



Cooperative
Research
Australia

**CRA's submission in response to the
Interim Report - Australian
Universities Accord
(September 2023)**

Cooperative Research Australia acknowledges the traditional custodians of the land on which we operate, the Ngunnawal people. We also acknowledge the traditional custodians of the various lands across Australia upon which our members operate.

We pay our respects to Elders past, present and emerging and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to our lands and waters.

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Executive summary

Cooperative Research Australia (CRA) welcomes the opportunity to provide a response to the Department of Education's "Australian Universities Accord Interim Report".

CRA is the voice of industry-research collaboration and advocates for the translation of research into commercial, economic, social, and environmental outcomes that benefit all Australians. Our members are the lynchpin in the Australian innovation system and are focused on creating new products, services, industries, and value in our economy. CRA represents Cooperative Research Centres (CRCs) and their spinoff/successor entities, CRC – Projects grant participants, 30 universities and research institutions, as well as other industry-research collaboration entities, associated businesses, alumni and professionals.

Our contribution focuses on the importance of creating productive collaborations between research organizations and businesses in an ecosystem setting, investing in research and development and a supportive policy for innovation, to aim towards a successful Higher Education System.

The highlights of CRA recommendations are:

- Recognise that R&D is the foundation of a high-quality university system and a diverse and sustainable economy by growing Australian investment in R&D to a target of 3% of GDP.
- Grow investment in existing research and translation programs and models that provide significant return to the Australian economy.
- Provide long-term, sustainable, and predictable funding. The CRC program is an exemplar of this – a well understood and long-term program that provides substantial economic benefit, unlocks private R&D investment, and grows our skilled workforce.
- Provide secure and ongoing funding to National Critical Research Infrastructure Facilities as the backbone of the innovation system.
- Make greater use of Australian research translation capacity through government use of research, and better harnessing the collective capability of research translation entities such as Cooperative Research Centres, post-CRC entities, Rural Development Corporations, etc.
- Recognise and invest in boundary-spanning research brokers such as post-CRC entities like Mining 3, the Autism CRC, Natural Hazards Research Australia, CO2 CRC, CRC Care, the Lowitja Institute, APRIL, Water Sensitive Cities Australia and many more, long after they have exited the formal CRC program.
- Urgently address HDR stipends to ensure that Australia can develop, attract and retain the best talent, and is better able to attract PhD candidates with industry experience.
- Provide better pathways for international students to permanent residency, to grow our skilled workforce and talent.

Cooperative Research Australia is committed to working collaboratively with the Australian Government in shaping the Australian Universities Accord to fulfill its purpose of addressing high education challenges. We are committed to a prosperous and innovative future for all Australians, and -as such- we are open to facilitating a platform for further consultation and/or clarification on any of the recommendations.

Introduction: revisiting our submission to the Accord Discussion Paper

- **Collaborative Partnerships:** CRA advocates for higher education and industry collaboration to transform Australia's education system.
- **Unified Approach:** CRA proposes a coordinated national strategy with targeted investments in critical areas like advanced manufacturing, critical technologies, First Nations participation, and decarbonisation; along with a coordinating body to support innovation and research-industry collaboration is encouraged.
- **Ecosystem Approach:** CRA advocates place-based clusters for collaborative solutions, connecting education and industry. In addition, we believe that to ensure that placement arrangements and work-integrated learning (WIL) programs remain relevant and effective, ongoing consultation between universities, industry, and government is essential.
- **Funding and regulation:** CRA emphasizes the need of a stronger role of funding and regulations in nurturing innovation, urging a comprehensive review of existing schemes aligned with the national strategy to achieve sustainable growth. Additionally, we propose leveraging on existing/developing channels such as the National Reconstruction fund and the Australian Research Council to achieve this.
- **Quality education:** CRA envisions industry-relevant skills through collaboration, entrepreneurship, and training to enhance learning. Furthermore, we suggest leveraging on international best practice to bring new perspectives and solutions for quality learning and improved education experience, including safety and wellbeing.
- **Lifelong Learning:** CRA believes that lifelong learning can be enhanced through a combination of public awareness campaigns, upskilling through training in emerging domains, flexible learning models and funding support.
- **360 Solution for Student and Industry Incentives:** CRA advocates for education-industry integration that addresses student engagement, the cost-of-living crisis and our economic complexity. Higher stipends can attract more students to pursue a HDR pathway, while better planned incentives for industry to participate in work-integrated learning programs can offer meaningful opportunities for students to gain practical experience and simultaneously boost innovation in their businesses.
- **Inclusivity and Access:** CRA suggests increasing outreach, providing more targeted financial support and scholarships, and offering more flexible and accessible pathways to higher education through vocational education and training (VET) and other alternative pathways.
- **Equitable Student Contributions:** CRA supports that student contributions and Higher Education Loan Program arrangements should be underpinned by the principles of accessibility, affordability, and equity.
- **Global Talent Attraction:** CRA suggests attracting international high-skilled talent through increased investment in international collaboration, streamlined visa processes, and financial incentives for international researchers to work in Australia.
- **Social License and Target Setting:** CRA recommends incentivising community engagement and fostering social license, as well as setting long-term attainment targets in collaboration with stakeholders.

