



Policy Review of the National Competitive Grants Program Discussion Paper – IRU Response

The IRU welcomes the opportunity to provide feedback on the *Policy Review of the National Competitive Grants Program Discussion Paper A New Plan for ARC-Funded Research*. Our feedback should be read in conjunction with the IRU [submission](#) to the 2024 *Policy Review*.

The IRU supports many of the objectives of the proposed NCGP model, but recommends delaying the NCGP restructure until after a full response by Government to the Australian Universities Accord Final Report (the Accord) and the Strategic Examination of R&D (SERD). This will allow for the NCGP to be structured in alignment with Government plans for the whole R&D system, and allow further consultation with the sector on discrepancies between the proposed model and feedback on the previous 2024 *Policy Review*.

The IRU recommends that the ARC continue to work to improve consistency and reduce complexity in NCGP grant administration, and ensure peer review remains fit for purpose. Transitioning to a new NCGP model must not distract from ongoing work to make better use of the ARC's expertise to demonstrate the value of public funded research and develop an impact evaluation framework.

Recommendations

1. The IRU supports the objective to target more support for ECRs and Indigenous research(ers).
2. The IRU supports immediate work to improve consistency and reduce complexity in NCGP grant administration and ensure peer review remains fit for purpose.
3. The IRU supports making better use of the ARC's expertise to demonstrate the value of public funded research, including through a National Research Evaluation and Impact Framework.
4. The IRU does not support restructuring the NCGP funding schemes in advance of a full government response to the Accord and SERD, and further consultation with the sector.

The Discussion Paper outlines a model for the NCGP for the next 20 years, with changes progressively introduced from as early as 2026. Key changes include restructuring the Discovery and Linkage schemes into six schemes based on scale, introducing shorter 2-year embedded fellowships for early and mid-career researchers (ECRs and MCRs; replacing 3-year DECRA and Future Fellowships), and a dedicated scheme supporting Indigenous knowledges and researchers. The IRU supports the objective to target more support for ECRs and Indigenous research(ers). However, the shorter 2-year fellowships as part of project grants may limit the attractiveness and independence of such roles.

The proposed removal of the distinction between NCGP schemes that primarily supporting basic research (i.e. Discovery) and applied research (i.e. Linkage) has the potential to increase collaboration across disciplines, research sectors and universities. However, to ensure collective sectoral support, this change needs to be further justified based on sectoral feedback to the 2024 NCGP Discussion Paper. The 2025 Discussion Paper notes the 40 workshops held and 95 submissions received for the 2024 Discussion Paper and justifies restructuring the Discovery and Linkage schemes based on this feedback. The previous IRU [submission](#) to the 2024 Discussion Paper recommended that the primary objective of the NCGP is to support excellent research for the advancement of knowledge, irrespective of basic or applied orientation. The IRU did not recommend removing the Discovery scheme. Likewise, the first recommendation of Universities Australia in their [submission](#) to

2024 Discussion Paper was for the ARC to focus more on prioritising basic research. Under the specific question “How should the NCGP promote an appropriate balance of basic and applied research?” Universities Australia suggested a dedicated scheme solely for Basic Research as a part of a new NCGP. Given that the 2025 NCGP Discussion Paper proposes a very different approach to supporting early stage research, these changes need to be more clearly explained and justified.

It is important that the NCGP restructure is not rushed in advance of other important, concurrent reviews. The NCGP is 7 percent of the Government’s annual investment in R&D and positively evaluated for its contribution to supporting excellent research, as well as economic returns (estimated at exceeding \$3 for every \$1 invested). NCGP funding is also an important input into the calculation of Research Block Grant allocations, but recent years there has been an erosion of the longstanding “dual funding system” for university research, where funding for competitive grants is matched by the research block grant. IRU analysis shows that the ratio of the block grant to total research income has been cut in half over the last twenty years (see: IRU [submission](#) to the Accord).

The NCGP must retain a very clear purpose, which could include supporting a broader range of projects. But the ideal structure and design of the NCGP will be dependent on responses by the Australian Government to the Accord and the SERD. The Accord, SERD and the NCGP Discussion Paper share some common objectives, but very different means to achieve them and roles for the NCGP. The Accord recommended increasing the quantum of ARC funding, explicitly supporting fundamental, basic research (Recommendation 26a), and setting a minimum percentage of competitive grants that run for 5 years to better support early-career researchers (Rec. 26b). The SERD will also make recommendations by the end of 2025 about how to better attract, develop and retain an R&D workforce suitable for Australia’s future needs. The 2025 NCGP Discussion Paper assumes no increase in funding, questions the validity of explicitly targeting funding towards basic research, and aims to better support early and mid-career researchers through more flexible, short-term grants.

