adjustments to payments depending on whether the funding has been provided to a government-related or non-government-related entity.

Applicants are therefore requested to provide their budgets exclusive of GST.

4 Eligibility of participants

There are three applicant roles available under Linkage–Projects:

- Chief Investigator (CI)
- Partner Investigator (PI)
- APDI Fellowship.

The roles and eligibility requirements for each of these are described below. To be eligible for consideration, each application must have at least one Chief Investigator. Where a Linkage–Projects application requests support for an APDI, the application must have at least one Chief Investigator identified as supervisor for the student.

The categories of Team Leader and Associate Investigator, which were available under the former SPIRT Scheme, are no longer available.

4.1 Eligibility criteria for Chief Investigators

To be eligible to apply as a Chief Investigator, the applicant must meet the following criteria-

- he/she must be an active researcher who takes intellectual responsibility for the project, its conception, any strategic decisions called for in its pursuit and for the communication of results. The applicant must have the capacity to make a serious commitment to the project and cannot assume the role of a supplier of resources for work that will largely be placed in other hands.
- he/she must reside predominantly in Australia for the full term of the grant. If the applicant does not have permanent resident status he/she must obtain temporary resident status from the Department of Immigration and Multicultural Affairs before taking up the grant.
- he/she must meet one of the following two criteria—
 - be associated with an eligible higher education institution (at least 50 percent of appropriated salary from that institution), or
 - be the holder of an adjunct appointment at an eligible higher education institution (as listed in Appendix 1) who does not have a substantive position or paid appointment elsewhere.
- he/she must not have any direct or indirect financial interest in any of the proposed industry partner(s) for the project (see section 4.4.2 on exemptions for portfolio interests).
- he/she must not receive any salary from the ARC for the project.

Notwithstanding his/her eligibility under the criteria above, researchers in the following categories are not eligible to apply as a Chief Investigator—

- an undergraduate student or
- a postgraduate student unless this is outside his/her original discipline.

Chief Investigators must have fulfilled all obligations from previous ARC grants (including final and progress reports).

4.1.1 Researchers from ARC funded Centres

Researchers from ARC funded Centres (Special Research Centres and Key Centres of Teaching and Research), including Directors, are eligible if the proposed research is outside the centre's core activity. The Centre Director must certify this. ARC Centre Directors are expected to spend 100 percent of their time on centre and related business. If you are a Centre Director, you may apply for a Linkage-Project if the proposed research is related and complementary to the centre, but outside its core business, which has already been funded by the Commonwealth.

4.2 Eligibility criteria for Partner Investigators

Researchers who are not eligible to be Chief Investigators or APDIs but who are providing significant commitment, intellectual input and relevant expertise to the project can apply as Partner Investigators. To be eligible to apply as a Partner Investigator, a researcher must—

- be ineligible to apply as a Chief Investigator
- be employed by an organisation outside the higher education sector, including industry partner organisations and organisations being funded for research from State or Commonwealth sources (such as CRCs and the CSIRO), other companies, industry peak bodies and overseas organisations
- derive more than 50 percent of his/her salary from employment in the organisation

- secure an appropriate contribution of time and operating costs from his/her organisation for the proposed project, and
- not receive funding from the ARC for the project.

A Partner Investigator may act as a supervisor for an APAI in conjunction with a Chief Investigator in the application.

4.3 Eligibility criteria for APDI

Applicants for an APDI Fellowship must satisfy all the criteria for a Chief Investigator (above) except for the requirement to have a 50 percent appropriated salary from an eligible higher education institution. They must also—

- be a researcher who has been awarded a PhD since 1 January 1998, or has not yet submitted his/her PhD but will do so before 31 December 2001 (in which case the Fellowship cannot commence until the PhD has been awarded)

If the PhD thesis is not submitted by 31 December 2001, any offer of grant for a project involving the APDI award will be automatically cancelled.

- not have previously held an ARC Research Fellowship, and
- make a **full-time** commitment to the project.

The ARC regards an APDI as a prestigious award for early-career Chief Investigators. If the ARC considers the APDI applicant to be critical to the success of the project then, if the APDI applicant cannot take up the award, the entire project will be terminated.

Normally, a PhD is a prerequisite. In the case where a PhD has been acquired some time after a productive research career, the ARC will look at where the discipline lies and whether the applicant has changed research direction. Applicants who do not have a PhD must submit a request for eligibility exemption or provide evidence in their application that their research has been recognised as equivalent to a PhD.

Further information on entitlements for APDIs is set out in Appendix 4.

4.4 Request for eligibility exemption

4.4.1 APDI—*Career interruption*

In some circumstances, an applicant who is seeking an APDI may not satisfy all the required eligibility criteria due to research career interruption (including working in industry). If this is the case, an applicant may apply for an exemption from the eligibility criteria.

If, after reading these guidelines, a researcher is unsure whether he/she is eligible to apply for an APDI, he/she must consult the institution's research office in the first instance.

If the candidate does require an eligibility exemption, a request must be lodged in writing, through the institution's research office, with the Director, Programme Management Section of the ARC, between 31 January and 12 March 2001. The eligibility exemption request must include a statement justifying the applicant's special circumstances for an eligibility exemption. The applicant will be advised of the decision as soon as possible to allow time for a detailed application to be completed.

If an applicant seeking an eligibility exemption fails to meet the above deadline, their subsequent application will be deemed ineligible.

4.4.2 *Financial interests of Chief Investigators*

Chief Investigators (including APDIs) may apply for an eligibility exemption from the requirement not to have any direct or indirect financial interest in any of the proposed industry partner(s) for the project. Such exemptions may be given to applicants where the ARC determines that their financial interest is not a significant controlling interest and does not constitute a significant degree of ownership or vested interest in the industry partner.

