

Welcome to the last Research Matters for 2018. It has been another big year in policy for health and medical research, and with next year an election year the pace will not let up. While we are fortunate that HMR enjoys support from across the political spectrum there are differences in emphasis and approach that have implications how research is rounded, who is funded to do it, and the types of programs that are funded.

We look forward to keeping you informed in 2019, and are keen to hear from you about what you think the research priorities should be.

To contribute or discuss, please email Greg Mullins, Head of Policy ([greg.mullins@researchaustralia.org](mailto:greg.mullins@researchaustralia.org)), or phone (03) 9662 9420.

This communication features important information on:

1. **Research Funding, including MRFF**
2. **Public Data**
3. **TGA**
4. **Charities**
5. **R&D**
6. **Senate Inquiries**
7. **Submissions and Consultations**

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## 1) Research Funding

### New MRFF Priorities

The new MRFF Priorities were released on 8 November. There are 12 Priorities across the existing six Strategic Platforms.

The new Priorities do not apply to existing initiatives that have been 'committed' and are being funded over the next few years.

### MRFF Frontiers Program

On 6 December the Minister for Health, the Hon Greg Hunt MP, joined Research Australia CEO Nadia Levin in announcing that Stage 1 of the MRFF Frontiers Program is now accepting applications for collaborations to explore bold and innovative ideas in the health and medical research sector and/or make discoveries of great potential and global impact - in other words, a Frontier outcome.



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Stage One supports the development of a detailed research and implementation plan that will form the basis of a Stage Two application. The research plan will cover up to five years of activity to take an idea from concept to outcome. It must demonstrate how the idea is novel and transformative, and how it will bring together multi-disciplinary research and industry partners to transform the idea into practical benefit for Australia.

The Stage One grant opportunity will fund up to ten projects. For this Stage One grant opportunity, up to \$10 million is available. The minimum grant amount is \$250,000. The maximum grant amount is \$1 million.

Further information on how to apply is available here: <http://www.business.gov.au/fhmr>.

## Inquiry into funding Australia's research

The House Standing Committee on Education, Employment and Training tabled the report of its Inquiry into the efficiency, effectiveness and coherency of Australian Government funding for research on 26 November.

The Committee, which did not directly consider NHMRC funding, has made 15 recommendations. Some of the more notable are:

- a single online system for all Commonwealth grant applications and post award management
- two stage application processes
- retain and strengthen peer review
- review the administration of research block grants to provide more timely and adequate support for the indirect costs of research.
- review ERA and EIA to reduce administrative burden and cost.

The report is available [by clicking here](#).

## HERDC and MRFF grants

The *Draft 2019 HERDC Specifications for the collection of 2018 data* categorise MRFF competitive grants as Category 1 funding. If retained in the final version of the specification, this means that MRFF grants to universities will attract the same level of support for indirect research costs as those from the NHMRC and ARC.

While this is a welcome development, and one Research Australia has been advocating for, it is important the pool of funding for the Research Support Program is increased proportionally to reflect the larger pool of grants to which the RSP now relates.

## Pre-Budget Submission

Research Australia is currently awaiting the annual call from the Australian Treasurer for Pre-Budget submissions. Preliminary work on the submission has been undertaken with the following key topics identified:

- continue to fully capitalise the MRFF
- reverse the real decline in NHMRC and ARC funding
- reform the funding of indirect research costs
- commit the funding needed to implement the ISA 2030 Report's recommendations
- fund an ongoing program to improve Australians' digital health literacy.

We really welcome and encourage your input for the Pre-Budget submission as your voice for the big picture issues that affect and impact on our sector. If you have any data or case studies that could further strengthen the calls for investment and funding, please share them with us.

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## 2) Public Data

### Data Sharing and Release

The Department of Prime Minister and Cabinet (DPMC) has been consulting on proposed Data Sharing and Release legislation.

Research Australia participated in a roundtable on the draft legislation and consulted with members before we provided a submission that proposed improving the role of the National Data Commissioner (NDC) and explored different options for the accreditation of trusted users.

As a result of the latest consultation changes will be made to the Purpose Test, which will address concerns Research Australia raised around the public benefit test to determine access to data for research purposes.

Draft legislation is now not expected until early to mid 2019, at which stage there will be further consultation. We will keep you up to date with the next steps.