The effectiveness of the competing visions for supporting researchers and increasing Australia’s R&D intensity will depend on the Government’s response to the Accord and the SERD. For example, shortening fellowships to a maximum two years and targeting funding to ECRs will not lead to more sustainable research careers unless there is plan for how universities will support ECRs after their fellowship, including transitioning into teaching and research roles. This may require changes to how universities are funded through the Commonwealth Grants Scheme and Research Block Grant, and how they employ academic staff through enterprise agreements. Supporting research careers is a responsibility shared between government, universities, research funders, researchers and their union. This requires a coherent national research workforce strategy, as recommended by the Accord, to be completed by the end of 2026 (Rec. 26f).

The 2025 NCGP Discussion Paper and SERD are both consulting with the university sector on similar topics, after the sector has already participated in extensive consultation as part of the Accord. The 2024 NCGP Discussion Paper stated that the Review “will ensure that the NCGP aligns and contributes to... recommendations set out in the Australian Universities Accord Final Report (Accord)”. The 2025 NCGP Discussion Paper cannot propose a model aligned with the recommendations of the SERD or the Government’s response to the Accord’s recommendations. Both are yet to be determined. But the 2025 NCGP Discussion Paper needs to align with the Accord recommendations. The SERD is also asking the university sector: “How should Australia support basic or ‘discovery’ research?”. There is a risk of inconsistency and consultation fatigue when multiple

reviews ask similar questions but do not reference or acknowledge the feedback or recommendations from previous reviews. Essentially the university sector and the Accord have offered their recommendation: strengthen the fundamentals of the Australian research system through greater investment in fundamental research, longer research grants and a research workforce strategy (Rec 26). The ideal model for the NCGP will ultimately depend on the ARC's role after a full government response. Therefore, we recommend that changes to the NCGP funding schemes should not be introduced until 2027 at the earliest, after full government response to the Accord and SERD.

Other proposed changes to the NCGP can be implemented without delay. These include ongoing work ensuring peer review remains fit for purpose and core to selection processes, and improving consistency and reducing complexity in NCGP grant administration. Unless there are explicit barriers to building the ARC's capacity to inform strategic directions and support, monitor and communicate the value of NCGP-funded research, these should also commence immediately. The 2024 *Policy Review* noted this would improve public accountability. It would also support advocacy for public funding for research and the public funding required to implement the Accord's research recommendations.

The discontinuation of the Excellence in Research for Australia (ERA) and Engagement and Impact Assessment (EI) freed up resources, but it did not remove the need to demonstrate the high-quality and impactful research undertaken in Australia. The Accord recommended that the ARC be commissioned to develop a National Research Evaluation and Impact Framework (Recommendation 29). ACIL Allen's *Impact assessment of ARC-funded research* also identified opportunities for the ARC to develop an NCGP impact evaluation framework, including data-driven approaches to strengthen impact data collection. Irrespective of Government priorities, the ARC needs to invest in impact evaluation and its capacity to inform strategic directions, as well as "research on research" to improve its own evidence base for evaluation and continuous improvement of the NCGP.

Overall, in the absence of a commitment to increase NCGP funding and dependencies with other government reviews, the immediate focus should be to protect the NCGP strength in excellence-based research, improve efficiency, and make better use the ARC's expertise to demonstrate the value of public funded research. These changes will improve the NCGP irrespective of its future structure.

1. Does the proposed model provide a strong and clear basis for the NCGP over the next 20 years?

The proposed model offers a clear and bold reform that will potentially reshape the role of the NCGP, better supporting excellent, collaborative early-stage research and research to help solve complex problems facing Australia. However, details will need to be developed, such as selection processes, managing schemes with wide funding ranges and purposes, and the appropriate balance in funding across schemes. Importantly, the model is presented as indicative and "subject to further refinement based on detailed modelling and consultation."

