



Queensland University of Technology

Response to the Parliamentary Joint Committee on Intelligence and Security Review of the *Foreign Influence Transparency Scheme Act 2018*

The Queensland University of Technology (QUT) welcomes the opportunity to comment on the Parliamentary Joint Committee on Intelligence and Security Review of the *Foreign Influence Transparency Scheme Act 2018* (the Act).

QUT supports the response provided separately by Universities Australia (UA) and endorses its recommendations, namely that:

- the University Foreign Interference Taskforce (UFIT) be regarded as the primary mechanism, distinguished by the success of its genuine partnership approach between Government and universities, to bolster the defences of Australian universities against foreign interference and influence;
- the Government take into account the current mechanisms and legislative environment relating to the mitigation and management of foreign influence and foreign interference in universities when considering the application of FITS to the university sector;
- the Government ensure a coordinated, coherent and 'proportionate to risk' approach to foreign interference and foreign influence schemes and legislation that takes into account the importance of global connections for university outcomes benefitting Australia's economy and society; and
- the Government work closely with UA to enact these recommendations.

The QUT response supplements the UA submission and reinforces the UA recommendations as set out above. The following key areas are highlighted.

Consultation with the university sector is critical

In the past, the university sector and Government have worked constructively together on the design and operation of the Foreign Influence Transparency Scheme toward achieving the objectives of the Act. QUT recommends the Government continue to adopt a closely collaborative approach with universities, in considering any changes to the Act.

Collaboration is integral to university research

To realise the full potential of the Government's extensive investment in research and development (R&D) in universities, as well as the very considerable investments that universities make using their own independently sourced funds, effective research collaboration is absolutely integral.

Australia outperforms in research relative to its size – it has been a matter of national pride for many years that we ‘box above our weight’ in research as much as we do in the Olympic pool or in Hollywood. However, in research expenditure terms, Australia accounts for only about one per cent of global R&D funding. The major R&D performers are the USA (USD 551 billion or 28.5 per cent of global R&D expenditure); China (USD 463 billion or 24 per cent); and the EU (USD 428.5 billion or 22 per cent).

While QUT does believe there is both room and a strong case for greater financial support for Australia’s world-class research, a doubling or even a tripling of national investment in R&D would not significantly alter the chief implication of these relativities for the purposes of this discussion: that to be in the game at all, Australia must engage with the 99 per cent of R&D performed in the rest of the world. Even a powerhouse like the United States has to operate within the reality that a very comfortable majority of the world’s research takes place beyond its shores. This means that research is an inherently global enterprise, and that enjoyment of the economic and social benefits that flow from research is largely a function of a nation’s capacity to participate deeply and meaningfully in its conduct. We cannot hope to reap the benefits of research without also being involved in and even indispensable to it – we have to turn up consistently and make ourselves more than useful as respected, valued partners to be in the position to exploit the considerable economic, social and industrial returns of the global research effort.

Fostering and supporting opportunities for these global engagements whilst ensuring Australia’s national interests is a delicate balance, a challenge that our university sector acknowledges and understands. Universities are highly cognisant of the risks of foreign interference and foreign influence and work to structure their international collaborations with this in mind. However, it is important to recognise that a correlating risk exists of harm to Australia’s research enterprise from excessive regulation of collaboration, especially when it is out of proportion to risk or comes in the form of duplication that adds no effective benefit.

Compliance should not inhibit university activity or collaboration

To that end, the Government should seek to streamline the regulatory framework and reporting mechanisms that support the Act to eliminate duplication and ensure the Scheme connects thoughtfully with other existing mechanisms to ensure a targeted and effective security landscape, in proportion to real risk.

It will be critical to avoid important relationships and research collaborations being adversely impacted by unnecessary or disproportionate compliance burdens. For example, many international partnerships have their origins in informal engagement prior to any contractual or due diligence measures being undertaken under the aegis of formal arrangements, and clumsy attempts to formalise these too early can hamper or even prevent the development of those important relationships.

A reasonable and risk-balanced approach will maximise the protection of our net national interest by ameliorating foreign interference risks while enabling the establishment, maintenance and development of research relationships beneficial to all Australians.