



By email: eec.sen@aph.gov.au

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Australian Academy of Science submission on the *Australian Research Council Amendment (Review Response) Bill 2023*

The Australian Academy of Science (the Academy) welcomes the introduction of the *Australian Research Council Amendment (Review Response) Bill 2023* (the Bill). The amendments it presents are a strong and needed response to the Review of the *Australian Research Council Act 2001* (the Act) chaired by Professor Margaret Sheil AO FAA FTSE.

The importance of the Australian Research Council (ARC) is inarguable. The role of the ARC, its leadership and the execution of its functions should reflect our aspirations for the research landscape, for research excellence and for how research can best support our national ambitions.

The Academy advises the Parliament to progress the passage of the Bill, which includes provisions that:

- Remove the capacity of the Minister of the day to engage in political interference in grants funded by the agency, except on national security grounds.
- Establish revised objects to the Act that provide greater clarity as to the purpose of the agency, including its key (though not sole) role in supporting fundamental research.
- Provide for an ARC Board, including the stipulation that “a majority of the Board members are persons whom the Minister is satisfied have substantial experience or expertise in one or more fields of research or in the management of research.”
- Establish the role of the ARC Board in appointing the ARC Chief Executive Officer.
- Establishes the role of the ARC Board in advising the Minister on the making and variation of funding rules.
- Provide for the ARC to evaluate the excellence, quality and impact of publicly-funded research.

Ministerial powers

The Bill seeks to enact overdue reforms to how Ministerial approval and discretion are exercised. The focusing of ministerial discretion on the National Competitive Grants Program guidelines and funding quantum, rather than on individual grants, promises to place the recommendations and approvals in the hands of the people with the expertise to assess their merit.

The current Act places Australia as almost unique among democratic nations. Few other, if any, democracies require ministerial approval for individual research projects. Such a situation is antithetical to academic freedom and free intellectual inquiry and needs to change to protect the integrity of and trust in Australia’s research system. As such, the Bill introduces needed improvements to the Act.

Opportunities to enhance the Bill

Advice on research policy to government

Modern research councils have an important role in advising Ministers on research policy. The Academy supports the recognition of this role in the objects of the Act.

To strengthen this, the Academy suggests an amendment to the Board’s advisory function as per the drafted text: “to provide expert advice on research to the Commonwealth Government”. This would broaden the advisory function of the Board to align with that of the ARC as set out in the Bill.

Resourcing for new responsibilities

The Bill introduces additional responsibilities for the ARC, for example, supporting the administration and functions of a new Board. As the ARC’s responsibilities are increased, its resourcing needs to be increased in tandem to ensure the agency can effectively deliver all its functions.

Impact on wider research system

Changes to the role, responsibilities, focus, and governance of the ARC will invariably influence the operation of the broader research system. The ARC is but one component of this system, and changes to the ARC do not occur in a vacuum.

While the scope of this submission is limited to amendments to the ARC Act set out in the Bill, the Academy reinforces the need for a broader, independent review of the whole science and research system.

Australia's overall level of investment in research and development – which is a down payment on future economic and social prosperity – is falling and is well below the OECD average. This also reflects that the ARC appropriations have not kept up even with inflation over the past decade. Addressing the lack of overall national investment in R&D requires urgent reform to policy settings and levels of national investment commensurate to that of leading nations in the OECD.

To discuss or clarify any aspect of this submission, please contact Mr Chris Anderson, Director Science Policy at