In these cases, a request for exemption may be lodged, together with a statement detailing an applicants financial interests, justifying their special circumstances for an eligibility exemption. A request for eligibility exemption must be lodged in writing, through the institution's Research Office, with the Director, Programme Management Section of the ARC between 31 January and 12 March 2001. The applicant will be advised of the decision as soon as possible to allow time for a detailed application to be completed.

4.5 Number of applications/grants

4.5.1 *Limit on the number of applications*

Chief Investigators may only apply for Linkage-Projects grants to the extent that they will not exceed the maximum number of grants they may hold in 2002.

4.5.2 *Limit on the number of grants*

Chief Investigators may participate on up to four concurrent Linkage-Projects which have funding for project costs (other than APAIs) and/or APDIs. This total includes **any** grants awarded under the former SPIRT Scheme. Chief Investigators may also participate on up to four concurrent Linkage-Projects which have funding for APAIs only.

There is no limit to the number of concurrent Linkage-Projects grants held by Partner Investigators.

Researchers who hold an APDI Fellowship under the former SPIRT Scheme, may apply for further support under Linkage-Projects providing the application is closely associated with their existing SPIRT project.

4.5.3 *Transition from the SPIRT Scheme*

Special arrangements have been made for the transition from the former SPIRT Scheme. While the maximum four grant rule will come into force in 2002, transitional arrangements from the old system into the new will allow researchers who have more than the four concurrent grants in 2002 to see their grants through to their conclusion. After that they will need to adhere to the new four Linkage-Projects limit.

4.6 Cross scheme eligibility

If a funding request for any project, salary or equipment is being submitted to any other funding body, each application must be cross-referenced. Applicants must indicate the level of funding obtained, or being sought, from all other schemes and must list all existing research funding from all sources. If these processes are not observed, the Linkage-Projects application will be excluded.

Applicants applying for both an APDI and any other ARC Fellowship must cross-reference the applications. Only one grant can be accepted in the event that both applications are successful.

The ARC may liaise with other funding agencies to discuss any overlap between applications in order to avoid duplication of funding.

4.6.1 *Cooperative Research Centres (CRCs)*

The ARC will not fund projects already funded by a CRC, or which should reasonably be expected to be funded by a CRC, given its core business. Researchers from CRCs may only apply as a CI providing they meet all the eligibility criteria for a CI (including the requirement to have 50 percent of their salary from a higher education organisation).

All other researchers associated with a CRC, including the Centre Director, who do not satisfy the eligibility criteria for CIs, may apply as a PI providing they meet all the PI eligibility criteria.

Applicants who have an association with a CRC must justify, to the satisfaction of the ARC, why the project falls outside the core business of the CRC and therefore should not be funded by the CRC.

4.6.2 *Funding under the ARC or the NHMRC*

In some instances, it may not be clear whether an application is more appropriately considered by the ARC or the NHMRC. In these cases, the applicant should forward a two-page summary outlining the proposal through their institution's Research Office to the ARC by 31 January 2001. A committee comprising representatives from the NHMRC and the ARC will use the summary to decide which agency is more appropriate for the application. Each applicant will be advised of the decision approximately two weeks after the due date for such requests.

If the applicant fails to meet the above deadline, s/he must submit cross-referenced applications, using the same title, to both the ARC and the NHMRC and must declare the submission on the ARC application form. The ARC will then determine if it is the more appropriate granting agency.

If an application has potential overlap with NHMRC and neither of the above processes are observed, the application will be excluded, regardless of whether or not it falls under the aegis of the ARC.

4.6.3 *Funding under Linkage–Infrastructure (Equipment and Facilities)*

Linkage–Infrastructure (Equipment and Facilities) encourages institutions to develop collaborative arrangements across the higher education sector as a whole and with organisations outside the sector. These grants are intended primarily to support large scale cooperative initiatives involving two or more institutions. If funding is sought for major equipment under this scheme, the minimum level of support sought from the ARC must be \$100,000. In the case in which funding for an item of equipment of more than \$100,000 is made under Linkage–Projects, applicants must lodge a concurrent application for Linkage–Infrastructure (Equipment and Facilities). Further information about Linkage–Infrastructure (Equipment and Facilities) can be found at the ARC website (www.arc.gov.au).

5 Application process

As the application is the prime source of information available to the selection committee, applicants must submit their projects as mature research plans ready for implementation. The application must contain all the information necessary for assessment of the project without the need for further written or oral explanation, or reference to additional documentation, including the World Wide Web, unless requested by the selection committee. All details in the application, particularly concerning any successful grants, must be current.

Applications under Linkage–Projects consist of three parts:

- | | | |
|---|--------------------------|--|
| 1 | Application form | to be completed in GAMS or in paper format |
| 2 | Additional text | Section B10 and Part E of the application form |
| 3 | Supporting documentation | Section D2 and Part F of the application form |

5.1 Submission of applications

5.1.1 *Closing date for applications*

Applications for Linkage-Projects must be received by the ARC by close of business (AEST) **Thursday 12 April 2001**.

Replacement pages or late additional pages will not be accepted after submission. Applications received after 12 April 2001 will not be considered for funding. Linkage–Projects applications must be submitted to the ARC through the institution’s Research Office.

Applications seeking a stipend to support one or more APAIs only must be submitted to the ARC by close of business (AEST) **Friday 4 May 2001**. Applications seeking project funding in addition to the APAI will not be considered after 12 April 2001.

5.1.2 *How to submit applications*

Applicants applying through an institution should submit their applications through the research office of the administering institution by the institution’s closing date. You should check the preferred method with your research office. Applicants/Universities have the following two options.

(1) Applicant entry of summary information directly into GAMS

The GAMS system has been developed by the ARC to capture electronic summary information via the World Wide Web. Applicants may enter their data directly into GAMS, validate, print and then forward their completed paper applications to their university research office. The university research offices will administer access to the GAMS system by issuing GAMS UserIDs and passwords to applicants. On the ARC closing date, the university research office will submit both the GAMS summary data and the full paper application to the ARC.