The Discussion Paper set out ten areas of refinement to the current NCGP model:

1. Simplify schemes and reduce complexity.
2. Provide greater clarity on the strategic direction of the NCGP.

3. Strengthen data and analytical capabilities.
4. Provide more targeted support for under-represented groups.
5. Build Indigenous research capability and capacity.
6. Drive and support the best early-stage research.
7. Encourage greater risk tolerance.
8. Respond to the strategic use of 'calls' or 'priority' driven research.
9. Encourage deeper collaboration
10. Develop more effective mechanisms to link and coordinate research

The proposed model offers a clear basis for some of the above areas: greater clarity on the strategic direction of the NCGP (2); better support for under-represented groups (4); building Indigenous research capability (5); and encouraging deeper collaboration (9).

While stakeholders may not agree with the proposed strategic direction of the NCGP, the Discussion Paper sets out a clear basis for the NCGP. The model explicitly rebalances NCGP funding towards ECRs/MCRs and under-represented groups, including Indigenous researchers. Generally it seeks to fund more projects and people, but with fewer resources per project. Greater support and encouragement for research collaboration is an important NCGP objective because the most excellent research is typically developed through openness and exchange. Innovative, collaborative and inter-disciplinary approaches will be more important than ever – in both education and research – to address future challenges for Australia and the research community. The proposed model encourages collaboration across all schemes and collaboration is required in the larger-scale Collaborate and Prioritise schemes. These schemes attempt to balance investigator-led research with collaboration across disciplines, universities and sectors (including internationally), and alignment with national government priorities. Collectively the proposed schemes provide a clear basis to scale up NCGP funding with other end user funding. The greater emphasis on community and not-for-profit sector organisations participation (and possible co-funding) is also welcome.

Some of the objectives may not require a complete NCGP restructure, including: simplifying schemes and reducing complexity (1); and better responding to 'priority' driven research (8). The current NCGP model includes two schemes – Discovery and Linkage – with 15 sub-schemes. While the number of sub-schemes will be reduced from the 15 to six under the proposed restructure, this does not necessarily mean the proposed model is simpler. Currently, one of the 15 sub-schemes is an ad hoc category (Special Research Initiatives, not awarded since 2020) and the three Industry Fellowships Programs can be considered as a single scheme separated by career stage (e.g. the ARC aggregate these under a single category in their Selection Outcome Reports). The proposed six schemes will likely be more diverse than the current 15 schemes, as evident from the wider indicative funding ranges (e.g. \$50,000 to \$400,000 in the Initiate scheme) and strategic foci. This could be more complex for researchers and administrators. While the proposed model may improve the ability for the NCGP to respond to strategic use of 'calls' or 'priority' driven research, the current Discovery/Linkage structure has been capable of accommodating new programs through ad hoc schemes and sub-schemes. For example, the Industry Fellowships Programs were introduced within the ARC Linkage scheme as part of the Coalition Government's \$2.2 billion University Research Commercialisation Action Plan which prioritised research within the National Manufacturing Priorities.

Two of the objectives are very unlikely to be achieved without additional resources: Strengthen data and analytical capabilities (3); and develop more effective mechanisms to link and coordinate

research (10). The Discussion Paper notes the ARC's substantial data set, internal analytical capabilities and connections to other funders, but it does not outline what the key barriers have been to their better use. Presumably this is a lack for resourcing or expertise. The Discussion Paper quotes the University of Melbourne submission as supporting the ARC's positioning and authority to set the strategic direction of the NCGP, but the full University of Melbourne submission is explicit that this will require additional resources: "A larger investment of ARC internal funding allocated to administration and leadership [to] support the development of more agile and adaptive scheme processes, robust review panels and higher evaluative capability within the organisation." There is a risk that strengthening the ARC's data and analytical capabilities comes at the expense of funding early-stage research. Both are essential, but may require explicit trade-offs.

The Discussion Paper presents the spectrum of government funded research, but is vague about how it would develop more effective mechanisms to link and coordinate research. As noted in the IRU's [submission](#) to the Accord, Australia lacks an institution at a national level (such as UKRI or the Tri-Council in Canada) to take a system-wide view of university research and innovation and to support informed analysis and collaboration across different parts of government. The ARC has a very important role in Australia's research system, but expecting it to link and coordinate its research with other government programs without additional resourcing may be beyond the capability or remit of the ARC. It likely requires a dedicated government agency with a national level responsibility.

