

Submission to the Australian Government's consultation paper:

Sharper incentives for engagement: New research block grant arrangements for universities

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Charles Sturt University (CSU) appreciates the opportunity to provide input into the Government's consultation paper on new research block grant arrangements for universities.

CSU is a unique multi-campus institution with campuses at Albury-Wodonga, Bathurst, Canberra, Dubbo, Goulburn, Manly, Orange, Parramatta, Port Macquarie and Wagga Wagga, as well as various study centres. The University's commitment to the development and sustainability of rural and regional Australia is informed by the unique research focus undertaken, and the partnerships it has formed with each of its campus local communities, local industry, and with the broader regions it serves.

CSU offers a comprehensive suite of research and academic programs that focus on addressing rural and regional labour market needs, and growing regional economies. As one of Australia's largest online and distance education providers, CSU has been able to leverage its course profile and special expertise in professional education to deliver nationally available study programs supporting labour market skills development regardless of location. The success of the University is demonstrated by its sector-leading performance in work-integrated learning, graduate employment and graduate incomes.

As evidenced by the recent Excellence in Research for Australia results (ERA 2015), Charles Sturt University is recognised internationally for competitive research strengths in agricultural science, horticultural production, food and wine sciences, crop and pasture production, veterinary science, animal production, education, curriculum and pedagogy, environmental science, applied ethics, philosophy, religious studies, criminology, nursing and marketing. The University's researchers work in consultation and collaboration with end-users, industry, the professions and communities for the public good.

CSU has a proud tradition of delivering high-quality research that creates new knowledge, benefits people's lives, enhances the profitability of regional industries and helps communities grow and flourish. Through its higher degree by research programs, CSU is training the next generation of researchers and professionals who use critical thinking and seek to influence the world for the better.

Key Recommendations:

- HEPs are best placed to determine how RSP funding can be invested within their own institution to maximise research outcomes, growth and the support areas of key strategic importance to the institution.
- It is important to ensure that quantitative-only measures are not re-introduced when measuring performance for RSP. A combination of qualitative and quantitative measures is needed and to the maximum extent possible should be aligned to other collections which will be used in the future.
- Focus of the RTP should be on the quality of students and not on the quantity of students from any particular group. In addition to ensure quality and fairness, all students should have to compete to receive funding under the new program.
- Flexibility in eligibility criteria, funding combination options and funding levels within RTP will ensure students can pursue a HDR qualification as a career path with a strong trajectory and develop the skills necessary to support an innovative and progressive economy.
- Proposed changes to Category 2 funding should not risk any unintentional negative impact on local government support for research and innovation, and should not try to dissect genuine collaborative efforts for reporting purposes. Changes to Category 3 and 4 funding should be consistent.

SECTION 1: RBG FUNDING ARRANGEMENTS

Additional funding is to be provided through the RSP to further increase incentives to HEPs for business and end-user engagement. CSU is strongly supportive of this measure and of the fact that it will be incorporated into the RSP and not managed through a separate scheme. The 47:53 split between Category 1 and Categories 2-4 income proposed is well aligned to NISA and other changes in the innovation system.

As noted in this consultation paper, the use of ERA as a moderator of SRE-funding will be discontinued. However, if additional funding is to be provided through RSP to support enhanced engagement with industry and end-users, it is critical that the outcomes and benefits gained through this additional funding contribute back into the ERA assessment and/or into the upcoming engagement and impact assessment.

The proposal to provide a double weighting for HDR completions by Indigenous students as a funding driver for RTP is to be highly commended. Given the relatively low numbers of Indigenous HDR completions nationally, the real impact of a double weighting may be limited and would need to be carefully monitored.

Increased weighting, however, does not ensure that Australia's Indigenous HDR students will directly benefit during their candidature from increased support and/or dedicated appropriate support mechanisms. While there will be indirect support for Indigenous HDR students available as a result of the new *Indigenous Student Success in Higher Education* 2016 Budget reforms, there are potential complexities in using these funds to directly support Indigenous HDR students, whose needs are different from those of undergraduate and postgraduate coursework students. Therefore, consideration should be given to requiring a specific focus within RTP Scholarship Policies and/or within RSP-funded programs to ensure that Indigenous students, and other students from minority or underrepresented backgrounds, are provided with appropriate and empowering additional support.

SECTION 2: RESEARCH SUPPORT PROGRAM

1. Does RSP funding require limits on allowable expenditure? If so, would the proposed restrictions allow sufficient flexibility to support HEPs research activities?

