

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2017 - 2018 Budget Estimates
31 May – 1 June 2017

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Miles Review

REFERENCE: Written Question – Senator Carr

QUESTION No.: BI-128

1. Have there been any complaints or negative responses from any other policy changes made as a result of the Miles Review?
2. How has the CRC community responded to the “ten years maximum and no extensions” change? (Recommendation 11 of Miles Review)
 - a) Has there been any suggestion that some CRCs may have been “caught short” only applying for five years, when ten years turned out to be needed to bring evolving research to full commercial maturity?
 - b) Is the Department aware of the situation of the Space Environment Management CRC? This CRC apparently only applied for five years, because it wanted to prove its technology before applying for another five years. Is the Department aware that with the technology now having been proved, the CRC will have to terminate before full commercial potential has been explored.
 - c) Is the Department aware that the Data to Decisions CRC has recently been tasked by the Department for Immigration and Border Protection with developing new anti-terrorist systems but will be forced to abandon the task because of the “no extensions” rule?
 - d) Has the Department been contacted by the Department for Immigration and Border Protection to seek an extension for this CRC in the national interest?
 - e) Is there a provision in the guidelines for a national interest intervention by the Minister to extend a CRC?
 - f) Has there been any consideration – or representations to the Minister (the current or previous Ministers) about introducing a “grandfathering” provision for CRC’s in this situation?
 - g) Was it the case that previous policy changes of this kind allowed for grandfathering of CRCs negatively affected?
 - h) Is there any concern that this policy change will lead to all applicants applying for the full ten years?
 - i) Can you supply a breakdown of applications from the last three rounds showing duration of term applied for?

ANSWER

1. Responses from the CRC community to the Miles Review have been varied, however the department has not received any formal complaints about the policy changes made as a result of the Miles Review.
2. Responses from the CRC community to Recommendation 11 of the Miles Review have been varied.
 - a. The suggestion put forward in the question is unfounded. The length of the funding term requested is a matter for the applicants to determine based on the time required to undertake the proposed activities. Extensions to funding or funding terms have

never been guaranteed under the CRC Programme. All CRCs are funded for a specified term to undertake specific activities as set out in their funding agreements. There are no restrictions on CRCs continuing work beyond the funding term or for applicants seeking funding for new activities through competitive selection rounds. Indeed, it is an expectation that CRCs have a transition plan in place to manage research outputs once CRC Programme funding ends.

- b. Yes, the department is aware of this situation. The Space Environment Management CRC originally requested and was granted five years of funding. They have subsequently made representations to the department for further funding. The department notes that the Space Environment Management CRC receives contributions from its member organisations to supplement CRC Programme funding, and CRCs are encouraged to become self-sustainable once their Commonwealth funding ends. The conclusion of CRC Programme funding does not require a CRC to close. Further, there are no restrictions on participants of existing CRCs forming a new CRC and seeking funding for different activities through the competitive selection rounds.
- c. There is no restriction on the Data to Decisions CRC seeking support from other Commonwealth agencies either during or after CRC Programme funding has ceased.
- d. No.
- e. No.
- f. There have been representations made to introduce 'grandfathering' provisions and these have been considered carefully. At this stage, no 'grandfathering' provisions will be introduced.
- g. No. Following the O'Kane Review in 2008, funding terms were capped at 10 years. Transition arrangements were provided for existing CRCs, but there was no grandfathering of previous arrangements.
- h. No. The CRC Programme is highly competitive. Applications seeking ten year funding terms would need to show why the ten year term is required in order to undertake the activities proposed.

i.

		Number of applications		
		Round 16	Round 17	Round 18
Number of years of funding sought	5 years	6	2	4
	6 years	2	1	1
	7 years	3	0	2
	8 years	5	0	1
	9 years	0	0	0
	10 years	1	0	6
		17	3	14