



2020-21 Pre-Budget Submission

The Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH) is the authoritative agency on research, teaching and learning for the Humanities, Arts and Social Sciences (HASS) in Australian and New Zealand universities. We welcome the opportunity to provide advice ahead of the 2020-21 Australian Federal Budget.

Higher education in Australia is situated in a rapidly changing global community. Our place in the world presents challenges and opportunities for our economy, environment, culture and society. Though the problems we are facing are diverse, their one unifying factor is that they can only be adequately addressed through policies and practices based on high-quality, independent, evidenced-based research. Given its unique social, environmental and economic position in the world, Australia cannot expect or afford to rely on the work of other nations to provide the research to inform its policy design. More crucially, when it comes to evidence-based policy development, we should be distinctive in our thinking. It follows that there is much to be gained in the development of a world-class 'knowledge economy', with economic experts suggesting we need to be 'knowledge intensive'.¹ A well-supported higher education and research sector promotes innovation and entrepreneurship, as well as social cohesion and civil engagement. On these bases, DASSH asks the Federal Government to prioritise investment in education and research, particularly in the Humanities, Arts and Social Sciences, in its 2020-21 Budget. What follows here is a series of five action points set out as our vision for the future.

1. Prioritise Research Investment

In order to position Australia as a competitive international base for research in the face of growing capacity elsewhere, we must provide opportunities for more Australians to contribute and participate as our society's demographic profile changes. Without promoting an inclusive environment for research and education, Australia risks short-changing the key to the most promising source of its future prosperity: research.

Research is a reliable foundation for economic, societal and technological progress. It offers huge benefits for economic development and national wellbeing. It also has strong public support, making its investment politically prudent as well as economically responsible. Well-planned and sufficiently funded research offers substantial returns on investment, and Australia should be aware of the negative impact of its current under-investment in knowledge. The Treasury and Department of Finance confirms the evidence that, even in purely economic terms, research overall currently pays a real return on investment of around 20 per cent.² This is well in excess of the government hurdle rate of return of 7 per cent,³ and indicates that investment in research should be among the Government's highest priorities.

Increased investment in research poses little, if any, risk to the taxpayer. As the Government weighs spending priorities against fiscal constraints, it is worth remembering that investment in research offers mid to long-term benefits, while also providing opportunities for short-term stimulus. It is, therefore, vital that the Australian government set a target for research investment as a proportion of GDP, and that this target be ambitious and internationally competitive.

¹ A. Beer, Maude, A., and Pritchard, B. 2003. *Developing Australia's Regions: Theory and practice*. UNSW Press, Rankwick, pp.107, 111.

² KPMG Econtech, *Economic Modelling of Improved Funding and Reform Arrangements for Universities*. June 2010

³ Department of Finance and Deregulation, *Best Practice Regulation Handbook*, 2010.

- **Commit to lifting Australian R&D investment** from its current low rate of 1.88% of GDP to match the OECD average of 2.4% by 2025, with the longer-term goal of reaching the current OECD Best Practice frontier of 3% by 2030.
- In recognition of the role of HASS disciplines in promoting the public good, DASSH recommends that **at least one-third of the government’s investment in research be dedicated to work primarily classified under a HASS Field of Research code** under the Australian and New Zealand Standard Research Classification.
- **Fully fund research.** All government funding for research projects (including ARC and NHMRC grants and departmental initiatives) should fully cover overheads and on-costs.

2. Develop a Strategic Approach to HASS Research Infrastructure Investment

Sector advocates for the Humanities and Social Sciences agree that those working in STEM disciplines have already consistently benefited from national plans and strategies around research investment. Yet the HASS sector has been overlooked. Specific data required to understand areas of strategic need or capacity at a national level has not been collected, and as a result there is no plan to address capability gaps or invest in areas critical to the national interest. The absence of strategy for investment in HASS disciplines means that Australia also lacks an overarching strategy for the research system as a whole; one which could articulate how HASS and STEM research activities should connect and interact. DASSH supports the Australian Academy of the Humanities’ call for an independent review to identify how to more effectively resource and harness Australia’s social and cultural expertise for the benefit of the nation.⁴

The Australian Department of Education’s 2016 Research Infrastructure Roadmap found that advancing research in the HASS disciplines is ‘critical to our future and requires a nationally coordinated approach to infrastructure development to drive transformations in the way researchers discover, access, curate and analyse Australia’s social and cultural data’.⁵ Despite being identified as a priority area now for over a decade, direct investment in the HASS sector (including almost 50 per cent of the research workforce) is less than one per cent of the \$3.3 billion government funding to date.