(2) Applicant completes RTF, forwards to the university for data entry into GAMS

Applicants complete an RTF template (available from www.arc.gov.au) of the application form, print and forward to the university research office. The university research office will re-enter all mandatory data into the GAMS system, validate and submit both GAMS mandatory data and the full paper application to the ARC by the closing date.

Research Offices should send applications–

by **mail**, to

Director
Programme Management Section
Australian Research Council
GPO Box 9880
CANBERRA ACT 2601

by **courier**, to

Director
Programme Management Section
Australian Research Council
AGSO Building
Cnr Jerrabomberra Drive and Hindmarsh
Avenue
SYMONSTON ACT 2609

5.2 Number of copies

An original and **one identical** copy only are required. The application must be clipped with NAL clips, not stapled, and submitted in the following order -

- 1 application form
- 2 additional text
- 3 supporting documentation.

5.3 Application format

All documents must be written in English and must comply strictly with the format and submission requirements.

All pages must be in black type, 12 point font size on white A4 paper, printed on one side only and unbound with at least a 2 cm margin on each side. As applications are scanned electronically, applicants must use a highly legible font type such as Arial, Courier, Palatino, Times New Roman or Helvetica. Variants such as mathematical typesetting languages may also be used. References may be reproduced in 10 point font size. Colour graphs or colour photographs may be included but they will be reproduced in black and white.

The pages of the additional text and supporting documentation must be numbered consecutively, starting from page 1 of the additional text.

5.4 Application form and Instructions to applicants

Applicants must use the application form available from the institution's Research Office or from the ARC website (www.arc.gov.au).

The application form is organised into six parts:

- Part A Administrative summary
- Part B Personnel
- Part C Project cost
- Part D Research support
- Part E Project description
- Part F Existing ARC funding.

Applicants should note that a separate document, *Linkage–Projects Instructions to Applicants for Funding Commencing in 2002*, is available from www.arc.gov.au to assist in preparing applications.

6 Selection and approval process

6.1 Selection criteria

6.1.1 Projects

When the ARC is assessing applications for funding, it applies weightings to each selection criterion. Weightings on Linkage–Projects vary depending on the type of support being sought in the application. Selection criteria and weightings under Linkage–Projects are detailed below.

Applications seeking funding from the ARC to support project costs associated with personnel, equipment, maintenance and/or travel	Investigators (20%)— Project content <ul style="list-style-type: none"> • significance and innovation (25%) • approach (20%) • national benefit (10%) • industry partner Commitment (25%)
Applications seeking a stipend to support an APAI only	Investigators (20%)— Project content <ul style="list-style-type: none"> • significance and innovation (20%) • approach and training (30%) • national benefit (10%) • commitment from industry partner (20%)

Investigator(s)

- track record relative to opportunities and/or suitability to supervise postgraduate students (as appropriate)

Project Content

Significance and innovation

- does the research address an important problem?
- how will the anticipated outcomes advance the knowledge base of the discipline?
- are the project aims and concepts novel and innovative?
- will new methodologies or technologies be developed?

Approach

- are the conceptual framework, design, methods and analyses adequately developed, well integrated and appropriate to the aims of the project?
- if the project involves an APAI, is the project suitable for research training?
- is the intellectual content and scale of the work proposed appropriate to a research higher degree?

National benefit

- what is the potential of the research project to result in economic and/or social benefits for Australia from the expected results and outcomes of the project?

Commitment from industry partner

- is there evidence that the industry partner is genuinely committed to, and prepared to collaborate in, the research project?

6.1.2 APDI(s)

The primary assessment criteria for APDIs is the track record of individual applicants relative to opportunities. APDI applicants must also provide details, in the text of their application (at Section B10), of (a) their contribution to the project, and (b) the research environment of their host institution.

6.1.3 *Projects that are of benefit to a rural or regional community*

The ARC will identify approximately 20 percent of available funding under the Linkage–Projects to support collaborative research on issues of benefit to rural or regional communities. Linkage–Projects applications will be considered with regard to the nature of the research and to evidence of collaboration between the researcher(s) and the community. This could, for example, take any of the following forms:

- the industry partner(s) is an organisation located, and/or operating in, a rural or regional community.
- the rural or regional community is involved in identifying the problem or issue to be addressed.
- the rural or regional community is involved in conducting the research.
- there is evidence of an existing relationship between the researchers and the community, and/or
- researchers with a strong track record are involved in conducting research of benefit to rural or regional community.

Applications with a demonstrated benefit to a rural or regional community not supported under the identified allocation will be assessed under the remaining Linkage–Projects allocation.

6.1.4 *APAI in the fields of information technology and communications*

In 2002, the ARC will allocate an additional 50 APAI places in the field of information technology and communications.

Where a Linkage–Projects application contains a request for an APAI that is clearly demonstrated as being primarily within the area of information technology and communications, the ARC will initially assess the application against the 50 additional APAI places. A Linkage–Projects application for APAI not supported under the 50 additional places will also be assessed against all other Linkage–Projects requests for APAI.

6.2 Selection procedure

Assessment of applications is undertaken by one or more Expert Advisory Committees. The Expert Advisory Committee will assess applications in two different ways depending on what support is sought in the application.

6.2.1 *Applications seeking support for personnel, equipment, maintenance and/or travel (and possibly an APAI also)*

Where an applicant seeks funding from the ARC to support project costs associated with personnel, equipment, maintenance and/or travel, the Expert Advisory Committee will

- assign independent readers/assessors to review applications
- seek applicants' comments on assessors' reports
- rank each application relative to the others on the basis of the application, the assessors' reports and applicant's response to these assessments
- assess and recommend budgets
- prepare funding recommendations that are submitted to the ARC for endorsement and then to the Minister for approval.

Each application will be assessed by two Australian readers and one international expert assessor. There will be small groups of readers for each discipline. Readers will cover the range of ARC programmes.

