

10 July 2015

Secretary,
Senate Standing Committees on Community Affairs,
PO Box 6100
Parliament House
Canberra ACT 2600

Medical Research Future Fund

Federation University Australia is research-active across many disciplines and has a strong interest in the Senate's referral to the Community Affairs Legislation Committee of the 'Medical Research Future Fund Bill 2015' and the 'Medical Research Future Fund (Consequential Amendments) Bill 2015' for enquiry and report. We have carefully considered the documentation provided in relation to these Bills and include herein several questions and comments for the consideration of the Committee. We respectfully request that the Committee review the issues raised in our submission and consider amending the Bills accordingly.

Federation University Australia fully endorses the establishment of the Medical Research Future Fund (MRFF) to provide additional and sustainable funding for medical research in Australia. Our comments relate to the purpose and internal administration of the MRFF, and the disbursement of funds from the MRFF to support medical research.

1. Purpose of the MRFF

- i. It is stated that the funding for medical research provided by the MRFF is in addition to existing research funding, i.e., not a re-allocation of existing research funding. Federation University Australia supports this concept and suggests **the Bill should include a definition of how 'existing research support' is measured/defined for benchmarking against future funding to ensure this important aspect of the MRFF is protected.**
- ii. Federation University Australia unequivocally supports the establishment of the MRFF to support research activities that benefit the health and wellbeing of all Australians, however the nature of the research that will benefit from the MRFF is not fully defined. We propose that there is wide consultation with relevant research-active organisations (including Federation University) about the scope of research to be supported by the MRFF. One important question is **will the MRFF fund preventive/health research programs in addition to biomedical/lab-based research?**

2. Administration of the MRFF

Federation University Australia understands that the MRFF will be governed in accordance with 'Strategies' (determined every five years) and 'Priorities' (every two years) that are consistent with a set of principles outlined in the Act. MRFF Strategies and Priorities will be delivered periodically to the Minister of Health by the 'Australian Medical Research Advisory Board', which will be composed of suitably qualified persons, including the CEO of NHMRC. The Advisory Board will also provide advice to the Minister re the distribution of funding.

- i. Federation University supports this process, but recommends that **the Advisory Board consults widely with research-active institutions (including Federation University) during the process of establishing the MRFF Strategies and Priorities**. We believe this will ensure the Board is kept fully informed of relevant information from research-active organisations and that this consultative process will improve the long-term planning and management by research institutions through discussion of the priorities of government in this area.

3. Disbursement of Funds

- i. Federation University notes that the process of applying for funds and for awarding funds to particular research areas is not described in detail, other than to provide a range of research organisations who would be eligible to apply. We suggest **more detail be included about the respective roles of the Minister and the Advisory Board regarding the allocation of funds to research organisations**. Federation University proposes that research organisations be given more than one year's notice of the planned distribution of MRFF research funds across the sector, funding availability, changes to MRFF 'Strategies and Priorities' and timelines re calls for funding applications and announcements. This will help research-active organisations to more effectively plan their applications for funding and to allocate their existing and alternative research funds.
- ii. Federation University recognises that many administrative aspects relating to the MRFF remain to be finalised, but more information is needed about the funding process for researchers. For example:
 - a. What specific costs will the MRFF support? Will the MRFF support researchers' salaries (e.g., fellowships), research projects and research infrastructure?
 - b. Over how many years will individual research projects be funded?
 - c. What is the minimum and maximum amount of funding support that can be applied for in an MRFF application?
 - d. Will applications for funding be peer-reviewed and will the NHMRC or a different body administer the assessment process?
 - e. Federation University is especially concerned that Australia's smaller research programs/groups/institutions should benefit from the MRFF in addition to our largest research institutes and Go8 universities. Smaller groups and institutions are the lifeblood of biomedical research and provide an essential training ground for future research leaders who often finish their careers in the larger centres of research excellence. **Federation University Australia therefore proposes that MRFF funding guidelines be structured in a manner that includes support for internationally competitive research groups from smaller institutions.**

- iii. The guidance regarding the overall funding to be distributed each year indicates that the MRFF board, who administer investment of the MRFF, will make a recommendation to the Minister for Health. There is an indication that the value of the fund will be maintained to support the income stream, and that the available research funding should reflect the investment performance of the fund. **The intention of protecting the principal of the MRFF is supported, but Federation University Australia is concerned about the implications this has for MRFF research funding in periods where investment performance is poor - for example in Global Financial Crisis-type conditions.**

Unexpected fluctuations in the funding from the MRFF may be hugely disruptive to research organisations and we suggest the MRFF should provide more guidance and certainty about the funding that will be available. For example, funding could be allocated in 3-5 year cycles to reduce variability in investment performance, or a minimum amount could be guaranteed to be released each year so that funding is more predictable to research organisations. Minimum funding could be increased in years of above average investment outcomes.

In summary, Federation University Australia endorses the establishment of the MRFF and hope that these comments contribute to the process of improving this important initiative. We have highlighted uncertainties/concerns that we would like to see clarified in the final policy and advise that once the MRFF is active, Federation University Australia would welcome the opportunity to be involved in the establishment of research priorities and strategies to help optimise the outcomes of this program and to properly plan the administration of our own research programs.

Thank you for the opportunity to contribute to this discussion.

Yours sincerely,

Professor David Battersby
Vice-Chancellor and President