No. Limits on allowable expenditure are not required. HEPs are best placed to determine how RSP funding can be invested within their own institution to maximise research outcomes, growth and the support areas of key strategic importance to the institution. Without limits on allowable expenditure, HEPs can also determine how use of RSP funds can be balanced against other available funding sources to maximise effectiveness.

RSP funds should be used to support the direct or indirect costs of research, excluding only capital infrastructure costs not directly related to research (refer page 10). However, if funds are used to truly support a holistic and high quality research culture, it would be incredibly difficult to categorically exclude support for HDR students from RSP. RSP guidelines could however reasonably exclude use of funds to directly support HDR scholarships, stipends, fees, travel and operating costs.

2. What information could HEPs provide to best demonstrate value for money and performance under the RSP?

Recent changes to HERDC removed collection of publications as a quantitative-only funding driver for RBG. This is balanced by the qualitative measure of publications which is an integral part of the ERA assessment. In keeping with this quality driven step, it is important to ensure that quantitative-only measures are not re-introduced when measuring performance for RSP. There is also an inconsistency if publications are counted as a quantitative measure of RSP performance but not counted as a driver of future RSP funds.

The measures proposed (refer page 11) are quantitative only: number of researchers and staff, number of outputs, number of research projects. This approach is not supported by CSU. Quantitative measures alone are not meaningful measures of quality, value or impact. The proposed approach could create unintended trends in behaviour. For example, is it more important to support fewer projects at a level which can ensure all projects are viable and thus have a high likelihood of success, or to support a large number of projects with minimal contribution to each project at or below the level needed for viability?

Indirect measures may be needed but ERA rankings would not be useful in this context given that ERA is a retrospective assessment and there would be a long time lag before ERA rankings might be influenced by RSP investment. Noting the potential for HEPs to have greater flexibility in the use of RSP funds, this flexibility will need to be reflected in the metrics used to measure the successful impact of the funds within a small number of categories but with open narrative scope also. A combination of qualitative and quantitative measures is needed and to the maximum extent possible should be aligned to other collections which will be used in the future, including engagement and impact, to reduce data collection burden.

SECTION 3: RESEARCH TRAINING PROGRAM

The proposed removal of barriers regulating the proportion of funding provided to different student categories is strongly supported. As with the RSP above, HEPs are best positioned to determine the use of RTP funds to support their HDR student cohort and to attract their desired future cohorts. This includes supporting a diverse student cohort of domestic and international students and students from Indigenous and other non-traditional backgrounds.

To ensure that Australian research can advance on the global stage, international students enrolled at Australian universities make an invaluable contribution. Of equal importance is the need for domestic students to gain international experience during their HDR candidature and this also needs to be supported through RTP. For example, support should continue during an overseas placement on condition that the student is enrolled at an Australian university and the overseas placement is for a fixed period of time.

3. Should a cap be imposed on international enrolments or should enrolments be unrestricted and monitored over time?

No. A cap should not be imposed on international enrolments, and certainly not at 10% which undervalues the contribution international students make. International students can help establish international collaborations, provide a framework of linking of universities and provide a vehicle for linking with international companies. A cap would not be necessary if HEPs have the flexibility to decide what best supports their research agenda and if there are no regulations on the proportion of funding which can be used in different student categories. The focus should be on the quality of students and not on the quantity of students from any particular group.

Ongoing reporting is to be expected and HEPs will monitor the impact of their decisions internally, likely across multiple years.

4. Which key dimensions of RTP support (such as the type of students, total amount of support and stipend levels) would reporting need to include to ensure the program is meeting its policy goals and no undesirable consequences are occurring?

The policy goals as outlined in this consultation paper (refer page 14) can be best achieved when HEPs have flexibility to meet the demands of students. HEPs need the flexibility to provide different combinations of funding to different students whether the students are full-time or part-time, on-campus or distance, in receipt of other

funding (non-overlapping), at different stages of candidature etc. Reporting on the success of RTP therefore should provide as comprehensive as possible a profile of a HEPs HDR student cohort and the support provided.

Dimensions which should be captured include student origin, enrolment type (full-time or part-time, on-campus or distance), duration of candidature and progression status, attrition rates, completions, types and value of support provided and numbers of new and continuing funding recipients. This data collection should be aligned with the metrics which will be used to measure performance (see issue 10) towards efficiency in reporting and relevance of the data.

5. Are the proposed RTP eligibility criteria an improvement on current arrangements? Are there likely to be any unintended consequences?

