



**The Department of Foreign Affairs and Trade's
consultation on an
*Australia-United Kingdom
Free Trade Agreement***

University of Melbourne submission

August 2020

Executive summary

The University of Melbourne welcomes the invitation to provide views to the Department of Foreign Affairs and Trade on the opportunities and impacts for universities, research sector and Australian innovation that may arise from a future Free Trade Agreement (FTA) with the United Kingdom (UK).

Long-standing connections between Australian and UK higher education institutions have resulted in productive collaborations. The University of Melbourne currently has 28 bilateral or multilateral agreements with universities in the UK. The University is a member of Universitas 21, an alliance of 27 leading research-intensive universities, of which there are four UK institutional members.

Existing University-driven collaborations with overseas partners are dynamic and have been shown to respond to public priorities as they emerge. The COVID-19 pandemic has prompted universities to work with other institutions within the alliance to jointly approach issues of mutual interest and concern, such as remote learning, asset management, and new models for student mobility programming.

The University of Melbourne hopes to see an Australia-United Kingdom FTA that enables existing partnerships to be consolidated and strengthened and facilitates the expansion of UK engagements in broad areas as determined by partnering institutions and informed by prevailing national and other priorities.

Broadly speaking, an FTA should have as priorities:

- Freer movement of people across borders;
- Facilitation of research collaboration and connections between industry and researchers;
- Enhanced mobility and exchange for students, researchers and university professionals.

For further information or to discuss this submission please contact Professor Michael Wesley, Deputy Vice-Chancellor International, on dvc-international@unimelb.edu.au or 03 8344 0352.

Recommendations

1. The FTA should facilitate and enhance joint international collaboration between Australian and UK researchers by allowing funding of Co-Investigators from either country up to the value of 50% of project costs from whichever country's funding scheme is the source of the research funding.
2. Alternatively, or additionally, a new bilateral funding program could be supported by both countries, without tying the funding to specific areas of priority or interest, to encourage research collaboration that is responsive and reflective of current and future needs.
3. Research partnerships backed by joint PhD agreements are a proven form of collaboration that should be protected and enhanced by an FTA with specific support for candidate mobility and supervision from both Governments.
4. The FTA should align and support research translation programs, including through matched funding and harmonisation of impact and engagement measures.
5. The FTA should streamline visa protocols to enhance student mobility, academic mobility, and university and research workforce exchange.
6. The FTA should encompass alternative bilateral mobility and research programs if existing programs are likely to be excluded or altered post-Brexit (such as Erasmus+).
7. The FTA negotiations should streamline applicable laws to mitigate issues of jurisdictional conflict in university student mobility and exchange.

Australia-UK research collaboration should be enhanced by an FTA

A recent report has suggested the UK is on the cusp of being displaced by China as Australia's second most important partner on the measure of most-cited scientific publications. The Australia-China Relations Institute at the University of Technology Sydney's report, *The Australia-China science boom*, published in July this year found:

In 2018, the number of Australian research publications in the global top one per cent of most-cited scientific publications featuring China-affiliated authors grew by 12.8 per cent. In contrast, the number involving collaborators from Australia's other top five research partners – the US, UK, Germany and Canada – all fell (p1).

An FTA that encourages a higher degree of research engagement with the UK, and encourages researchers on either side to seek out those partnerships, would be mutually beneficial. The UK has outstanding research and innovation, and as the DFAT Country Brief states online, 'the United Kingdom is one of our most like-minded partners in the world'.

International Co-Investigator costs

In encouraging and facilitating more research collaborations, the University recommends that a particular structural funding principle should be sought by FTA negotiators. This is, to enable International Co-Investigator costs to be paid of up to 50% of the overall 100% Full Economic Cost of a grant from funding schemes in the UK.

Currently, certain research funding schemes in the UK explicitly allow for, and fund, collaboration with international partners. For instance, the UK's Arts and Humanities Research Council (AHRC), and the UK's Medical Research Council, 'recognise the added value that international collaboration can bring' and have established a policy of allowing researchers based outside of the UK to act as Co-Investigators on funding schemes. There are also some specific collaboration schemes that occur from time-to-time in 'priority' areas such as the [UKRI-NHMRC Built Environment and Prevention Research Scheme](#).

In this arrangement, researchers from overseas research organisations (such as in Australia) may be deemed a Co-Investigator if they provide expertise not available in the UK, and costs for work undertaken at an overseas organisation are admissible and paid by the UK funding scheme. As well as academic and other eligibility, a limitation is currently applied that states 'international co-investigator costs that cannot exceed 30% of the overall 100% Full Economic Cost' of the grant application'. Australian researchers are well represented in international collaborations under these arrangements, with available UK Research and Innovation data indicating that there are over 160 active projects with Australian Co-Investigators.

