



7 February 2023

Committee Secretary
Parliamentary Joint Committee on Intelligence and Security
PO Box 6021
Parliament House
Canberra ACT 2600

Email: pjcis@aph.gov.au

Dear Committee Secretary,

Re: Review into the *Foreign Influence Transparency Scheme Act 2018*

The University of Melbourne welcomes the opportunity to provide supplementary comments to the Parliamentary Joint Committee on Intelligence and Security's review into the *Foreign Influence Transparency Scheme Act 2018* (the FITS Act).

The University made its [original submission](#) to the review in November 2021. As stated in that submission, the University acknowledges the importance of protecting national security through greater transparency and careful management of foreign interference and undisclosed foreign influence risks within our institution and sector. As such, the University has in place a range of internal processes, disclosure and oversight tools, and staff and researcher training on foreign influence, foreign interference, and transparency requirements.

In its original submission, the University raised concerns that the FITS Act placed a large administrative burden on higher education and research institutions, despite the remote likelihood of our activities and arrangements falling within scope of FITS. The University noted that this is due to the broad nature of the scheme; FITS is not closely targeted at the higher education and research sectors.

The University also argued at the time that there should be greater coordination and cohesion of government policies, schemes, regulations, and initiatives relating to national security and foreign interference and influence. In particular, the University suggested that greater clarity around the interaction between various schemes, such as FITS and the Foreign Arrangements Scheme (FAS), would assist in streamlining compliance and avoid duplication and confusion for universities.

More than a year on, the issues and recommendations outlined in our initial submission remain relevant. Ongoing compliance with the FITS Act continues to attract considerable University resources but, to date, no registerable activity has been identified. For example, the University identified 5 potentially registrable activities in 2022. Despite the small number, a significant amount of time was required to assess each case, as application of the broad categories under FITS is more ambiguous than assessment of agreements under FAS. However, in the end, none of these inquiries were assessed as being registrable.

Similarly, educating University personnel in relation to the various national security schemes and guidelines remains a challenge, particularly in the context of the number of new, inter-related schemes and guidelines implemented in the last few years.

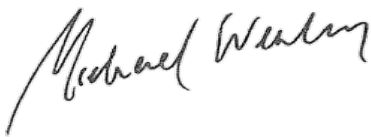
In light of experiences to date, with no registrable activities identified, it has not been possible to draw conclusions between the practical overlap of the FITS Act and FAS. However, indications at this early stage

of implementation are that FAS is more directly applicable to the sector's operations, alongside the University Foreign Interference Taskforce (UFIT) Guidelines, Export Controls, Sanctions and the Defence Industry Security Program (DISP). This may suggest an opportunity for Government to consider whether FAS, implemented subsequent to the FITS Act, in fact provides adequate regulation of the University sector without the administrative burden of the FITS Act as a second scheme.

It is important that the Australian Government's identification and management of risk does not have a chilling effect on global collaboration. It is also crucial that overlapping policies and schemes do not create confusion and undermine the outcomes sought. The University urges the Committee to consider the recommendations made in its November 2021 submission to ensure the FITS Act achieves its stated purpose.

For further information, I can be contacted at michael.wesley@unimelb.edu.au.

Yours sincerely,

A handwritten signature in black ink that reads "Michael Wesley". The signature is written in a cursive, flowing style.

Professor Michael Wesley
Deputy Vice-Chancellor International
The University of Melbourne