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## 3) TGA

### Therapeutic Goods Advertising Code 2018

Due to commence on 1 January 2019, the Draft Therapeutic Goods Advertising Code emphasises the importance of truthfulness and accuracy in all claims made in advertising for medicines, and the need for advertising to support consumers' informed decision making.

The TGA developed draft guidance to assist with the interpretation of the new Code, and released it for consultation. The Guidance discussed 'puffery', a claim so exaggerated that no reasonable person could take it seriously, and suggested that puffery may be permissible in the advertising of medicines.

Research Australia argued that that puffery should not be permitted in the advertising of medicines; it is both inconsistent with the Code and the low levels and wide variability of health literacy in Australia. Some vulnerable consumers can be misled and unduly influenced by exaggerated claims that would be dismissed by most consumers as unbelievable and just 'marketing'.

The TGA has now responded; both the Code and the Guidance have been revised, and puffery is no longer permitted.

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## 4) Charities

### Revised Electoral Act amendments remove red tape for charities

Research Australia's submission to the initial draft of the Electoral Legislation Amendment (Electoral Funding and Disclosure Reform) Bill 2017, in January 2018, highlighted that the Bill would have a disproportionate and unintended impact on the not for profit sector, including many health and medical research organisations.

We called for the Bill to be amended to avoid these unintended consequences, and this outcome has been achieved with the latest proposed amendments, which were passed by Parliament on 27 November.

The health and medical research sector is regularly invited to respond to reviews and consultations by Government departments and agencies and to Parliamentary inquiries. These activities will not fall within the new definition of electoral matter or the associated definition of electoral expenditure, effectively resolving our concerns with the previous iteration of the Bill.

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## 5) R&D

### R&D Tax Incentive

In the 2018 Budget, the Government announced changes to the R&D Tax Incentive, which include a reduction in the rate and a cap on the refundable component of the R&D Tax Incentive. Importantly, clinical trials are to be exempt from this cap, and this necessitates defining clinical trial in the tax legislation.

The Government introduced legislation into the House of Representatives, and it is the subject of a Senate Committee Inquiry. Research Australia's submission to the Inquiry recommended a number of changes, including that the rate of the R&D Tax Incentive for small companies not be reduced, and opposing the intensity measure for large companies.

The Committee was due to report to the Senate by 3 December, but the reporting date has been extended to 11 February, 2019.

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## 6) Senate Inquiries

The last sitting week of December has seen the release of reports from two Senate Inquiries conducted earlier in the year, to which Research Australia made submissions.

### Mental Health Services in Rural and Remote Australia

The Report of the Community Affairs References Committee's Inquiry into the Accessibility and Quality of Rural and Remote Health Services was released on 4 December.

The Committee received many submissions, including from researchers and from Research Australia. While the report does not make any recommendations for further specific research, it does

acknowledge the need for better evidence based practice and to better tailor services to the needs of local communities in rural and remote Australia. Key recommendations include that the National Mental Health Commission develop a specific rural and remote mental health strategy.

## Stillbirth Research and Education

The report of the Senate Select Committee on Stillbirth Research and Education was also released on 4 December.

The overarching recommendation is for a National Stillbirth Action Plan with a target of reducing stillbirths by 20% over three years. The Plan incorporates many of the Report's following more specific recommendations:

- improved national data collection on perinatal mortality and better data linkage;
- A 10 year national research strategy including research priorities for stillbirth;
- Longer term funding from the NHMRC and MRFF;
- MRFF funded national biobank for stillbirth placenta;
- New national guidelines, protocols, awareness campaigns and education materials.

The Government's immediate response includes convening a roundtable to develop a National Action and Implementation Plan. In part this plan will set the priorities for a \$3 million research program to be funded by the MRFF. There is also \$3 million for stillbirth education and awareness programs.

The ALP has also pledged support and funding.

## Rare Disease

At the Rare Voices Conference in November, the Health Minister announced initial funding to Rare Voices to develop a National Rare Disease Framework. The peak body for rare disease groups, Rare Voices has been advocating for such a Framework for many years, with support from the broader research community, including Research Australia. We have welcomed this development and look forward to working with Rare Voices and the HMR community on the development of the Plan.

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## 7) Research Australia's latest submissions

Keep up to date with policy announcements affecting our sector. Research Australia's website is regularly updated with information about [current consultations](#) and [latest submissions](#).