



Ministers for Innovation, Industry, Science and Research

Innovation Minister > Senator the Hon Kim Carr

Speech

Senator the Hon Kim Carr

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AUSTRALIAN TECHNOLOGY NETWORK OF UNIVERSITIES

**Storey Hall, RMIT
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It is impossible to overstate how important universities are to our innovation system.

They are engines of invention and discovery.

They create new knowledge and they produce people with the skills to apply that knowledge in the real world.

They are places where new industries, products and services are born.

They are increasingly vital hubs in the industry networks and clusters of the knowledge economy.

If we neglect our universities, the whole innovation system suffers. No nation can compete internationally without an internationally competitive university system.

That is precisely the kind of system this Government is building, with a sweeping program of investment and reform that will deliver excellence in research, teaching and learning, community engagement, and collaboration with industry.

We cannot achieve this without making changes – both structural and cultural.

Individuals and institutions must get better at working together, at sharing resources, and at thinking about how they can contribute most effectively to the success of the system as a whole.

We must be more international in our outlook.

We must be ready to face comparison with the world's best.

The Government's higher education revolution is all about harnessing the creativity of the Australian people and applying it to the great task of improving our standard of living and enriching our way of life.

This week, the Minister for Education and I made a joint statement providing a snapshot of our progress to date and our priorities for 2010.

Let me go through a couple of them.

Tertiary Education Quality and Standards Agency

Later this year we will establish the Tertiary Education Quality and Standards Agency, which is being developed by my department and Julia's with the support of an expert reference group, and input from the Australian Research Council.

TEQSA will be an independent body with powers to regulate university and non-university higher education providers against a new standards framework for teaching, learning and research.

Responsibility for the agency will be shared by the Deputy Prime Minister and myself in line with our portfolio responsibilities.

In keeping with normal practice, TEQSA will perform its regulatory functions at arm's length from its Ministers.

The focus of the agency's work in setting standards and monitoring quality will be on giving students clear information about courses, campus facilities, support services and – most importantly – the quality of teaching and learning outcomes.

Students will be able to use this information to guide their choices, and their choices will in turn drive changes in institutional behaviour.

At the same time, institutions that work proactively to achieve higher standards in their teaching will be rewarded with performance-based funding.

This funding will favour providers that deliver quality student engagement and learning outcomes.

The Government is already working with the sector on performance indicators and guidelines for negotiating institution-specific targets, measuring performance, and allocating funds.

Excellence in Research for Australia

The second mechanism we are developing to lift quality is Excellence in Research for Australia.

Its findings will plug into the TEQSA standards framework.

ERA will evaluate research undertaken at universities against international benchmarks, and.

It will tell us exactly how well we are doing compared to the world's best.

Both universities and the Government will be able to use this information to guide the allocation of resources.

Australia is an incredibly productive research producer, but the funds we can devote to research are and always will be finite.

It is therefore essential that we play to our strengths.

ERA was trialled successfully in 2009 and comes into operation this year.

It is administered by the Australian Research Council, which has done such a brilliant job of putting it together.

My thanks, as always, to Professor Margaret Sheil and her team – and also to the Australian Technology Network of Universities and all the other institutions that have contributed so constructively to the development process.

Without wanting to verbal you, my understanding is that the ATN has thrown its weight behind both the concept of ERA and the design we have come up with.

Thanks for your support.

ERA will have a huge impact on the higher education sector – a transformational impact.

This is not a curiosity-driven exercise.

We are not gathering data for sake of it.

We expect the lessons we learn from ERA to change the culture and drive reform across the system.

ERA will inevitably expose differences in research quality.

This may well influence academic mobility, publication preferences, student enrolments, and the capacity of institutions to secure external funding.

The Australian Technology Network itself is wrestling with the question of what ERA might mean for its members' capacity to attract researchers, research students, overseas undergraduate students, and foreign investment in university-based research.

This is precisely the kind of question I want you thinking about.

Every university in the country should be asking itself how the results of ERA will make it look internationally.

If the answer is “not too flash”, then it will be my turn to ask questions, starting with, “What are you going to do about it?”