Applicants may name any person whom they do not wish to assess the application. Detailed written justification, which will be considered by the relevant Expert Advisory Committee, must be submitted in a separate letter through the university research office, by the closing date for applications, but it **must not** accompany the application. The letter should be sent to:

Director
Programme Management Section
Australian Research Council
GPO Box 9880
CANBERRA ACT 2601

The Expert Advisory Committee will consider the justification put forward by an applicant to exclude any person as an assessor. However, the Committee reserves to itself the discretion not to give effect to an applicant's request.

The ARC has procedures for declaring conflicts of interest and for members to withdraw from consideration of particular applications. Readers for each discipline grouping will be drawn from a range of institutions to avoid potential conflict of interest problems.

6.2.2 *Applications only seeking support for an APAI(s)*

If the applicant seeks a stipend to support one or more APAIs only, the Expert Advisory Committee will

- rank each application relative to the others on the basis of the application
- prepare funding recommendations that are submitted to the ARC for endorsement and then to the Minister for approval.

The ARC will fast track the assessment of these applications and advise successful applicants as early as possible to maximise the opportunity of appointing students of the highest quality. These applications will therefore be assessed independently from those applications not primarily framed around supporting an APAI.

6.2.3 *Assessment for all applications*

- Step 1* Exclusion of ineligible applications by the Expert Advisory Committee which may take place at any time during the selection process. Applications which contravene the guidelines in any way will be excluded, for instance:
- failing to submit the application through the appropriate Research Office/Chief Executive Officer for certification
 - not meeting the minimum funding threshold when inappropriate budget items are removed
 - not meeting the eligibility criteria for a Chief Investigator or Partner Investigator
 - not meeting the minimum industry partner contribution
 - not meeting the eligibility criteria for industry partners
 - exceeding the limits on the number of applications permissible
 - not following procedures for ARC/NHMRC coordination
 - providing incomplete or misleading information
 - designating the application as ‘commercial-in-confidence’.
- Step 2* The Expert Advisory Committee will assess each eligible application in terms of the support requested to determine whether the application is primarily framed around supporting an APAI(s) training award only. Applications for which the Expert Advisory Committee determines as primarily supporting an APAI only will not be sent for external review. These applications will be assessed with different weighting against the selection criteria (see section 6.1.1).
- Step 3* For those applications not primarily supporting an APAI only, the Expert Advisory Committee will assign two Australian based readers and one international expert assessor to all remaining applications. Applications will then be sent for peer review. The readers and assessors will be asked to assess the project against the selection criteria and their reports must include written comment.
- Step 4* While external assessors are providing comments for applications sent for external review, the Expert Advisory Committee will read, score and rank all applications seeking support from an APAI only. The ARC will then seek the Minister’s approval and notify the outcome of these applications.
- Step 5* For those applications sent for external review, the assessors’ textual comments are sent to the applicant allowing the opportunity for a one-page rejoinder to the comments. To ensure impartiality, the assessors’ names are not provided to the applicant. Although every effort will be made to obtain reports from at least three assessors, the ARC reserve the right to make decisions based solely on the expert assessment by the Expert Advisory Committee. Applicants have two weeks to submit a response to the ARC.
- Step 6* At the selection meeting, the Expert Advisory Committee rank the peer reviewed applications, taking into account assessors’ reports and rejoinders from applicants. The Committee may make final checks on eligibility. A list of projects recommended for funding will then be prepared and submitted to the ARC for endorsement.

Step 7 A recommendation from the ARC is sent to the Minister for his/her consideration. The Minister determines which applications will be offered funding.

6.3 Linkage–Projects cycle 2001

Month	Year	Event
31 January	2001	Due date for submission of two-page summaries relating to ARC/NHMRC overlap
12 March	2001	Final date for submission of eligibility exemptions
12 April	2001	Closing date for applications seeking funding from the ARC to support project costs associated with personnel, equipment, maintenance and/or travel NOTE Each institution may set an earlier internal closing date.
April	2001	Initial exclusion of ineligible applications Applications assigned to readers and international expert assessors
4 May	2001	Closing date for applications seeking <u>only</u> a stipend to support an APAI(s)
7 June	2001	Due date for receipt of assessments
Early-mid July	2001	Assessments sent to applicants for written rejoinder
July	2001	Recommendations for applications only seeking support for an APAI(s) to the Minister for approval Announcement and advice to applicants
23 July	2001	Due date for applicant's one-page rejoinders
August	2001	Advisory Committees' review of assessments and rejoinders
September	2001	Recommendations for remaining Linkage–Projects applications to the Minister for approval Announcement of Linkage–Projects grants and advice to applicants
28 days following date of advice to applicants	2001	Closing date for appeals
4-6 weeks after appeals closing date	2001	Appeals are considered and applicants advised

6.4 Offer of grant

Following the Minister's approval, the ARC will inform the successful administering institution in a letter of offer, that will indicate the funding to be provided and will include the Conditions of Grant.

A project may not begin, nor grant funds be expended, until the administering institution and each collaborating institution have entered into a written agreement. The agreement must cover the role of the institutions in the project including—

- contributions by the institutions
- payment of stipends and supervision arrangements of APAIs
- payment of salaries for ARC Fellows
- intellectual property arrangements
- an undertaking by the institutions to abide by the Conditions of Grant.

6.5 Conditions of grant

Applicants should familiarise themselves with the Conditions of Grant. These will be available on the World Wide Web at www.arc.gov.au.

The grantee must accept the Conditions of Grant and the administering institution must sign the Conditions of Grant before grant payments can be made.

6.5.1 *Ownership of assets*

The Conditions of Grant specify that the ownership of any asset purchased wholly or partly with the grant will be vested in the host institution and listed in its assets register.

6.5.2 *Commencement of projects*

Projects must be commenced by 31 October in the year of the grant. Failure to do so will result in termination of funding.

7 Appeals process

Appeals will be considered only against process issues and not against panel decisions or assessor ratings and comments. Appeals must be made on the appeals form available on the ARC website (www.arc.gov.au).

