

Strategic Examination of Research and Development (SERD)

ARC response to the *National Coordination for RD&I impact* – Issues Paper

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Strategic Examination of Research and Development

ARC Submission

Introduction

The Australian Research Council (ARC) welcomes the opportunity to provide a further submission to the Australian Government Strategic Examination of Research and Development.

This submission makes 4 recommendations for consideration by the SERD Panel relating primarily to the issues paper *National coordination for RD&I impact*. We look forward to working further with the Panel as it considers these issues.

Recommendations:

- 1. Recognise the role of the revised National Research and Science Priorities in guiding Australian research and ensure that Humanities, Arts and Social Sciences (HASS) disciplines are considered in the development of any priorities, such as a productive and cohesive Australia.
- 2. Reposition the national coordination model to recognise and support existing funding streams and initiatives across government. Support for small or medium scale research is required to build the capacity and relationships necessary to sustain the large programmes proposed in the model.
- 3. Focus on improving connectivity between existing funding opportunities, such as pathways for National Competitive Grants Program (NCGP)-funded research to flow into different government funding programs with commercial or translation objectives. This will require a unified approach which aligns Government-funded research schemes across organisations.
- 4. Embed evaluation of Australia's RD&I capabilities into the national coordination model, through mechanisms like the ARC's proposed Research Insights Capability. This is essential to ensure that the proposed model responds to an accurate and up-to-date picture of Australia's needs and capabilities.

Suitability of the proposed mechanism to set focus areas

The model proposed in <u>National coordination for RD&I impact</u> has potential to fill a gap by supporting very large-scale mission-oriented research programmes.

However, the issues papers published to-date lack any reference to the existing National Science and Research Priorities, announced in August 2024, or to the important role of HASS research in setting priorities for mission-based research. HASS research is crucial to identifying challenges and opportunities involving Australian society and culture, and to address the human, societal and cultural aspects of other missions that may otherwise be dominated by STEM research. The ARC strongly recommends including HASS in any development of a national research coordination mechanism, and ensuring that the mechanism is implemented in such a way that contributions from HASS researchers are explicitly welcomed.

While the ARC is potentially supportive of directing national effort towards a set of focus areas or 'pillars', the example areas appear to have been chosen solely due to existing activity in those areas. The ARC does not believe that this is sufficient reason to concentrate national effort on these topics. Instead, focus areas should be informed by a whole-of-government process such as the extensive consultation to inform the recently revitalised National Science and Research Priorities, that gives full consideration to Australia's strengths *and* challenges.

A theme outlined in the *Strategic Examination of R&D*: discussion paper consultation findings and analysis is the need to strengthen performance measurement, which could be used to inform the development of priority focus areas for Australian RD&I. The ARC recommends that performance measurement should be embedded in any new national coordination mechanism. The value of research evaluation is not just the capability to demonstrate the outcomes and impact of research funding, but is also critical to building an accurate, wholistic and in-depth understanding of the Australian research sectors strengths and weaknesses across the whole research ecosystem. The ARC is exploring the development of a Research Insights Capability to deliver on this critical need.

Suitability of the proposed mechanism to coordinate RD&I

It is currently unclear how this new system will provide coordination that creates pathways between existing funding streams and initiatives across government. The model does not appear to coordinate RD&I efforts at the small or medium scale, or include mechanisms to build the capacity and relationships necessary to sustain large tri-sectoral programmes. If this is an additional system with no links to existing government programs, then fragmentation of the RD&I landscape will continue.

The NCGP Policy Review found that there is also significant sector appetite for improved connectivity between existing funding opportunities, such as pathways for NCGP-funded early-stage research to flow into a different government funding program (such as one focused on translation or commercialisation). As this is not possible for the ARC to achieve unilaterally, we would welcome an approach to national coordination that considers the full spectrum of RD&I activities.

For example, the SERD paper <u>Scaling the system: A proactive approach to scaling the RD&I system</u> notes that business engagement with research is very low in Australia. This is true at the small and medium scale as well as the large-scale targeted in the SERD approach to national coordination. The ARC has proposed a new scheme structure for the NCGP designed to make it easier for universities to form and scale up new partnerships with research end-users, including businesses, through explicitly welcoming partnerships in all schemes and lowering barriers to participation. The new structure also includes a scheme for highly novel research with the potential to be transformational, which is aligned with the reform concepts outlined in the SERD paper <u>RD&I incentives: Incentivising breakthrough innovation and ambitious R&D</u>. While the ARC has capacity to reduce barriers to businesses engaging with universities through the NCGP, we have limited capacity to boost the motivation of businesses to engage. This is an area where the SERD could make a powerful impact, but motivation to engage with universities is not currently a challenge listed in the *RD&I incentives* paper.

The ARC welcomes further consideration from the SERD team regarding potential pathways to encourage business engagement with NCGP-funded early-stage research, and to facilitate the progress of that research down the translation pipeline.

Research Evaluation

The ARC recommends incorporating a research evaluation function into the national coordination mechanism to ensure that it is responding to an accurate and up-to-date assessment of the Australian RD&I sector and its contexts. A nationally coordinated research evaluation system could significantly improve investment in RD&I by providing insights on the strengths and gaps of the Australian research sector. However, if a national evaluation framework is to be able to demonstrate the impact of research it must gather data beyond the narrow field described in the *National Coordination* issues paper. Research evaluation can build the critical evidence base for understanding the value and impact of research socially, culturally and economically.

The 2024 ARC Act 2001 (Cth) amendment mandates that the ARC evaluate the excellence, depth, and impact of Australian research. The ARC is currently developing policies to fulfill this legislative requirement and welcome further discussion with the SERD Panel on pathways to ensure a whole-of-government approach to research evaluation.

The ARC's newly proposed national Research Insights Capability could facilitate public access to actionable and inclusive information on Australian research outputs, outcomes, collaborations, and practices in real-time. The Research Insights Capability could explore collaborations between researchers, disciplines, institutions, and industry; and identify research that benefits the Australian economy or aligns with our national priorities. The capability would also include identification of partner contributions to better understand the initiatives and policy settings required to enable impactful and high-quality research. The Research Insight Capability could also provide meaningful analysis to inform evidence-based policy and investment decisions and shape the future direction of Australian RD&I.

Conclusion

The ARC appreciates the opportunity to contribute to the Strategic Examination of Research and Development and remains committed to supporting a coordinated, inclusive, and impactful RD&I system for Australia. We look forward to continued engagement with the SERD Panel to ensure that future mechanisms reflect the full breadth of Australia's research strengths, foster meaningful collaboration across sectors, and deliver enduring benefits to the nation.