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Information on Australian Research Council (ARC) Grants

The Australian Government is investing \$9.6 billion in science and research this year. A high performing science and research sector is important to the growth of the Australian economy and the good reputation of the Australian higher education sector. Approximately eight per cent (\$760 million) of that investment is administered by the ARC through its competitive research program.

In 2018-19, the Education and Training portfolio will provide approximately \$2.9 billion in research funding, including around \$800 million in funding for ARC grants.

On 27 November 2018, the Hon Dan Tehan MP, Minister for Education, announced more than \$380 million in funding to 920 research projects including 200 fellowships under the Discovery Early Career Researcher Award scheme, 653 Discovery Projects grants, 12 Discovery Indigenous grants, 36 Linkage Infrastructure, Equipment and Facilities grants and 19 Linkage Projects grants.

The ARC administers its funding in accordance with the *Australian Research Act 2001* (ARC Act). The ARC Act requires the Chief Executive Officer (CEO) of the ARC to provide recommendations to the Minister on what applications should be funded. However, the ARC Act is clear that it is the Minister who is the ultimate decision-maker with regard to whether or not individual applications receive funding. This is appropriate, as it is the Minister who is accountable to Parliament and to the Australian people for ensuring that taxpayers' money is spent wisely.

In order to provide a new level of transparency in relation to funding decisions, the Minister has asked the ARC to add an additional grant outcome feedback category, so that applicants are notified of instances where a project is 'recommended to but not funded by the Minister'.

In addition, the Minister has announced the details of the National Interest Test that will apply to all grant rounds prospectively. The test will provide the Minister with information needed to ensure that the Government is responsibly allocating taxpayer dollars to research. The test will provide greater transparency for both researchers and taxpayers.

Under the National Interest Test, only those applications that meet the test definition, and score highly in the competitive grants process, will be recommended for funding.

Applicants will be asked to explain ‘the extent to which the research contributes to Australia’s national interest through its potential to have economic, commercial, environmental, social or cultural benefits to the Australian community’. The previous ‘benefit and impact’ application text will be replaced with a compulsory field for the applicant to make their case against the National Interest Test.

This approach creates no additional burden to researchers in preparing their applications, but requires them to specifically address the National Interest Test definition in plain English.

The ARC’s process remains the same and assessors will assess applications and provide recommendations to the ARC CEO. The ARC CEO will assess the National Interest Test of each application and provide advice to the responsible Minister. Researchers’ responses to the national interest test will be provided to the Minister, along with summary information about the project.

The application of a National Interest Test will help to explain the value of research to the country, help sharpen the focus, and remind people they are working on behalf of every Australian.

In the longer term, the Minister has also asked the ARC to convene an advisory panel, to advise on what priorities should guide Australian Government investment in research in relation to ARC grant schemes. The starting point for that review will be the Science and Research Priorities issued in 2015, to ensure the priorities, as applied to ARC grants, are relevant and holistic.

Of course, ARC competitive grant funding is not the only source of funding available to universities and researchers. Universities also receive \$1.92 billion in block grants, which can be allocated to research and research training at the University’s discretion. Other non-government and private sector sources of funding may also be available.