The form must be lodged through the institution's research office and be received by the ARC within 28 days of the date on the letter notifying the outcome of applications, addressed to:

The Appeals Officer
Australian Research Council
GPO Box 9880
CANBERRA ACT 2601

8 Grant administration

8.1 Reporting requirements

Institutions are required to submit these documents to the ARC -

- an **Exceptions Report** on grants that have financial exceptions by 1 November in the calendar year for which they were granted
- an **End-of-Year Report** on the expenditure of grant funds by 31 March in the year following the calendar year for which they were granted

- a **Progress Report** on the project by 31 March in the year following the calendar year for which funds were granted
- a **Final Report** on the project within six months of the completion or termination of the grant
- an **Audited Financial Statement** by 30 June of the year following the year of the grant, in accordance with the sub-section of the appropriate Act.

The ARC reserves the right to suspend payment of further instalments of any current grant until the appropriate reports have been received and assessed as satisfactory.

8.1.1 *Failure to provide reports*

Where an institution fails to submit satisfactory reports as required, the Minister may determine that funds have not been used in accordance with conditions applicable to the grant, and that all or part of the grant must be repaid. In such a case, the ARC may withhold the remainder of the institution's payments under Linkage–Projects for the current year or initiate recovery of grant money.

8.2 Financial management—payments

Linkage–Projects operates on a calendar-year basis. Subject to appropriations, payment of funds will be made to institutions in regular instalments, in accordance with approved payment arrangements made under the appropriate Act. Funds must be used only for purposes approved under Linkage–Projects, otherwise they must be returned.

8.3 Privacy of individuals

Documents containing personal information are handled and protected in accordance with the provisions of the *Privacy Act 1988*, which sets standards for collecting, storing, using and disclosing, and access to personal information. Personal information is disclosed only with permission of the individual to whom it relates or where the Act allows.

8.4 Confidentiality

Information contained in applications is regarded as confidential unless otherwise stated and will be received and treated as confidential by the ARC, institutions and assessors.

8.5 Intellectual property

The institution must adhere to an intellectual property policy, approved by the institution's governing body, which has as one of its aims the maximisation of national benefits arising from research.

8.6 Incomplete or misleading information

If an application is incomplete or contains information that is considered misleading, it will be excluded from any further consideration for funding.

If the ARC believes that omissions or inclusion of misleading information are intentional, or if there is evidence of malpractice, the ARC will refer the matter for appropriate legal advice. The Commonwealth Government is committed to protecting its revenue, expenditure and property

from any attempt, by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees, to gain financial or other benefits by deceit.

Examples of malpractice include, but are not restricted to—

- providing fictitious track records
- falsifying claims in publications records (such as describing a paper as accepted for publication when it has only been submitted).

8.7 Contact points

For further information, the institution's Research Office should be contacted in the first instance.

Enquiries about Linkage–Projects may be addressed to

Director
Programme Management Section
Australian Research Council
GPO Box 9880
CANBERRA ACT 2601

Fax 02 6284 6638

Web site address <http://www.arc.gov.au>

APPENDIX 1

Eligible higher education institutions

Higher education institutions receiving Commonwealth funding on a triennial basis

New South Wales

Charles Sturt University
Macquarie University
Southern Cross University
The University of New England
The University of New South Wales
The University of Newcastle
The University of Sydney
University of Technology, Sydney
University of Western Sydney
University of Wollongong

Victoria

Deakin University
La Trobe University
Monash University
RMIT University
Swinburne University of Technology
University of Ballarat
The University of Melbourne
Victoria University

Queensland

Central Queensland University
Griffith University
James Cook University
Queensland University of Technology
The University of Queensland
University of Southern Queensland
The University of the Sunshine Coast

Western Australia

Curtin University of Technology
Edith Cowan University
Murdoch University
The University of Notre Dame Australia
The University of Western Australia

South Australia

The Flinders University of South Australia
The University of Adelaide
University of South Australia

Tasmania

University of Tasmania
Australian Maritime College

Northern Territory

Northern Territory University
Batchelor College

Australian Capital Territory

The Australian National University
University of Canberra

Multi-State

Australian Catholic University

APPENDIX 2

Information for an industry partner applying under Linkage–Projects

Eligibility

To be eligible as an industry partner, an organisation must be:

- a private sector industry organisation,
- a private non-profit organisation, or
- a Government agency
 - State, Territory or Commonwealth Government organisations are eligible to apply as industry partners where funds they are committing to the project have not previously been appropriated either for internal research related activities or for any other purpose of research, evaluation and/or consultancy.

The following organisations and types of organisations are not eligible as industry partners under Linkage–Projects:

- higher education institutions and their controlled entities, including their commercial arms
- Rural Research and Development Boards
- State and Territory Government Research and Development organisations
- Co-operative Research Centres
- the Defence Science and Technology Organisation (DSTO)
- the Australian Nuclear Science and Technology Organisation (ANSTO)
- the Commonwealth Scientific and Industrial Research Organization (CSIRO)
- the Australian Geological Survey Organisation (AGSO)
- the Australian Institute of Marine Sciences (AIMS)
- the Institute of Advanced Studies(IAS) at the Australian National University
- the Environmental Research Institute of the Supervising Scientist (ERISS)
- the Australian Antarctic Division (AAD)
- and any other organisation that the ARC considers as primarily funded for research from State, Territory or Commonwealth Government sources, or from Governments of other countries.

If, after reading these guidelines, any doubt exists over the eligibility of an organisation to be an industry partner, applicants can seek advice from ARC about the status of the industry partner organisation before developing the application. Any requests seeking ruling about the eligibility of an industry partner must be lodged in writing with the Director, Programme Management Section through the institution's Research Office of the ARC between 31 January and 12 March 2001. The applicant will be advised of the decision as soon as possible to allow time for a detailed application to be completed.