DASSH welcomed the decision by the Department of Education in August 2019 to commence a Scoping Study into the research infrastructure capabilities and requirements of the Humanities, Arts and Social Sciences (HASS) in the 2019-20 financial year, bringing it forward from 2020-21. Following on from this exercise, the Government should ensure funds are set aside in the 2020-21 Federal Budget to invest in implementing the recommendations of the study.

While the feasibility study is not yet concluded, it is sufficiently clear that additional research infrastructure funding is desperately needed for a range of significant cultural institutions. Without digital archives of our cultural and historical artefacts, Australia is a severe and worsening disadvantage in its capacity to learn with and about our past and our positions in the present and future. While the National Library of Australia received

⁴ <https://www.humanities.org.au/advice/8pointplan/>

⁵ <https://www.education.gov.au/2016-national-research-infrastructure-roadmap>



\$10 million in the 2019-20 Federal Budget to support digitisation of its collection, a far larger contribution is required to bring Australia's wider digital archives to a globally competitive standard.

Budget and staffing reductions under previous governments have hindered the NAA's capacity to perform its fundamental roles of "securing, preserving, maintaining and making accessible the authentic and essential records of the decisions and actions of government, while providing high standards of service delivery."⁶

- Fund an independent review of HASS research investment
- Commit to funding and implementing the recommendations of the HASS research investment and infrastructure feasibility study in the 2020-21 financial year.

3. Signal the impact of Culture and Creativity on the Australian Economy

Despite the clear benefits of the cultural and creative sector to the Australian economy, as shown in a range of reports, we argue that we have seen little evidence of a focus on support for the creative sector that could benefit our disciplinary areas in higher education in terms of training and development for the future.

The HASS disciplines need to be firmly cemented in our future vision for the nation, and the Government can ensure this happens by removing barriers to their participation in research and development initiatives, and include emerging cultural and creative industries in industry development incentive programs (e.g. Industry Growth Centres, the Industrial Transformation Scheme, and the Cooperative Research Program). With appropriate support, Australia has the capacity to lead the world in bringing together research in the humanities and emerging digital industries. Such work would help address some of the most urgent challenges facing industries and public governance today: Transparency, trust, equity, and integrity.

- Allocate funding equivalent to an additional one-third of the government's current investment in industry development incentive programs to new programs to **fund research and development projects classified under HASS Field of Research codes** in the Australian and New Zealand Standard Research Classification.

4. Demonstrate Equity and Access to Education

DASSH members support the Government's commitment to increasing access to higher education for students from low SES backgrounds and welcome the increased annual funding allocations to the Higher Education Participation and Partnerships Program as outlined in previous budgets.⁷ Nevertheless, further measures should be taken to increase participation in university education by students from low SES backgrounds.

Analysis of enrolment trends before, during and after the removal of caps on student numbers has demonstrated that this initiative did lead to an 80 per cent increase in enrolments by students from low SES backgrounds, including school-leavers and mature-aged students.⁸ It is therefore clear that the Government must reverse the capping of student numbers for bachelor's degrees if it is to achieve its goal of equality of

⁶ <https://www.naa.gov.au/about-us/tune-review>

⁷ <https://www.education.gov.au/higher-education-participation-and-partnerships-programme-heppp>

⁸ <https://grattan.edu.au/news/why-australia-should-revert-to-demand-driven-funding-of-universities/>

educational attainment among Australian students in the foreseeable future. DASSH members emphasise that neither the initiatives supported through the HEPPP nor uncapping student places alone are sufficient to address inequalities in our education system. Both measures, along with smaller scale efforts led by schools, universities and other interested parties, are necessary to achieve this goal.

- Continue to **increase support for initiatives promoting participation in tertiary education** by students from low SES background through the HEPPP.
- **Remove caps on student numbers** for bachelor's degrees at Australian universities.