A new FTA should include similar arrangements so that in instances of international co-investigation, researchers in both jurisdictions can access *up to 50%* of the project funds in either country. This approach will maintain the integrity and quality of international collaboration. The existing AHRC policy does not foster an 'open door' attitude from researchers in the UK who remain justifiably selective about the use of funds from their project costs. Researchers are highly selective about who they collaborate with because research funding is always hard won. As a result, international coinvestigations arrangements only arise when the best possible research process requires a long-distance collaboration.

Since 2015 there have been two projects awarded to UK applicants by the AHRC where University of Melbourne researchers have received funding for their component of the research. The total value of these awards was just under \$50,000. A higher quantum of payment will mean researchers will be able to leverage their networks in the UK better and receive payment for the workload of contributing to the international co-investigation. This will lead to stronger and more active partnerships where the best researchers in both countries are supported for their contribution, regardless of location. This, in turn, will lead to more aligned research efforts and stronger research outcomes in both countries.

As an alternative, another equitable and accessible way of achieving a similar outcome would be to create a new bilateral funding program, through the FTA, to enable international collaboration (with paid co-investigation on each side). This would be transparent, amenable to attracting the best in each country and improve the quality of collaborations. Universities in both Australia and the UK, and through them, both countries' research and innovation architecture, will benefit from broadly supportive research funding pools that are able to capture priorities as they arise and fit the needs of high-impact research requirements.

Recommendation 1: The FTA should facilitate and enhance joint international collaboration between Australian and UK researchers by allowing funding of Co-Investigators from either country up to the value of 50% of project costs from whichever country's funding scheme is the source of the research funding.

Recommendation 2: Alternatively, or additionally, a new bilateral funding program could be supported by both countries, without tying the funding to specific areas of priority or interest, to encourage research collaboration that is responsive and reflective of current and future needs.

Bilateral and multilateral agreements

The University of Melbourne enjoys strong bilateral and multilateral relations with high-ranking institutions in the UK, at both University and Faculty level. These engagements enable student mobility, research, joint PhD programs, joint Masters modules, dual degrees, internships, and joint events. The agreements largely take the form of Memorandums of Understanding or Student Exchange Agreements.

Optimising bilateral or trilateral relations enables the University to pursue strategic interests. The University's current priorities for international engagement with UK institutions include research training and research collaboration, which promote basic discoveries as well as the skills and experience for translating discoveries into social benefit. The Universities' UK priorities also include staff and student mobility to broaden the experience base and global connections of Australia's professional and research sector.

Research partnerships backed by joint PhD agreements

The University of Melbourne has two research partnerships with the UK backed by joint PhD agreements. These partnerships are with the University of Manchester, and the University of Birmingham. A detailed breakdown demonstrating why such partnerships are important to Australia is covered below.

The research partnerships have been successful in leveraging external research funding. Investments in doctoral training are a key component of UK Research and Innovation (UKRI) and the Biotechnology and Biological Science Research Council's (UKRI-BBSRC) overarching goals to develop research talent and skills. UKRI-BBSRC Doctoral Training Partnerships (DTP) provide PhD training in areas of research relevant to UKRI-BBSRC's remit and priority research areas.

Recommendation 3: Research partnerships backed by joint PhD agreements are a proven form of collaboration that should be protected and enhanced by an FTA with specific support for candidate mobility and supervision from both Governments.

University of Manchester partnership

- A five-year joint PhD agreement was executed in April 2020 but was preceded by a seed-funding program for joint research projects since 2016. Both programs cover all research areas of mutual interest and complementary capabilities.

The joint PhDs have the impact of attracting high-achieving graduate scholars from the UK/EU to work in Australia (at least 32 candidates in the last 18 months) who otherwise would have developed their expertise elsewhere. The injection of global talent diversifies student markets and enriches the graduate field, and subsequent knowledge resources, in Australia.

Seed-funding programs for joint research have contributed to outcomes such as findings by Melbourne and Manchester academics on the social implications of market-based policy instruments for carbon and water.

- Co-authorship between Melbourne and Manchester doubled over 2014-2019, which is contributed to by the partnership arrangement. For instance, seed-funded research in medicinal chemistry has been jointly published with findings relevant to global efforts against tuberculosis and cancer.
- In October 2019, the Manchester-led UKRI-BBSRC DTP application, with Melbourne and Toronto as named partners, was successful in receiving funding. Melbourne's in-kind contribution to the proposal is the provision of fee-remission scholarships and research training jointly enrolled DTP PhD candidates.
- Through the Joint Research Training Group, PhD research projects have flourished under the agreement. In 2019-2020, the universities funded 20 discrete joint PhD projects and >60 applications for joint PhD project proposals from academics. This is important because PhD candidates are the core of Australia's research workforce, both current and future. They are the next generation of experts and provide Australia with a living bridge to the world's research institutions and industries.