Overseas industry partner

The ARC is prepared to accept a non-government overseas organisation as an eligible industry partner provided that, in the application, the following additional criteria are addressed to the satisfaction of the Committee:

- the economic or social benefit of the research to Australia, and
- the intended use of the research outcomes in Australia.

Where similar projects involving Australian and overseas industry partner(s) are competing at the margin for funding, the Committee will give priority to the Australian industry partner. An Australian industry partner is an organisation, or part of an organisation, that is incorporated under Australian law and is operating in Australia.

Application process

The application must be submitted by an eligible higher education institution and should include:

- a detailed description of the collaborative arrangements proposed, and
- a clear indication of how the industry partner will be involved in the project.

Details of the nature of the collaboration should be presented in both descriptive terms and in figures. Applications should make clear:

- how the collaborating partner is involved in the project
- how the project fits into the company's overall strategic plan
- how the project is of value to the company.

The application must also include a letter of support (of no more than two pages) from each industry partner(s) on their letterhead, including the following information:

- a brief profile of the organisation
- details of the cash and in-kind support that **will** be provided

Failure to do so provides grounds for exclusion.

Every organisation applying to Linkage-Projects as an industry partner must certify at Section F3 of the application form--

- that no part of their cash contribution is drawn from funds previously appropriated from government sources for the purposes of research, evaluation and/or consultancy activity.
- that the industry partner has read and understood the requirements in the Conditions of Grant about industry partner agreements including the requirement to enter into arrangements for intellectual property.

Failure to do so provides grounds for exclusion.

Grant funds from the Commonwealth can be used to support and offset project expenses including personnel (such as research associates, APDI, and laboratory staff), research training through an APAI, travel, maintenance and equipment. Detailed information about the type of research supported and the areas of investigation/work not supported are shown in Section 3 of these guidelines.

Contribution of industry partner(s)

For projects **not** involving an APAI, the combined industry partner contributions, in cash or in kind, **must** at least match the total amount sought from the Commonwealth on a dollar-for-dollar basis.

Where a project is seeking on average \$50 000 or more per year from the Commonwealth, the combined minimum contribution in cash should be 20 percent of the total amount sought from the Commonwealth. Only in exceptional circumstances will the ARC waive this prerequisite.

Organisations such as community groups, small business enterprises, charities, and start-up commercial organisations that can demonstrate that they do not have ready access to cash reserves, may seek exemption for the minimum cash requirement. In such cases, the applicant must submit a request for exemption from the 20 percent cash contribution requirement in writing, through the institution's Research Office, with the Director, Programme Management Section of the ARC between 31 January and 12 March 2001. The request must quantify in detail the in-kind contribution and the industry partner's commitment to providing it. However, applicants should note that the cash contribution is an important indicator for assessors when judging the degree of commitment and level of collaboration from the industry partner.

The total contribution from the industry partner must be specific to the project and not part of a broader contribution to the institution. The contribution may be used to assist the project with personnel costs (excluding the salaries of CIs), provision of equipment or the use of a laboratory. Costs of capital works and general infrastructure are not normally considered for inclusion in the industry partner contribution.

The selection committee examines the proposed level of the industry partner's cash and in-kind financial support carefully and makes any adjustments it considers necessary to reflect the true value of the contribution. The industry partner's contribution (both in cash and in-kind) must be reported by the institution in its end-of-year report.

Linkage–Projects projects involving an APAI

Where a project seeks support for an APAI student, the industry partner **must** contribute a minimum of \$5 000 in cash **and** \$5 000 in cash or in kind (that is, \$10 000 in total) for **each** year the student is to receive a stipend. In-kind payments alone will not suffice as the sole contribution to the project.

In addition, support requested for project costs over and above those sought to support an APAI stipend **must** be at least matched by the industry partner on a dollar-for-dollar basis. Where a project is seeking on average \$50 000 or more per year from the Commonwealth, the combined minimum contribution in cash (including for APAIs) should be 20 percent of the total amount sought from the Commonwealth.

Evaluating the adequacy of industry partner in-kind contributions for Linkage–Projects projects

Guidelines to assist applicants and industry partners in determining the value of in-kind industry partner contributions can be found at Appendix 5.

Offer of grant

A project may not begin, nor grant funds be expended, until the industry partner(s) and the institution have entered into a written agreement. The agreement should cover the role of the industry partner(s) in the project, including the cash and in-kind contributions, supervision, leave and other arrangements for postgraduate research students, intellectual property arrangements, and an undertaking by the industry partner(s) to abide by Linkage–Projects Conditions of Grant.

Eligibility for concessional treatment

Industry contributions to a Linkage–Projects project may be eligible for the R&D Tax Concession to the extent that the expenditure is incurred by an eligible company in respect of eligible R&D activities and provided that all other eligibility requirements are met.

To be eligible, the activities being claimed must be undertaken in a way that reflects scientific method, that is, they must be systematic, investigative and experimental. The activities must also be innovative in nature or involve high levels of technical risk, and have the objective of acquiring new knowledge or creating new or improved materials, products, devices, processes or services. Eligible ‘research and development activities’ and ‘research and development expenditure’ are defined at sub-section 73B(1) of the *Income Tax Assessment Act*.

Eligible companies, which are companies incorporated in Australia or public trading trusts, can deduct up to 125 percent of qualifying expenditure incurred on R&D activities when lodging their tax return. Companies can also contract out R&D activities to other companies or approved Registered Research Agencies (RRAs) that have expertise and facilities to do specific types of R&D on behalf of others. Companies must exploit the results of the R&D on normal commercial terms and to the benefit of the Australian economy.

A minimum expenditure threshold of \$20 000 applies to companies claiming the concession but this threshold is waived if the work is contracted to an approved RRA. There is also provision for advance registration of up to three years and for up to 10 percent by value of claimed activities to be undertaken overseas.

To obtain the benefit of the concession, a company must apply annually to register eligible R&D activities with the IR&D Board, and must do so within ten months of the end of the year of income in which the activities were undertaken, for example, by 30 April 2000 if the financial year ends on 30 June 1999. A shorter deadline applies to companies with a financial year ending before 9 April 1999.