CSU is strongly supportive of flexibility in the eligibility criteria with only a minimal number of underlying absolute criteria. This would be a significant improvement on the current situation. HEPs will continue to seek and enrol the highest quality HDR students through competitive processes and increased flexibility should not be perceived as a threat to student quality.

However, the underlying absolute eligibility criteria should not be overly restrictive as the starting point either. For example, as drafted (refer page 15) criteria 3 *a student receiving a RTP stipend must not be receiving equivalent support providing a benefit greater than 75 per cent of the student's stipend rate* should be modelled for part-time students who may be earning an employment income as a professional. Depending on their employment type and the percentage part-time of their studies, employment benefits could be greater than 75% of a stipend but this does not automatically mean they are not worthy of stipend support. This is likely to become a more common consideration as universities seek to attract industry professionals into research.

As noted above, CSU supports a RTP model which provides HEPs with the flexibility to provide students with combined funding depending on their stated needs. This needs not to be restricted unintentionally by the underlying criteria. For example, criteria 4 (refer page 15) might need to be modified (underlined text) to read *a student must not be receiving a scholarship for which course tuition is a component under any other scholarship program to which the Australian Government makes a substantial contribution if receiving course tuition support through RTP.*

6. Is the proposed approach to defining RTP benefits a better approach to meeting the goals of the program? Are there likely to be any unintended consequences?

This consultation paper acknowledges that not all students will require full support, and CSU agrees entirely. The benefits as outlined are not distinctly different from current benefits available across APA, RTS and IPRS combined. The significant improvement proposed is that all students can potentially access all types of support under a single RTP model. This is likely to have a greater long term impact on achieving the program goals.

Part-time students should be paid a pro-rata rate on any benefits they receive, and part-time should not be assumed to be half-time as noted in the consultation paper.

7. Will the flexibility to set maximum stipend rates result in competition across the sector and mean that most students will receive the maximum level of RTP support and cause a substantial reduction in HDR student numbers? If this is a likely risk what constraints should be built into the new arrangements?

A minimum stipend is required to safeguard students. The issue of a maximum stipend is not as clear cut for a number of reasons. Even in the current environment many students are able to legitimately access top-up funds or

scholarships to supplement their base stipend; there is some evidence to suggest that higher stipends are necessary to attract industry professionals back to research degrees; students based in metropolitan areas and regional areas face very different cost of living expenses; and, student maturity/personal circumstances can be a highly influential factor on what level of stipend is attractive and/or feasible.

There is potentially a risk that students may “follow-the-money” in a market where there is enormous diversity in stipends for a comparable degree but the current system is not uniform in the stipends available. In reality a HDR degree is and should be predominantly driven by choice of research field and supervisor, and by choice of institution not only by the value of the stipend. The HDR student market is already highly competitive.

From an institutional perspective, the system would likely self-balance after a couple of years if there were any initial anomalies introduced as a result of increased flexibility. Offering large stipends will mean less students, less outputs, less grants and potentially lower RBG income. It is far more critical that students can pursue a HDR qualification as a career path with a strong trajectory and develop the skills necessary to support an innovative and progressive economy.

CSU is not supportive of regulations which would place a quota on the number of students in receipt of a higher or maximum stipend (as defined), or which might stipulate that higher stipends should be limited to those students enrolled in areas with demonstrable links to industry or in areas of priority.

8. Is the proposed length of RTP support a better approach to meeting the goals of the program? Are there likely to be any unintended consequences?

As articulated above, CSU strongly advocates a model whereby HEPs can tailor the support to the needs of their own students. This is an enabling model where financial barriers are minimised. Implicit in this model is the need for all support types to be available for the same maximum duration.

The proposed length of 3 years plus two 6 month extensions based on performance to a total of 4 years is sufficient for a PhD candidature. However it may be more efficient and effective for supervisors, and more realistic for planning purposes, to have a funding period of *up to 4 years*. This also better facilitates the opportunity for placements and additional skills development during candidature.

The option for an additional 6 months at the discretion of the HEP only in exceptional circumstances should be a separate consideration. Part-time candidature duration should be pro-rata and not assumed to be based on half-time equivalence.

9. Is the proposed approach a better approach to meeting the goals of the program? Are there likely to be any unintended consequences?

The proposed approach should support a stronger program. HEPs will absolutely need to have RTP Policy under the new arrangements and the policies will need to articulate every aspect of the program for potential, new and existing students. A flexible, enabling model for RTP increases accessibility for all students to all types of support, and so all students should have to compete for that support. This would enhance the integrity of the new program.

