EXPLANATORY STATEMENT

Guidelines issued under section 238-10 of the Higher Education Support Act 2003

Other Grants Guidelines 2006

Issued by the authority of the Minister for Education, Science and Training

Subject
Higher Education Support Act 2003
Other Grants Guidelines 2006

Section 238-10 of the Higher Education Support Act 2003 (the Act) provides that the Minister may make guidelines providing for matters required or permitted by the Act or necessary or convenient to be provided in order to carry out or give effect to the Act. In particular section 238-10 specifies the Minister may make Other Grants Guidelines to give effect to matters set out in Part 2-3 of the Act.

Section 41-15 of the Act provides that the Other Grants Guidelines may specify one or more programmes under which grants for particular purposes specified in the table in subsection 41-10(1) are to be paid.

Purpose

The Other Grants Guidelines 2006 were registered on 22 November 2006.

Chapter 8 of the Other Grants Guidelines provides grants to support the training of research students through the following programmes:

- Research Training Scheme; and
- Regional Protection Scheme.

As part of Backing Australia’s Ability – Building our Future through Science and Innovation, the Australian Government announced that around 250 new postgraduate research scholarships would be created to develop skills in research commercialisation and intellectual property management. These scholarships will be delivered through a new programme called the Commercialisation Training Scheme, grants for which will be provided under Chapter 8 of the Other Grants Guidelines 2006 from 2007.

The purpose of amending the Other Grants Guidelines 2006 is to amend Chapter 8 to include information about the Commercialisation Training Scheme.

Consultation

The Department of Education, Science and Training (DEST) published an issues paper detailing proposed administrative arrangements for the Commercialisation Training Scheme (CTS) in January 2006 and received 22 responses to the paper including 5 from higher education provider (HEP) and student representative bodies, 15 from HEPS directly and 2 from individuals. A final paper and draft CTS guidelines were published by DEST in June 2006 and 6 responses were received. The finalised guidelines (subject to internal DEST clearance processes and parliamentary disallowance procedures) were provided to the higher education sector in August 2006. At each stage, DEST incorporated stakeholder feedback in the development of the guidelines.

The guidelines were also informed by the Commercialisation Training Scheme Training Framework Study which was undertaken by the Australian Institute for Commercialisation on behalf of DEST. The aim of the study was to ensure that the training delivered under the CTS was aligned with the needs of employers of postgraduate research students. The study involved a survey of 30 higher education providers, private business / industry organisations, publicly funded research agencies and venture capital businesses to identify the research commercialisation skills, knowledge and experiences that would best equip Australia's next generation of researchers with the know-how to bring research-based ideas, inventions and innovations to market.
Summary of Provisions

8.75 provides for Commercialisation Training Scheme (CTS) block grants to be paid to Table A and B (as listed in the *Higher Education Support Act 2003 (HESA)*) higher education providers each year to support research commercialisation training for domestic higher degree by research (HDR) students. It also provides an exemption to HDR students from paying student contribution amounts and tuition fees for units undertaken as part of CTS training.

8.80 states that the objective of the CTS is to provide high quality research commercialisation training for the next generation of Australian researchers as a means of equipping them with the skills, knowledge and experience necessary to bring research-based ideas, inventions and innovations to market.

8.85 provides for the conditions that apply to CTS grants in an appendix to chapter 8 of the Other Grants Guidelines called Appendix 8A. The conditions contained within the Appendix are standard to DEST block grant programmes. The conditions comprise the following parts:

- **‘Meaning of Words’** sets out the meaning of defined terms;
- **‘The Grant’** specifies that grants are made in respect of the year and must be spent in accordance with the Conditions of Grants and the Other Grants Guidelines. It also:
  - allows unspent funds to be rolled-over to the next year in accordance with the relevant provisions of the Act;
  - requires HEPs to notify the Minister (or the Minister’s delegate) in writing of any event that may significantly affect a HEP’s capacity to meet the Conditions of Grant; and
  - requires HEPs to provide the Minister with such other information that the Minister by notice in writing requires from the HEP in respect of the grant or compliance by the recipient with the Conditions of Grants;
- **‘Reporting’** states that HEPs must provide DEST with a number of reports at certain times of the year;
- **‘Dissemination’** allows the Commonwealth to publicise the award of any grant to a HEP and information about any aspect of these Conditions of Grant at any time, in such manner and to such parties as it sees fit;
- **‘Acknowledgments, publications and publicity’** states that in all CTS training related promotional material, publications, speeches, media releases, and brochures a HEP must acknowledge the contribution made by the Commonwealth as set out at Part 4;
- **‘Disclosure of information’** states that DEST gives no undertaking to keep confidential the Conditions of Grant or any information in the reports;
- **‘Indemnity’** requires that HEPs must indemnify the Commonwealth against any loss or liability from arising from the actions of the HEP;
- **‘Access to premises and records’** requires HEPs to give prescribed government officers access to employees, premises and materials relevant to any grant subject to reasonable prior notice and reasonable security procedures;
- **‘Intellectual Property Rights in the reports’** provides that the ownership of and the Intellectual Property Rights in the reports vests immediately in HEPs. This part sets out the other Intellectual Property requirements which include that HEPs must grant the Commonwealth a broad licence (including a right of sub-licence) to use, reproduce, adapt the Intellectual Property Rights in the Reports for any purpose;
Compliance with laws and policies requires HEPs (or any contractors they engage) to comply with the Information Privacy Principles (as defined in the Privacy Act) and deal with personal information received, created or held by the HEP for the purposes of the Conditions of Grant only to fulfil its obligations under the Conditions of Grant.