Three biggest reflections on the Interim Report

1. A healthy Australian economy will determine our capacity to achieve all the priority actions and the considerations for change listed in the Interim Report. The release of the Intergenerational Report highlights the essential requirement for change to establish a diverse, sustainable, and stable economy that will provide long-term benefits to all Australians while maintaining a high standard of living. A diverse, sustainable and stable economy can only be realised with a significant uplift in Australian R&D.
2. Investing in Australian research capacity, making sure it keeps up with the world, and ensuring that that research capacity is strongly linked to industry is critical to both to the quality of Australia universities, their attractiveness to students, our international competitiveness and opening career and social mobility opportunities. It is critical for the success of the Accord process that Australia's shortfall in R&D investment is addressed as a matter of urgency.
3. CRA welcomes the principles of equity, access and opportunity, the priority on First Nations capability. We also support the initiatives for excellence in a holistic education experience for all.

Areas of Substantive Agreement or Disagreement

Putting First Nations at the heart of Australia's higher education system & Equity in participation, access and opportunity

CRA welcomes the support aimed at facilitating access to education for those students with disadvantaged backgrounds or from underrepresented groups, including First Nations.

Long term funding should be secured for First Nations-led research and research translation entities such as the North Australian Indigenous Land and Sea Management Alliance, CRCs such as the CRC for Northern Australia and post-Cooperative Research Centres such as the Lowitja Institute and Ninti1, and for future First-Nations led centres.

In line with this, our submission to the Accord, recommended guaranteed access to higher education of students, including underrepresented groups through financial support, scholarships, and offering more flexible and accessible pathways. In addition, we advocated for higher stipends to incentivise more students to enrolling and supporting them in the light of the Cost-of-Living crisis, as well as a revision of the current education loan program.

Meeting Australia's future skill needs

CRA welcomes initiatives that bridge the gap between current and future skills needs.

For Australia to remain internationally competitive, it is critical we continue to attract and develop outstanding talent and grow the absorptive capacity of Australian firms to tap this talent.

There is an urgent need to address current HDR stipends to end the economic disincentive to pursue research training for candidates at all stages of their careers. We will not be able to improve the absorptive capacity of industry without producing more PhD scholars who have experience and track record working in industry. At the very least, HDR stipends should exceed the minimum wage and provide scholars with a sustainable standard of living.

Programs such as the Cooperative Research Centres program that engage industry with scholars undertaking industry-led research offer a well understood pathway to providing graduates with opportunity, building innovative ecosystems, and growing the absorptive capacity industry and the capacity of industry to work with research institutions.

The CRC program is an exemplar of a long-term program that has provided an effective framework for collaboration between industry and universities, as evidenced in the more recent Impact Assessment of the CRC program. The expansion of such programs provided a known return on investment and has been a key contributor to the growth in industry-research engagement in Australia.

CRA in its previous submission advocated for the promotion of partnerships between stakeholders, including universities, industry, and government, to align relevant courses with industry needs and facilitate the transition of graduates into the workforce. In addition, CRA recommended to foster innovation in a way as to provide students with practical experience and exposure to cutting-edge technologies and business models that prepare them for the changing demands of the job market.

Finally, CRA also recommends advisory boards to include industry professionals and boundary spanning experts for clusters of related disciplines.

Fostering international engagement

CRA welcomes initiatives that strengthen Australia's reputation as a destination for international students and supports proposed initiatives, especially in those areas of strategic importance.

In line with this, our previous submission advocated for clear migration pathways and the possibility of sustainable career opportunities for international undergraduate and HDR students in Australia, over a short-term approach.

Also, as we have argued in our submission to the Review of Australia's Higher Education System, attracting international talent through the provision of financial support and other incentives can benefit both the higher education system and the wider economy, by

building international connections and promoting innovation and knowledge exchange. The consideration of a levy for international students risks acting as a disincentive to international engagement and puts Australia at risk dropping behind in the global competition for talent.

In optimising use of Australian research expertise through international collaboration, it is critical not to miss the opportunity to scale up the mechanisms and entities that drive the translation of Australian research for commercial, economic, social and environmental benefit. Cooperative Research Centres are highly international, with deep international partnerships that stretch across the globe, providing Australia with access to talent, markets and capital, while contributing to Australia's reputation as a contributor to global knowledge.

