

Knowledge Commercialisation Australasia (KCA) – Submission Re: Research block grant reform to boost incentives for greater university and industry collaboration

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The successful commercialisation of university research is a key role conducted by the 700+ individual members of KCA. Our trained professionals manage the relationships and are the key translation points between researchers and industry on behalf of their respective organisations. KCA launched the Survey of Commercialisation of Outcomes from Public Research (SCOPR)¹ in 2020 to fill the gap in research commercialisation data following the discontinuation of the National Survey of Research Commercialisation (NSRC). This is currently the only source of consolidated research commercialisation data from participating Australian universities.

Our members, which include universities, public sector research organisations, service providers and other small-to-medium enterprises (SMEs) have not highlighted the Research Block Grant (RBG) as an area requiring reform. In particular, KCA would like to highlight that the RBG has already had significant reform over the previous five years. This includes the update in response to the Watt Review, along with yet to be felt impacts by recent announcements including the University Research Commercialisation Action Plan and the Ministerial Directions to the Australian Research Council.

KCA recommends that the Department focus on reviewing how these existing changes have affected the way that universities work with both industry and government funders. Based on our member's feedback, there is significant momentum in the higher education sector focused on deepening university-industry partnerships and achieving impact with research investment. We would like to see the Department develop an appropriate evaluation framework to test whether the current measures have achieved the expected outcomes following their implementation.

Adequate research investment across the entire spectrum of activities (from basic research to applied research to experimental development) is a critical part of any country's innovation ecosystem. Supporting basic research is an important role for government, as it is at this end of research activities where the most impact and transformation can often be found. Wi-Fi is a fantastic example of basic research in radioastronomy leading to world-changing technology development in communications. In addition, as basic research is often a speculative endeavour, there is little industry appetite to invest at this end of the spectrum, particularly in Australia considering the traditional characteristics of our business community.

As recently as June 2020, it was reported that the share of research spending funded by industry partners is negatively associated with innovation impact productivity¹. It is hypothesised that this is because industry funding generally supports highly applied projects, which may then have fewer outputs across journal papers, patents, licences, and spinout companies, compared to projects focused on transformative basic research. This report also

¹ J.H. Cullum Clark *et al.*, The Innovation Impact of U.S. Universities: Rankings and Policy Conclusions (June 2020), The George W. Bush Institute. See <https://www.bushcenter.org/publications/resources-reports/reports/universities-innovation-impact.html>



highlights their concern with university policies that focus on industry-sponsored research, as they are likely to create less innovative outcomes. We would encourage the Department to review these findings considering the proposed RBG reform and expected outcomes.

About Knowledge Commercialisation Australasia

KCA² is the peak body leading best practice in industry engagement, commercialisation and entrepreneurship for research organisations. This involves activities from licensing technology to existing companies, academic consulting to industry, conducting sponsored research and spinning out new companies and increasingly a combination of these.

It represents a significant majority of the commercialisation offices of public sector research organisations across Australia and New Zealand, and works with similar bodies globally including the US, Europe, and the UK to develop best practice in developing the research business interface. It conducts the annual Survey of Commercial Outcomes from Public Research (SCOPR). KCA is a founding member of ATTP, the global association of knowledge transfer and commercialisation organisations³.

² See <https://techtransfer.org.au/>

³ See <https://attp.info>