5. Promote the value of HASS disciplines to training our future workforce

As noted in a 2018 report published by DASSH,⁹ analysts agree that specialist technical skills deliver results most effectively in combination with skills of creativity and communication and with emphasis on human factors – in essence, those fostered by the HASS disciplines. Deloitte have demonstrated that ‘design lies at the heart of the IT worker of the future’, and that ‘designing engaging solutions requires creative talent’ drawn from graphic designers, user experience engineers, cultural anthropologists, and behavioural psychologists.¹⁰ The Regional Australia Institute predicts that the most in-demand jobs in Australia by 2030 will mix high-tech, high-touch, and high-care activities.¹¹ The link between HASS and innovation also has been recognised by the Senate Standing Committee for Economics and the Business Council of Australia.¹²

Despite this, rhetoric from government agencies in relation to education and training for young people is almost entirely framed around the importance of STEM disciplines. An example of the disparity can be seen in the government’s support of National Science Week through the Department of Industry, Innovation and Science’s “Inspiring Australia” initiative and other institutions, for example, The Australian Academy of Science, Questacon, and CSIRO. National Science Week includes festivals, activities and events across Australia which aim to increase awareness and appreciation of STEM disciplines in the community, with a particular focus on students and young people.

There is currently no equivalent government-supported initiative for HASS, however, in 2018, a coalition of associations supporting the Social Sciences (including DASSH) created “Social Sciences Week”.¹³ In 2019, Social Sciences Week grew to over 60 events across Australia and planning is underway to raise the Week’s profile further in 2020. To date, the success of Social Sciences Week has relied on donations of time, resources and expertise from supportive associations and universities, with no direct financial support from government or other sources. Funding to support the growth of Social Sciences Week, and to build similar initiatives for the Humanities and Arts, would be a suitable strategy for the government to highlight the importance of HASS disciplines to the Australian economy and society.

⁹ DASSH (2018) [Humanities, Arts and Social Sciences \(HASS\) Degrees: Powering Workforce Transformation Through Creativity, Critical Thinking and Human Interaction](#)

¹⁰ Deloitte Insights (2015) [Tech Trends 2015: The Fusion of business and IT](#), p. 11.

¹¹ Regional Australia Institute (2016) [The Future of Work: Setting Kids up for Success](#).

¹² Business Council of Australia (2014) [Building Australia’s Innovation System](#).

¹³ <https://socialsciencesweek.com.au/organising-committee/>

The Academy of Social Sciences in Australia has agreed to take on an administrative role for Social Sciences Week from 2020, so DASSH recommends that the government consult with the Academy to determine and put in place appropriate funding levels for Social Sciences Week over the forward estimates.

- In consultation with the Academy of Social Sciences in Australia, **provide funding to support and grow Social Sciences Week.**
- Conduct scoping studies to determine the resourcing required to **create initiatives to increase public awareness and understanding of the role of HASS disciplines**, particularly among students and young people.

Summary of Recommendations

1. Commit to lifting Australian R&D investment from its current low rate of 1.88% of GDP to match the OECD average of 2.4% by 2025, with the longer-term goal of reaching the current OECD Best Practice frontier of 3% by 2030.
2. In recognition of the role of HASS disciplines in promoting the public good, DASSH recommends that at least one-third of the government's investment in research be dedicated to work primarily classified under a HASS Field of Research code under the Australian and New Zealand Standard Research Classification.
3. Fully fund research. All government funding for research projects (including ARC and NHMRC grants and departmental initiatives) should fully cover overheads and on-costs.
4. Commit to funding and implementing the recommendations of the HASS research investment and infrastructure feasibility study in the 2020-21 financial year.
5. Allocate funding equivalent to an additional one-third of the government's current investment in industry development incentive programs to new programs to fund research and development projects classified under a HASS Field of Research code under the Australian and New Zealand Standard Research Classification.
6. Fund an independent review to identify how to more effectively resource and harness Australia's social and cultural expertise for the benefit of the nation.
7. Continue to increase support for initiatives promoting participation in tertiary education by students from low SES background through the HEPPP.
8. Remove caps on student numbers for bachelor's degrees at Australian universities.
9. In consultation with the Academy of Social Sciences in Australia, provide funding to support and grow Social Sciences Week.
10. Conduct scoping studies to determine the resourcing required to create initiatives to increase public awareness and understanding of the role of HASS disciplines, particularly among students and young people.