The different kinds of arrangements that can be entered into between industry research organisations and contributing companies prevent the making of a general rule about whether the contributions qualify for deduction under the R&D tax concession. However, the general principles regarding investments in research and development projects and collaborative research arrangements are contained in *Taxation Ruling* No. IT 2451.

If an eligible company is unsure whether it can claim the contribution as research and development expenditure, it can apply for a private binding ruling from the Australian Taxation Office (ATO). Details on how to apply and what information needs to be provided can be obtained from the nearest ATO Branch.

Further information

Detailed information on the eligibility requirements for the R&D Tax Concession can be obtained from AusIndustry State Offices in each capital city. Details of the programmes administered by AusIndustry can be obtained from its homepage at <http://www.ausindustry.gov.au/>.

Questions regarding qualifying expenditure, including requests for copies of *Taxation Ruling* No. IT 2451 and for private binding rulings, should be directed to the ATO through its Branch offices.

APPENDIX 3 APAI information

Eligibility

Students are likely to be recent graduates interested in industry research or graduates with some years of relevant work experience who wish to undertake research work in order to complete a higher degree. Grants are made on the basis of full-time study and are to begin in the first year of the grant.

To be eligible for an APAI, a student must:

- be an Australian citizen or an Australian resident with permanent resident status
- be enrolled in a full-time postgraduate research degree at the eligible host institution
- not be receiving similar funding or stipend from a Commonwealth Government programme
- not already have completed a degree at the same level as the proposed candidature or at a higher level, and
- not have previously held an Australian Postgraduate Award (APA) or APAI unless it was terminated less than three months after the stipend was first paid.

The institution may credit periods of study already undertaken towards the degree. If this occurs, the periods of study before the beginning of the APAI will be deducted from its maximum period of tenure.

The institution must inform the ARC in the Exceptions Report of any changes to an award that affect the amount or duration of funding.

APAI students may receive additional funding and/or payments from other sources provided that such funding and/or payments do not contravene their higher education institution rules applying to Linkage–Projects APAI holders and that the industry partner(s) has no objection to the funding and/or payments.

Entitlements from the Commonwealth for APAIs

The Commonwealth will provide an annual stipend and other entitlements in the form of an APAI for a postgraduate research student studying for either a Masters or a PhD. The APAI will be provided at the highest rate of the Australian Postgraduate Award range. Scholarship rates are indexed annually.

Details of the rates for the current year are set out on the ARC website (www.arc.gov.au).

APAIs can be sought for up to three years. Where the award is based on a Masters, the Committee will allocate a maximum of up to two years stipend only. PhD APAIs will be allocated a maximum of three years, with a possible six month extension. For a successful applicant, the Commonwealth will pay to the institution-

- the APAI stipend each year
- a further contribution towards relocation and thesis expenses, as outlined below.

Any funding requirements in excess of the allocation provided for these expenses should be claimed by the institution in the end-of-year report, and any unspent amounts should be reported.

Relocation allowance

The institution will make payments to APAI students relocating residence in order to take up their position, or for an approved transfer, provided that the student provides evidence of expenditure to the institution within six months of the expenditure being incurred. The ARC will reimburse the institution only as part of the Exceptions Report provided that the claim is submitted within a year of the expenditure having been incurred. The ARC will reimburse to a maximum of \$6 000 for all allowances combined in accordance with the Conditions of Grant.

Thesis allowance

The Commonwealth will provide up to \$830 toward the production of a PhD thesis or \$415 toward the production of a Master's thesis. This amount must be provided by the institution to the student if-

- the student's thesis is submitted within six months of the completion of the project, and
- the claim is made within twelve months of the end of the project, and
- the student provides to the institution evidence of expenditure relating to producing the thesis.

Taxation

Full-time APAI stipends are tax-exempt.

HECS exemption

APAI students are exempted from liability under the Higher Education Contribution Scheme (HECS).

APPENDIX 4 APDI information

A one-page justification for an APDI award must be submitted in the application (Section B10) by the applicant who is seeking the Fellowship for himself/herself. It cannot be submitted by another Chief Investigator with a view to advertising for a suitable APDI. Awards begin in the first year of the grant.

Applicants must include in the application the name of an experienced researcher who will act as a mentor for the APDI. He/she could be another Chief Investigator involved in the project.

A successful applicant would be appointed by the institution for three years as an APDI to be employed full-time on the approved project. Tenured researchers who meet the eligibility criteria and successfully apply for an APDI will have to resign from their substantive position before the project begins.

Entitlements from the Commonwealth for an APDI

For a successful APDI applicant, the Commonwealth will pay to the institution each year, as part of funding for the Linkage–Projects project, a sum in the range of \$39 188–\$42 066 a year (plus on-costs) as a contribution towards the salary of the Fellow (approximately equivalent to the former Level A (Tutor), Academic Salary Scale). Remuneration levels are reviewed each year.

The Fellowship funding represents the maximum contribution that may be paid as salary to the Fellow from Commonwealth funds in any one calendar year. The host institution must use internal funds or other resources to match local salary levels reached under enterprise bargaining agreements. Other project funds from the Commonwealth must not be used for this purpose.

Eligibility exemption

Please refer to the information at Section 4.4 of these guidelines.

Relocation allowance

The institution will make payments to an APDI for travel and removal expenses associated with their relocating residence in order to take up their position, or for an approved transfer, on condition that the Fellow provides full particulars of mode and time of travel and the receipts for all other payments (for example, removal expenses) to the institution within six months of the expenditure being incurred. The ARC will reimburse the institution only as part of the end-of-year report, provided that the claim is submitted within a year of the expenditure having been incurred.