The greatest risks of the proposed model are with the two objectives that are arguably the greatest strengths of the current NCGP: driving and supporting the best early-stage research (6); and encouraging greater risk tolerance (7). The proposed model concentrates funding for early-stage research and higher-risk/higher-reward research into the Initiate program, which is intended to be led by ECRs and MCRs. It is unclear why career stage is an important eligibility or target criteria for potentially transformative projects, or why those re-entering the research system after a career interruption or via non-traditional career pathways would be particularly suitable for this scheme. ECRs and MCRs frequently lack ongoing employment, limiting their capacity to take on risky research. In 2021, only 57% of early career academics (Levels A and B) had paid research roles, and only 20% had a paid research role and an ongoing contract. The DECRA scheme provides an opportunity for independent research for three years. Many ECRs are also employed to assist senior researchers on other NCGP funded projects. Allocating a greater share of NCGP grants towards ECRs and MCRs via Initiate, and incentivising their participation as embedded fellowship in other schemes (e.g. via Lead and Mentor, and Breakthrough) are important to improve population representativeness. But limiting the grant duration to two years may require a different strategic intent and approach for grant selection.

2. Does the proposed model adequately address your concerns or those expressed in the initial consultations?

The proposed model partially addresses feedback from the IRU [submission](#) to the 2024 NCGP Discussion Paper. The IRU supports the elements of the proposed model that:

- Maintain the primary and overarching objective of the NCGP to support excellent pure basic, strategic basic and applied research across all non-medical fields;
- Allocate a greater share of NCGP grants towards early/mid-career researchers;
- Offer a strong commitment to advancing Indigenous-led research;

- Aim to improve efficiency in selection processes and reduce complexity in managing grants;
- Promote collaboration across disciplines, and between universities and government, industry, and internationally.

However, some of the IRU recommendations that were not addressed in the proposed model are outlined below. We also note that the proposed model is inconsistent with the Universities Australia [submission](#) to 2024 NCGP Discussion Paper and the Accord.

The NCGP should not use alignment with national research priorities as a selection criterion.

In the absence of a commitment to increase the quantum of NCGP funding, the strength of the NCGP in funding excellence-based research could be weakened by stretching its funding into national priority research areas. Research excellence can be achieved in any field of research, for any socioeconomic objective and purely for the advancement of knowledge. Allocating schemes or specific proportions of funding to national priorities, or using a dedicated score for alignment with the priorities in selection criteria, will disadvantage research outside the priority areas. This clearly contradicts the principle of funding the highest quality projects based purely on excellence.

The ARC can better support research impact and demonstrate the value of public funding

One of the Terms of Reference for the Policy Review includes ensuring it “supports the collection and communication of research outcomes and impacts to demonstrate the value of public funding and investment.” The ARC is well placed to better support this, but there is limited discussion of the ARC’s role beyond funding research. The Discussion Paper notes that the ARC holds a “substantial data set, internal analytical capabilities and connections to other funders... [that] allow the performance and effectiveness of the NCGP to be evaluated and enhance its impact within the wider research landscape.” It is unclear how the ARC will achieve this goal or support researchers to achieve research impact. It appears that the proposed model assumes that restructuring the funding schemes will be sufficient. This is unlikely to be effective.

The IRU previously recommended that NCGP schemes could better support project teams to plan for and evaluate engagement and impact through the life of the project in the following ways:

- Encourage and support researchers to consider the broader impacts of their work throughout the research process and encourage partnerships with the broadest range of end-users to facilitate knowledge translation.
- Establish a new NCGP scheme (or amended existing NCGP schemes) with resourcing for a project team member to focus on the evaluation of engagement and impact through the life of the project.

Relatively small knowledge mobilisation grants can enable researchers who have already received another competitive grant for high quality research to focus on the translation of the knowledge developed through the preceding grant for the benefit of partners in the private, public or community sectors.

Greater support for humanities and social sciences research

It is pleasing that the ARC acknowledges the importance of humanities and social sciences (HASS) research for good public policy and understanding our place in the world, and that some of the NCGP processes inhibit the funding of HASS research. Only 17% of NCGP funding commencing in 2025 was awarded to HASS disciplines (\$102M out of \$512M). This is similar to total higher education

expenditure on R&D for HASS (19% of expenditure in 2022, including NCGP funding). HASS researchers clearly receive a disproportionately low share of NCGP funding relative to their share of the academic workforce (47% in 2023) and students taught (53% in 2023).

The Discussion Paper claims that removing the distinction between basic and applied research for NCGP funding will promote inter-disciplinary collaboration, assisting HASS researchers. The intent is to shift toward larger team based collaborative research. While this may benefit some HASS fields, it may also limit opportunities in others. In general, HASS researchers have fewer collaborators and co-authors in their research, and work in smaller teams. It is important that the highly unequal disbursement ratio of NCGP funding towards STEM:HASS is investigated and consideration is given to how the changes to the NCGP could increase engagement with HASS researchers.