University of Birmingham partnership

- The joint PhD agreement was set up in 2016 and will be extended this year for another five years. The initial agreement was set up in the field of engineering and physical sciences, and has grown to also encompass areas of psychiatry.

Accelerating bilateral translational research

Governments in both countries place importance on partnership development between research institutions and industry, targeting research translation for economic and societal benefit. This is seen, for example, in Australia's recently announced National Priorities and Industry Linkage Fund, and the UK's Higher Education Innovation Fund (HEIF) requirements.

The FTA and other cooperative policy reforms could support alignment and potential correspondence of research translation programs across Australia and the UK by allowing programs such as the UK's Strength in Places Fund to be matched by appropriate Australian programs. This would give increased priority and incentives for collaboration between research institutions and industry partners in both countries.

As part of this, harmonisation of some aspects of research sector evaluation and benchmarking on each side could give confidence to potential industrial players. Both Australia and the UK have their own approaches to evaluating research for engagement and impact: in the UK, monitoring under the HEIF, and the Research Excellence Framework; in Australia, reporting under the ARC's engagement and impact exercise and other schemes. The FTA could stimulate policy reforms leading to greater harmonisation of impact and engagement measurement and benchmarking and programs across Australia and the UK, allowing clearer comparison of research and industry engagement, benchmarking and skills transfer.

Recommendation 4: The FTA should align and support research translation programs, including through matched funding and harmonisation of impact and engagement measures.

Streamlining qualifications and credit mobility

The FTA should support student mobility through greater recognition and removal of barriers. Student mobility programs are well established and very popular amongst University of Melbourne students. In 2019 the UK was the third most popular destination for international study experiences, accounting for 9.8% or 564 of total mobility experiences, and 14.2% of undergraduate experiences. Students from the UK are a significant source of international students at the University with 45-55 students enrolling each year, predominantly in postgraduate courses.

Between 2016-2019, 613 University of Melbourne students undertook an exchange or study abroad program (semester or year-long) to the UK. Another 205 Melbourne students undertook a short-term (less than 12 weeks) program in the UK and 313 students from the UK enrolled in an exchange program at Melbourne.

Regarding qualifications and credit mobility, there is a trend of increasing international students applying to the University of Melbourne from the UK. Enhancing recognition of qualifications and credit mobility would be attractive to prospective students and have benefits that extend beyond UK citizens. The University of Melbourne makes the following observations and suggestions on student and credit mobility.

Visas

In terms of student flows, the issuing of visas and credit transfer is generally not problematic as the UK already uses its own credit system and not ECT (European Credits Transfers).

Rigidity of UK degree structures

The rigid nature of UK degree structures means that most University of Melbourne students can only participate in a year-long exchange, commencing in their start year semester (our semester 2). This has presented challenges during the COVID pandemic. For instance, ability to offer deferrals has been limited and has affected the University's mobility outcomes with partners. While it is a task for universities in each country to enhance flexibility in their programming and course structures to encourage mobility and participation, it is important that an FTA should complement this by establishing streamlined and flexible visa protocols for student, researcher and professional exchange.

Recommendation 5: The FTA should streamline visa protocols to enhance student mobility, academic mobility and university and research workforce exchange.

Mobility to EU destinations and research collaboration post-Brexit

Under a round ending in 2020, UK universities are eligible for funding through the Erasmus+ program, which supports mobility to EU destinations by University of Melbourne students and academics. UK participation in this scheme post-Brexit remains under negotiation. Looking ahead, if the UK cannot participate as a lead, development of an alternative bilateral program that supports mobility and research would be beneficial.

Recommendation 6: The FTA should encompass alternative bilateral mobility and research programs if existing programs are likely to be excluded or altered post-Brexit (such as Erasmus+).

Streamline laws to facilitate student exchange agreements

Some difficulties are commonly experienced in negotiating student exchange agreements with individual UK universities, due to stringent anti-bribery, data protection and other UK laws that can conflict with Australian laws. The FTA negotiations should ensure to streamline applicable laws in advance to mitigate these issues of jurisdictional conflict.

Recommendation 7: The FTA negotiations should streamline applicable laws to mitigate issues of jurisdictional conflict in university student mobility and exchange.