Compacts

Rather than waiting for a thorny question from me, or the Deputy Prime Minister, or TEQSA, wise universities will be moving swiftly to take control of their own destiny.

That's the whole point of mission-based compacts.

From 2011, each university will negotiate a compact with the Government defining its unique mission, and describing how it will fulfil that mission and meet the Australian Government's broader policy goals.

Universities will be encouraged to focus on areas in which they have particular strengths and can make a distinctive contribution.

We see compacts as a way of securing the best possible return on a substantial – and growing – public investment, and of ensuring that our universities are meeting the needs of the national innovation system, of students, of industry, and of the wider community.

Interim agreements are being negotiated for 2010 as a forerunner to this game-changing reform.

By early this week, agreements had been signed with thirty-four institutions, and my department

expects the remainder to be wrapped up by the end of the month.

A summary of the issues raised during negotiations will be published soon.

The Government is providing \$400 million in structural adjustment funding – including \$200 million for infrastructure – to help struggling universities make changes that will enable them to find a viable niche in what will be a much more testing higher education ecosystem.

Support for structural adjustment will also come from the new Collaborative Research Networks Scheme.

Starting next year, it will help less research-intensive institutions adapt to the demands of a research system squarely focused on excellence by forging hub-and-spoke relationships with universities that have more research capacity.

A discussion paper on the scheme will be released shortly.

Quid pro quo

It is no secret that ERA will eventually be used to allocate funding.

Funding for indirect research costs from Sustainable Research Excellence in Universities is already conditional on universities participating in ERA and in this year's trial of the new transparent costing methodology.

It is pleasing to see that all universities have agreed to these conditions.

I have also flagged that future funding from Sustainable Research Excellence in Universities Scheme will be linked to ERA outcomes.

No decision has been made about exactly how or to what extent – and no decision will be made until we have talked to the sector – but you can see where I heading with this.

Over the past two years we have put billions into infrastructure for teaching, learning and research.

We have dramatically expanded fellowship and scholarship support for researchers and research students.

We are providing more money for indirect research costs and improving the indexation of block grants – reforms that will inject not millions, but billions of extra research dollars into the sector over the next decade.

None of this is money for jam.

There is always a quid pro quo.

What I expect in return – what the Government expects in return – is a serious commitment to excellence and accountability.

A serious commitment to ERA and transparent costing.

A serious commitment to improvement and reform.

That's the basis on which we got this money, and my colleagues will be watching very carefully to make sure we keep our side of the bargain.

Yet in some respects they are the least of our problems.

This isn't their money any more than it's yours or mine.

It is the public's money.

They are making a huge investment in higher education – a bigger investment over the last couple of years than we have seen in more than a decade.

They are entitled to expect a decent pay-off.

They are entitled to see their universities delivering a quality education and a rich student experience.

They are entitled to see you doing genuinely world-class research that delivers meaningful benefits – not just economic benefits, but environmental, social and cultural benefits as well.

The future

We have embarked on very, very ambitious program of reform – a program that can only succeed with the cooperation and support of the entire higher education sector.

Let me again thank the Australian Technology Network for all it has contributed so far, not just to the general conversation, but also through the participation of ATN universities in:

- the Research Workforce Strategy Reference Group
- and the Higher Education Research Data Advisory Committee.

My ultimate aim is create a more connected and more collaborative innovation system – a system in which individuals, institutions and sectors work together, both domestically and internationally.

This is the best way to build capacity and achieve excellence.

Once again, the ATN universities are showing the way.

They are involved in over half of our active Cooperative Research Centres.

They have great links to the private sector – a fact borne out by their heavy involvement in:

- the Joint Research Engagement Scheme
- the Linkage Grants Scheme
- and the Researchers in Business Program.

They understand why quality matters and how important it is that we make it the focus of all we do.

In that connection, let me congratulate Curtin University on its ascension to the Top 500 in the Shanghai Jiao Tong University Academic Ranking of World Universities.

This is the company we need to be in.

There is a lot of debate about the value of these league tables, but if I had to choose between being near the top and being near the bottom, I know which I'd prefer.

Every Australian university must be able to mix it with the very best.

Our future in an increasingly complex and competitive world depends on it.

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