3. Do you foresee any unintended consequences or significant risks which have not been accounted for in the proposed model?

The greatest risk is that the proposed model fails to support the best early-stage research due to the shorter timeframes for research grants and removal of independent fellowships. Changing the distribution of resourcing without increasing the quantum will may lead to a trade-off between supporting excellent early-stage research, and application oriented research, administration and coordination. A secondary risk is that the transition to the new model will involve greater than anticipated costs and disruption to a well performing system, distracting the sector from other important goals, such as a better understanding of the value of publicly funded research and developing an impact evaluation framework.

Many of the proposed changes to the NCGP attempt to build stronger career pathways, especially for ECRs. This is a laudable goal, and the introduction of embedded fellowships and greater flexibility within the Initiate scheme to support teaching relief are likely to have a positive impacts (e.g. in 2021 only 57% of early career academics (Levels A and B) had paid research roles and could benefit from Initiate grants for teaching relief). But these changes will need to be accompanied by other changes in how research careers are funded and supported. Research careers and high risk projects cannot be built on short-term contracts or short-term relief from teaching. The development of a diverse workforce of independent research leaders requires ongoing career support and development, including opportunities to pursue independent research outside others' projects.

Embedding fellowships into grants risks reducing opportunities for researchers to develop independence and build their leadership skills, and have sufficient time dedicated to innovative research. Two-year grants will be insufficient for many to conduct independent research projects, and may not attract researchers from outside academe and internationally. It is also disruptive. Some important industry-targeted initiatives with dedicated funding could be lost under the restructure. For example, the Early Career Industry Fellowships (\$22.5 million in 2024 for 50 ECR projects; \$450,000 per project) provide salary contribution for up to 3 years, supporting mobility between universities and industry, community organisation, not-for-profit, and other government sectors. This scheme, along with the dedicated schemes for mid-career and senior researchers, appear to have created opportunities for mobility and engagement with other sectors. These schemes could easily get lost in the transition to the new model.

Overall, the higher education sector is currently experiencing multiple reviews examining the research workforce that will affect the goals of the NCGP. The SERD will make recommendations at

the end of 2025 about how to better attract, develop and retain an R&D workforce suitable for Australia's future needs. The Accord recommended a research workforce review by the end of 2026 (Recommendation 26). The National Health and Medical Research Strategy will also make recommendations for a stronger medical research workforce later this year. Changes to NCGP funding need to be consistent with a coherent national strategy, consistency being (to quote the Accord) "...all stakeholders are working towards a common goal. Such a strategy would also acknowledge that research workforce settings are a responsibility shared between government, research funders, universities, researcher managers and researchers."

4. What issues would need to be addressed in the transition from the current NCGP schemes to the new model?

Given the magnitude of these changes and intention for further consultation, there is a need for a detailed timeline for consultation and future implementation.

The transition will likely lead to an increase and greater uncertainty in workloads for research offices, especially in the initial years. Researchers and research offices will need to become familiar with new guidelines to provide accurate advice to researchers. Administrative workloads may become intensified if the volume increases.

Peer review is also likely to change. The proposed two-stage evaluation process will be based on the success of the current two-stage Discovery Process. But this may need to be further evaluated and piloted before fully implemented. There has only been one complete round of the Discovery Projects (DP25) that used the two-stage process and it did not lead to considerable reductions in the timeframe from application to funding announcement. The long-term success of this approach will depend on ongoing refinement of the peer review process to ensure fair and consistent outcomes, in a timely manner that meets the needs of all research partners.

5. Are there any features that you would add to, or remove from, the model?

Ensuring breakthrough research has suitably funded infrastructure will be crucial for fostering innovation and scientific advancement. Although we endorse the inclusion of funding for collaborative equipment in the "Research Infrastructure Fund" (RIF) and eligibility for a "Research Infrastructure Supplement" (RIS) which provides funds towards running costs, staffing and/or maintenance, more detail is needed if it is to be a replacement for current Linkage Infrastructure, Equipment and Facilities (LIEF) grants. The grant funding proposed in the Initiate and Breakthrough schemes may be insufficient to cover the cost of expensive equipment more than \$300,000.

6. Do you have any feedback on the proposed grant schemes and their likely effectiveness?

No.