While under the current model RTS places do not have to be assigned competitively, there should be no exclusions under the new model. HEPs can manage this within their own policy and in determining what funding combinations are made available. Students, whether domestic or international, should be held to comparable standards of quality and expectation.

10. Would the proposed provide clarity to students regarding RTP processes and entitlements? Are there likely to be any unintended consequences?

Transparent, publically available RTP policies are likely to provide greater clarity for both students and supervisors as potential recruiters. This consultation paper outlines the initial requirements of such policies (refer pages 20-21) which are reasonable. There may need to be some specialisations, for example where allowable work is related to visa status or where existing HEP policies need to be referenced. It is proposed that the Department will periodically monitor the RTP policies but it should be considered whether or not there is an initial approval step and how frequently policies can be updated by HEPs. While funding may fluctuate year on year (though not dramatically in the first few years given the safety nets (refer page 8)) it would be counterproductive to recruitment and multi-year strategic planning to have annual changes to the RTP policy.

The issue of changing HEPs during candidature is listed as an example of a change in circumstances but is not addressed elsewhere in the consultation paper. If each HEP has their own policy for RTP support within limited regulations from the Department, this is potentially an area of significant challenge which may need some consistency of approach across the sector. For example, is a HEP receiving a transferring student expected to honour the level of support provided by the previous HEP? Should they be? This may not be as straightforward as the transfer of individual grants between HEPs when a staff member relocates but it is worth noting that often HDR transfers are to follow a supervisor and not the sole decision of the HDR student. This is one area where the Department may need to have a minimum requirement on all HEPs, but in such a way so as not to create a 'transfer market'.

11. Are the proposed transition arrangements sufficient for continuing students? Are there likely to be any unintended consequences?

The arrangements as outlined seem fair and equitable for existing students. They are minimal in nature and it would be hoped that for early candidature existing students in particular, HEPs may have a transition plan to provide existing students with comparable levels of support to new students.

12. Would the proposed arrangements help the monitoring and benchmarking of student outcomes? Should the department consider collecting any other types of HDR student data such as level of support provided and a stipend amounts for individual students?

There is a need for more comprehensive HDR student data across Australia and the new RTP model could contribute to building that resource. Other groups including the Australian Council for Graduate Research (ACGR) may also have a role to play. Data should be shared as national statistics and include those areas listed in response to question 4 above plus the new data items listed (refer page 23) including in particular a shift from FoE to FoR. Transfer and attrition data are necessary inclusions, and de-identification would be necessary to remove CHESSEN data. Since the impact on completions of the RTP changes will not be seen for a number of years, it is essential that data collection commences immediately with broader categories so high risk or problem areas, and areas of notable success can be identified. To create a national HDR profile data collection should also include information on supervisors and other HEP funding used to support HDRs.

SECTION 4: MEASURING ENGAGEMENT

Comments made in this section are further to the more detailed CSU response to the recent *Engagement and Impact Assessment Consultation Paper* which asked the question as to whether or not the destination of HDR students should be considered within scope for that assessment. A copy of the CSU submission is available [here](#) and we were supportive of inclusion of relevant HDR information.

13. Would the proposed changes to Categories 2, 3 and 4 result in more appropriate and reliable measures of research engagement? Should the department consider collecting any other types of engagement data?

Removing HDR fees from Category 3 income on the grounds that they are poor indicators of engagement has its merits. But the ability to attract students which is represented at least in part by the inclusion of these fees is not necessarily captured elsewhere.

Regarding the proposed changes to Category 2: in an environment where greater engagement with industry, end-users and stakeholders more broadly is being actively encouraged the assumption that local government funding won't increase and so doesn't need to be identified separately is flawed. To incorporate local government income with state income into the same category sends a poor message and doesn't support those universities who have successfully engaged with local government. While the overall impact may be cumulatively the same in dollars, the perception could have negative consequences. As noted in our submission to the engagement and impact assessment consultation (refer page 10 in that submission), *engagement and impact at a local level or within a small community can be as powerful as national uptakes. To address this the dollar value associated with the 'activity' should be a contributing factor but not a driving factor.*

Genuine research collaboration builds on collaborative thinking and shared research pursuits. Therefore, the second set of changes proposed within Category 2 to separate *own purpose* research from *other* research should not be easily distinguishable. CSU would not be supportive of trying to make this distinction for reporting purposes only.

The changes to Category 3 provide increased transparency which is a positive change. The changes to Category 4, however, are not consistent with the Category 3 changes and if possible should categorise as industry, non-profit and philanthropy.