Research, innovation and research training

CRA welcomes the Accord's consideration for R&D and innovation. It should be recognised as the most significant underpinning of university capacity and quality. High quality education flows from high quality research. As per our previous submission we believe that a robust innovation system that promotes and incentivises collaboration, commercialisation and translation, and is supported through strategic investment is key the long-term growth and prosperity of the Australian economy.

There must be a significant national uplift in R&D investment and a shift towards long term funding and policy certainty. Greater investment in fundamental research and research infrastructure is critical to ensuring the healthy pipeline needed to underpin a sustainable and more complex economy for future generations. The ARC Impact Assessment confirmed that an investment in research is an investment in growing our economy and returns significant growth to Australia.

It is critical that NCRIS facilities are supported with long-term funding certainty. They are the backbone upon which the system is built and provide the physical and human infrastructure that enable research and research translation of world class standard.

Supporting the translation of research requires investment in programs that unlock private sector, non-profit and other R&D investment to drive economic growth. The Impact Assessment of the Cooperative Research Centres published in January this year found that Australia's GDP increase by \$5.61 for every dollar of government funding for CRCs since 2005, and that completed CRC Projects are estimated to return \$7.73 in economic benefit for every dollar of government funding since 2016.

The benefit of CRCs goes beyond their period funded by the Federal Government. Post-CRC entities such as Mining3, the Lowitja Institute, C02CRC, CRCCare, the Autism CRC, the Sustainable Built Environment National Research Centre, Ninti One, Natural Research Hazards Australia, APRIL, Water Sensitive Cities Australia, and many more continue to deliver significant economic value, continue to foster university-industry collaboration and

continue to unlock private sector R&D. They are an unheralded but long run boundary spanners/research brokers that occupy a unique and important convening power across sectors.

CRA welcomes the consideration of encouraging government to better access university research. We urge the consideration to include boundary spanning entities like CRCs, RDCs, Post-CRCs, Industry Growth Centres etc and to consider them beyond the narrow confines of each funding program. For instance, more than 16 CRCs and Post-CRC entities are working towards the decarbonisation of Australia's economy, working vertically and horizontally across sectors, bringing together universities, industry and the third sector. The collective capability that could be harnessed by government is substantial if it is conceived as a collective and interconnected effort.

Support and funding for universities to engage with industry must be matched by comprehensive and related policy and funding that facilitates and incentivises a transformation of Australian industry and fosters a more complex mix of firms.

CRA emphasizes an ecosystem perspective to address challenges in Australia's higher education by promoting place-based clusters involving institutions, industry, and government for collaborative regional solutions, while advocating for a coordinating body to enhance program and policy interaction.

A coherent national tertiary system

CRA endorses the establishment of a Tertiary Education Commission, as an effort to achieve a coordinated national approach to tackle challenges in Australia's higher education system.

The principles of independence and expert decision-making can be leveraged by a strategic collaboration between academia and industry. In addition, we encourage the Commission to act as a catalyst for student outcomes and promote innovation.

Through its holistic approach and emphasis on alignment between VET and higher education sectors, the Commission can contribute significantly to the long-term growth and prosperity of Australia's education system, aligning closely with our vision for an integrated and impactful educational ecosystem.

In addition, we recommend better coordination of programs that engage university research and research translation across Government.

Strengthening institutional governance

CRA appreciates the comprehensive measures outlined in the interim report to enhance student wellbeing, safety, and operational practices within higher education institutions. We encourage further consideration to enrich governance through diverse backgrounds at the board level, including industry experience and boundary spanning experience.

Sustainable funding and financing

CRA's previous submission aligns closely with the need to establish a robust framework of values and principles that underpins the higher education funding system. We believe that additional attention to collaboration, innovation, and industry-academia partnerships, in a funding model that provides longer-term stability while dynamically responding to changing student needs and demands would be valuable.

Long-term sustainable funding returns significant economic benefit to Australia. The most recent impact assessments of the Australian Research Council and the Cooperative Research Centres confirm that to not invest in research and R&D is to undermine economic growth.

The CRC model is unusual in its stability and longevity, and we urge the Panel to take into consideration the model and the most recent impact assessment in building the case for funding and policy certainty. The impacts go well beyond existing CRCs, to encompass the post-CRC entities and spinouts.

What measures of success could the Panel propose to track the outcomes of Accord recommendations?

CRA advocates adopting a pilot-driven, iterative approach for measuring success, developed in close consultation with industry and boundary-spanning organisations and experts. The implementation of any new measures should be accompanied by consistent engagement with stakeholders to encompass a wide array of views and feedback.