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UNIVERSITY RESEARCH FUNDING IN A HOLDING PATTERN - ATN

Australia's research capacity will be boosted by the R&D Tax Concession initiatives announced in this week's budget according to the Australian Technology Network of Universities (ATN). It is however a very small step as the innovation system in Australia needs much greater new investment if it is to help underpin Australia's global competitiveness.

The ATN, which sources funding for 70 percent of its research from partnerships with government and industry, has warned that research in Australia will languish unless there is significant new investment from the Government to national research in all areas, to levels that at least compare with other established and emerging developed nations.

ATN Director, Vicki Thomson said whilst this week's budget provided gains in key areas, such as the R&D Concession package and the increased funding for infrastructure, there were also missed opportunities which will limit the capacity of those gains.

"The ATN places a high priority on practical, impact driven research and this means we have a greater focus on collaborative research with industry and communities," Ms Thomson said. "One of the major issues in the Australian innovation system has been the relative lack of R&D investment by the private sector, for a host of reasons, not the least of which was the current taxation concession framework, and our relatively large proportion of small to medium size enterprises.

"The additional \$28 million is therefore welcome news – it is, however, but one small way in which Government policy can stimulate extra private sector investment. It is disappointing that the Government has not implemented other such incentives with the aim of increasing private sector investment at least to levels that compare well with Government funding.

"Our conclusion from this package is that we have in fact been placed in a holding pattern when it comes to research funding.

"In reality this means Australia will continue to regress as it has done for the past few years in the face of research investment platforms in other developed countries which tie funding levels and incentives to national economic growth. Australia's capacity therefore to train the best that can help our enterprises keep ahead globally continues to be compromised," Ms Thomson said.

**Curtin University
of Technology**

**University of
South Australia**

RMIT University

**University of
Technology
Sydney**

**Queensland
University
of Technology**

Chancellery
GPO Box 2471
Adelaide
SA 5001

Tel +61 8 8302 9132
Fax +61 8 8302 0943

www.atn.edu.au

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“Three million dollars has been set aside to further develop the national research quality framework, and we are encouraged by the fact that the Federal Government remains committed to its outcomes, particularly to the importance of evaluating research in terms of its significant broader impact.

“However we remain unclear about critical issues such as timing and the quantum of funds to be allocated as part of an RQF package in addition to the current infrastructure support.”

The Federal Industry, Tourism and Resources Minister, Ian McFarlane said that: *“Investment in research and development is critical for securing a strong economic future and building on the international competitiveness of our industry sectors.”*

“The ATN supports this view. It is from within our universities – the engines of the national innovation system – in partnership with industry that this research will emanate.”

Further information:

Vicki Thomson: 0417 808 472

Matthew Hee: 08 8302 9132

*For further information about the ATN please visit our website
www.atn.edu.au*