8.90 sets out an extra condition of eligibility for CTS grants. DEST will contact all HEPs to seek written confirmation of their intention to comply with the requirements set out in CTS guidelines for the grant year. Only HEPs that confirm their intent will be eligible for CTS funding in respect of the grant year.

8.95 sets out the formula for determining how CTS Grants will be determined. The grants are determined by multiplying each HEP’s share of the CTS performance index by the total amounts available. The method for calculating the CTS performance index is detailed as is the minimum CTS grant amount for 2007, arrangements for indexing the minimum grant amount in later years, and the method for adjusting grants to take into account the possible allocation of minimum grant amounts.

8.100 provides for CTS grants to be made by instalments in the manner and at the times determined by the Minister and the Secretary, respectively, under the relevant sections of the Act.

8.105 requires that CTS funds to be spent on providing CTS training to HDR students or payments to another HEP to provide CTS training on behalf of a HEP in accordance with a separate written agreement between the HEPs. It also makes provision for payments to HDR students in order to assist them to meet the direct costs of undertaking CTS training through the provision of a stipend for living costs or the provision of allowances.

8.110 sets out the student eligibility requirements for CTS training. These are a student:

- must be enrolled in a HDR;
- must be a domestic student; and
- must not have previously completed CTS or equivalent training.

Additional conditions relate to the following:

- students may be entitled to receive credit towards the CTS qualification from prior studies can only receive benefit under the CTS for the remaining period of study necessary to complete CTS training;
- students who fail to complete CTS training within 24 months from the date of commencement (plus any periods of suspension or leave approved by HEPs) are ineligible to receive further support under the CTS;
- students who have commenced CTS training prior to submitting their HDR thesis can be exempted from being enrolled in a HDR for a period of 6 months from the date of submission of their HDR thesis in order to complete CTS training.

8.115 sets out the requirements of CTS training:

- 8.115.1 sets out the general training requirements;
- 8.115.2 sets out the course requirements which are to demonstrate the capacity to provide learning in three knowledge areas: commercialisation know-how, technical commercialisation skills (of which intellectual property management is compulsory) and organisational behaviour skills.
- 8.115.3 requires that the training must provide for significant elements of practical, non-lecture based learning where students are given the opportunity to participate in team-based learning exercises centred on research commercialisation scenarios.

8.120 allows students to apply to their HEP for a suspension of their CTS training or to take leave during CTS training or to transfer to another HEP. In the last circumstance, students may be able to
continue to receive CTS training from the new HEP and associated assistance if their new HEP agrees to its continuation and subject to the new HEP having sufficient CTS grant amounts of its own available.

8.125 states the circumstances in which a HEP must terminate a student’s CTS Training:

• if a student ceases to meet the eligibility criteria
• where a student completes the course of study;
• a HEP determines that CTS training is not being carried out with competence and / or diligence by the student or in accordance with the offer of CTS training; or
• a student has committed serious misconduct.

If CTS training is terminated, it cannot be re-activated unless the termination occurred in error.

8.130 states that HEPs are responsible for CTS training application, selection and offer processes and must make information about the processes, policies and conditions readily and publicly available.

**Application Process**

• 8.130.2-8.130.4 sets out the application process for HEPs to select students to receive CTS training;
• 8.130.5-8.130.7 sets out the selection process that a HEP must follow;
• 8.130.8-8.130.10 sets out the offer process that a HEP must follow.

**Commencement**

The guidelines will commence on the day after they are registered on the Federal Register of Legislative Instruments.