The ARC will reimburse in accordance with the Conditions of Grant the following relocation expenses:

- travel expenses, not exceeding the cost of the cheapest direct airfare, for the Fellow and his/her dependants. Where a Fellow elects to travel by car, the Commonwealth will provide a mileage allowance up to the maximum equivalent of the cheapest direct airfare. On completion of the Fellowship, the Fellow will be entitled to the same return fare provisions and removal expenses, provided that he/she has not obtained subsequent employment in Australia for a period exceeding twelve months.

- relocation costs for the Fellow and his/her dependants. For the purposes of relocation entitlements, a dependant is defined as a person who moves residence with the Fellow. A spouse/partner who transfers employment to the city of the institution may be regarded as a dependant; a child continuing to study at the former city and not intending to live with the Fellow, may not be regarded as a dependant.

APPENDIX 5

Guidelines for the evaluation of the adequacy of Industry Partner in-kind contributions for Linkage—Projects

These guidelines are to be used in determining the value of in-kind Industry Partner contributions that are required to be provided by Industry Partners to the Institution to at least match the financial assistance to be provided by the Commonwealth for Projects within Linkage—Projects.

A. Underlying principles and practical considerations

1. The primary objectives in examining the Industry Partner contribution are to ensure that:
 - the available support is adequate for the successful completion of the Project;
 - the cost of the Industry Partner Contribution matches at least dollar-for-dollar the financial assistance provided by the Commonwealth over the life of the Project (except for APAIs);
 - the Industry Partner Contribution is in accordance with the budget, aims and research plan contained in the Project Application submitted by the Institution; and
 - that APAI students are supported by a \$5 000 cash and a \$5 000 in-kind contribution by the Industry Partner for each year they are to receive a stipend.
2. Unless otherwise specified in the project application, a minimum cash contribution by the Industry Partner of 20 percent of the Commonwealth's financial assistance is required.
3. In-kind contributions that are shown to be essential and central to the conduct of the Project are given full recognition in evaluating the dollar-for-dollar contribution; however, claims of contributions that are not fully documented in the End-of-Year Report will be closely examined by the ARC. The onus is on the Institution to establish the merit of the case for recognition of the level and extent of the in-kind contribution.
4. For each APAI stipend awarded, Industry Partners must provide the institution with a minimum annual cash contribution of \$5 000 or the amount specified in the project application, whichever is the larger, for each year the student is to receive a stipend on the basis that the Project has been approved by the Minister at the level of Industry Partner Contribution specified in the Project Application. Industry Partners must also provide a further minimum annual cash or in-kind contribution of \$5 000 or more in line with the amount specified in the project application. Where an APAI is extended by up to six months for a PhD student, the Industry Partner is not required to provide further cash or in-kind contributions.
5. With the exception of the above APAI-related Industry Partner contribution, if the amount of Commonwealth funding approved for a Linkage—Project varies from the amount applied for, the Chief Investigator must discuss the matter with the Industry Partner. Where the Industry Partner agrees the research project is viable within the parameters of the varied amount of Commonwealth funding pro-rata, adjustments may be made to the project application budget. The Chief Investigator is responsible for providing the research office of the higher education institution with evidence of any such Industry Partner agreement for grant acquittal and reporting purposes.
6. In-kind contributions to a Project may include scientific liaison and management, direct technical support, or unique access to reagents or equipment.

7. Corporate membership or subscription fees in industrial consortia do not qualify as Industry Partner contributions but the allocation of designated research funds, together with the identification of the linkages between the member and the Project, do qualify.

B. Guidelines for recognising in-kind budget items in Industry Partner Contributions

This list is not all-inclusive. If in doubt as to the acceptability of a particular item, consult-

Director
 Programme Management Section
 Australian Research Council
 GPO Box 9880
 CANBERRA ACT 2601

<u>Category</u>	<u>Accepted</u>	<u>Not Accepted</u>
Access to unique databases	Incremental costs of access	Cost of collecting the database
Analytical and other services	Internal rates	Commercial rates
	Incremental cost of providing service	
Equipment	Contributed – Used - fair market value - company book value - price for internal transfers	List price or discounted list price Rental equivalents exceeding accepted values had the equipment been donated or sold
	Contributed - New - selling price to most favoured customer (if stock item) - cost of manufacture (if one of a kind) - cost of purchase	Development costs
	Loaned - rental equivalent based on depreciation - rental rate equivalent to highest-volume user	
	Sold - difference between discounted price and selling price to most favoured customer	

Continued:

<u>Category</u>	<u>Accepted</u>	<u>Not Accepted</u>
Materials	Unit cost of production for commercial products Selling price to most favoured customer Price for internal transfers Cost of production of prototype and samples	Development costs (unless it is an integral part of the Project proposal)
Patents and licences	Licences acquired from third parties for use by the university	Patents Licensing fees paid to the university
Payments concerning the Chief Investigator	Payment to the university for release time from teaching duties	Payment to the Chief Investigator as consulting fees or honoraria (additional to normal salary)
Salaries	Typical salary cost (including overheads) at internal rates	External charge-out or consultant rates Costs relating to administrative support where overhead has been included in salary costs
Contributed software (need to distinguish between existing software used as a tool for analytical purposes and the collaborating Industry Partner's contribution to developing new software tools where this is one of the main objectives of the proposal)	Copying costs Licensing cost Documentation cost Cost of training and support of software Cost of equivalent commercial product (where donated software is not commercially available)	Development costs
Travel	Travel costs to meet with university personnel	Conference travel

Continued:

<u>Category</u>	<u>Accepted</u>	<u>Not Accepted</u>
Use of facilities	<p>Internal rates for logistical support and travel allowance for university personnel working on collaborating Industry Partner premises or on field work</p> <p>Internal rates for use of specialised equipment by university personnel or use of process or production lines</p> <p>Internal rates for value of lost production resulting from down time</p>	<p>Use of equipment by collaborating Industry Partner personnel.</p> <p>Space for collaborating Industry Partner activities outside the scope of the specific proposal</p> <p>Equivalent commercial rates</p>