

EXPLANATORY STATEMENT

Australian Research Council (ARC)
Administered Budget Funding Splits for 2018-19 and 2019-20
Issued by the authority of the Minister for Education and Training

Subject: Division of the ARC funding cap between categories of research programs.

Authority

Section 50(1) of the *Australian Research Council Act 2001* (the Act) requires the Minister to determine in writing the division of the funding cap between categories of research programs. This is referred to as the Funding Cap Splits.

Subsection 50(1A) of the Act allows the Minister to specify a percentage range of up to plus or minus five per cent of the Funding Cap Splits. This allows for variation of research project approvals due to recoveries, research projects being declined or relinquished and variations in the quality of applications across schemes in new funding rounds.

Purpose and operation of the instrument

The instrument is a legislative instrument for the purposes of the *Legislation Act 2003* (the LA). The instrument outlines the percentage and range of percentages for the Funding Cap Splits for the ARC Discovery and Linkage Programs for 2018-19 and 2019-20.

The Discovery and Linkage Programs are categories of the ARC National Competitive Grants Program (NCGP). These categories also align to the programs reported in the ARC's Portfolio Budget Statement (PBS), Corporate Plan and Annual Report.

The Discovery Program recognises the importance of fundamental research to the national innovation system resulting in the development of new ideas, the creation of jobs, economic growth and an enhanced quality of life in Australia.

The Linkage Program aims to encourage and extend cooperative approaches to research and improve the use of research outcomes by strengthening links within Australia's innovation system and with innovation systems internationally.

The *Australian Research Council (ARC) Administered Budget: Funding Splits for 2018-19 and 2019-20* was approved by the Minister for Education and Training, Senator the Hon Simon Birmingham, on 2 July 2017. No amendments have been made.

Consultation

The ARC did not undertake any public consultation in relation to the instrument given that the instrument is financial in kind and minor in nature.

Regulatory Impact Statement

The instrument does not give rise to a regulatory change as defined by the Office of Best Practice Regulation. Therefore, a regulatory impact analysis process has not been applied.

Statement of compatibility with human rights

Section 9(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011* requires the rule maker in relation to a legislative instrument to which section 42 (disallowance) of the LA applies to cause a statement of compatibility to be prepared in respect of that legislative instrument.

The legislative instrument does not engage any of the applicable rights or freedoms. It is compatible with human rights, as it does not raise any human rights issues.

Commencement

The *Division of Funding Caps Determination* implementing the *Australian Research Council (ARC) Administered Budget: Funding Splits for 2018-19 and 2019-20* shall take effect upon registration on the Federal Register of Legislative Instruments.